2025 Annual Report

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

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-37990

CYPHERPUNK TECHNOLOGIES INC.
(Exact name of registrant as specified in its charter)

Delaware	**27-4412575**
State or other jurisdiction of incorporation or organization	(I.R.S. Employer Identification No.)
47 Thorndike Street, Suite B1-1 Cambridge, MA (Address of principal executive offices)	**02141** (Zip Code)

Registrant's telephone number, including area code **(617) 714-0360**

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.001	CYPH	Nasdaq Capital Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☒	Smaller reporting company ☒ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).Yes ☐ No ☒

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant, computed based on the closing price for such stock as reported on the Nasdaq Capital Market on June 30, 2025, the last business day of the registrant's most recently completed second quarter, was approximately: $12.1 million.

As of March 11, 2026, there were 89,979,619 outstanding shares of the registrant's common stock, par value $0.001 per share, which is the only outstanding class of common stock of the registrant.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the registrant's definitive proxy statement for its 2026 Annual Meeting of Stockholders, which is expected to be filed with the Securities and Exchange Commission not later than 120 days after the end of the registrant's fiscal year ended December 31, 2025, are incorporated by reference into Part III, Items 10-14 of this Annual Report on Form 10-K. With the exception of the portions of the registrant's definitive proxy statement for its 2026 Annual Meeting of Stockholders that are expressly incorporated by reference into this Annual Report on Form 10-K, such proxy statement shall not be deemed filed as part of this Annual Report on Form 10-K.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INDUSTRY DATA

This Annual Report on Form 10-K (the "Annual Report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which reflect our current views with respect to, among other things, our operations and financial performance. Such statements are based upon our current plans, estimates and expectations that are subject to various risks and uncertainties that could cause actual results to differ materially from such statements. The inclusion of forward-looking statements should not be regarded as a representation that such plans, estimates and expectations will be achieved. Words such as "anticipate," "expect," "project," "intend," "believe," "may," "will," "should," "plan," "could," "continue," "target," "contemplate," "estimate," "forecast," "guidance," "predict," "possible," "potential," "pursue," "likely," and words and terms of similar substance used in connection with any discussion of future plans, actions or events identify forward-looking statements.

All statements, other than historical facts, including statements regarding estimations of projected cash runway; our future product development plans; the potential, safety, efficacy, and regulatory and clinical progress of our product candidates, including the anticipated timing for initiation of clinical trials and release of clinical trial data and the expectations surrounding potential regulatory submissions, approvals and timing thereof; and any assumptions underlying any of the foregoing, are forward-looking statements. In addition, forward-looking statements address various matters including statements relating to the assets held or to be held by the Company, the expected future market, price and liquidity of the digital assets the Company owns or acquires, the macro, regulatory, and political conditions surrounding digital assets, the Company's plan for value creation and strategic advantages, market size and growth opportunities, competitive position and the interest of other public or private business entities engaged in similar strategies, technological and market trends, and future financial condition and performance.

With respect to our biotechnology operations, important factors that could cause actual results to differ materially from our plans, estimates or expectations could include, but are not limited to: (i) our ability and plan to develop and commercialize sirexatamab (DKN-01) and our other programs; (ii) status, timing and results of our preclinical studies and clinical trials; (iii) the potential benefits of sirexatamab and our other programs; (iv) the timing of our development programs and seeking regulatory approval of sirexatamab and our other programs; (v) our ability to obtain and maintain regulatory approval; (vi) our estimates of expenses and future revenues and profitability; (vii) our estimates regarding our capital requirements and our needs for additional financing; (viii) our estimates of the size of the potential markets for sirexatamab and our other programs; (ix) the benefits to be derived from any collaborations, license agreements, or other acquisition efforts; (x) sources of revenues and anticipated revenues, including contributions from any collaborations or license agreements for the development and commercialization of products; (xi) the rate and degree of market acceptance of sirexatamab or our other products; (xii) the success of other competing therapies that may become available; (xiii) the manufacturing capacity for our products; (xiv) our intellectual property position; and (xv) our ability to maintain and protect our intellectual property rights.

Additional risks and uncertainties include, among others, the risk that the Company fails to realize the anticipated benefits of the digital asset treasury strategy; changes in business, market, financial, political and regulatory conditions; risks relating to the Company's operations and business, including the highly volatile nature of the price of digital assets; the risk that the price of the Company's Common Stock may be highly correlated to the price of the digital assets that it holds, which may be highly volatile; risks related to increased competition in the industries in which the Company operates or may operate in the future, including competition from the emergence or growth of digital assets other than those which we include as part of our digital asset treasury strategy; risks relating to significant legal, commercial, regulatory and technical uncertainty regarding digital assets generally; and risks relating to the treatment of crypto assets for U.S. and foreign tax purposes.

Our business is further subject to additional risks and uncertainties, including our ability to comply with the continued listing requirements of the Nasdaq Capital Market ("Nasdaq"); our results of operations, financial condition, liquidity, prospects and growth strategies; geopolitical and macroeconomic factors, including but not limited to our ability to access the capital markets, the effects of inflation and interest rate factors, as well as fluctuations in the market price of our traded securities and the cryptocurrency markets.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics and industry change, and depend on economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Annual Report, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this Annual Report. In addition, even if our results of operations, financial condition and liquidity, and events in the industry in which we operate are consistent with the forward-looking statements contained in this Annual Report, they may not be predictive of results or developments in future periods. You should carefully and completely read this Annual Report and the documents that we have filed as exhibits to this Annual Report.

You should refer to Item 1A, Risk Factors in this Annual Report for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this Annual Report will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified timeframe, or at all. Any forward-looking statement that we make in this Annual Report speaks only as of the date of such statement, and, except to the extent required by applicable law, we undertake no obligation to update such statements to reflect events or circumstances after the date of this Annual Report or to reflect the occurrence of unanticipated events. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this Annual Report. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

Sirexatamab (DKN-01) is an investigational drug undergoing clinical development and has not been approved by the U.S. Food and Drug Administration (the "FDA"), nor has it been submitted to the FDA for approval. Sirexatamab has not been, and may never be, approved by any regulatory agency or marketed anywhere in the world. Statements contained in this Annual Report should not be deemed to be promotional.

We obtained the industry, market and competitive position data in this Annual Report from our own internal estimates and research as well as from industry and general publications and research surveys and studies conducted by third parties. Such industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. We believe this data is accurate in all material respects as of the date of this Annual Report.

INTRODUCTORY COMMENT

References to Cypherpunk and Leap

On November 12, 2025, we filed a Charter Amendment with the Secretary of State of the State of Delaware changing the Company's name from "Leap Therapeutics, Inc." to "Cypherpunk Technologies Inc.". In connection with the name change, the Company formed a new wholly-owned subsidiary, named "Leap Therapeutics, Inc.", which conducts the biotechnology operations of the Company.

Throughout this Annual Report on Form 10-K, the "Company," "Cypherpunk", "Cypherpunk Technologies", "we," "us," and "our," except where the context requires otherwise, refer to Cypherpunk Technologies Inc. and its consolidated subsidiaries, and, except where the context requires otherwise, "Board of Directors" refers to the board of directors of Cypherpunk Technologies Inc. References to "Leap" and "Leap Therapeutics" refer to Leap Therapeutics, Inc., and may include drug development activities that took place prior to Leap's incorporation on November 12, 2025. For purposes of clarity and differentiation between the two business strategies, we may refer to "Cypherpunk" when discussing the privacy technology and digital asset treasury business and to "Leap" when discussing the cancer drug development business.

PART I

Item 1. BUSINESS

Corporate Information

We were incorporated in the state of Delaware on January 3, 2011. Our wholly owned subsidiaries as of December 31, 2025 include HealthCare Pharmaceuticals Pty Ltd. ("HCP Australia"), Leap Securities Corp., Flame Biosciences LLC, and Leap Therapeutics, Inc. ("Leap").

Prior to October 2025, we devoted substantially all of our resources to development efforts related to biomarker-targeted antibody therapies designed to treat patients with cancer. Our clinical stage program is sirexatamab (DKN-01), a monoclonal antibody that inhibits Dickkopf-related protein 1, or DKK1, for the treatment of colorectal cancer patients. We also have a preclinical antibody program, FL-501, that is designed to treat cachexia-related indications.

In October 2025, we announced a $58.88 million private placement, led by Winklevoss Capital, and the intent to initiate a digital asset treasury strategy. Immediately following the financing, we initiated a strategy to deploy a portion of our capital raised that is not required to provide working capital for our ongoing operations to accumulate digital assets, focused on Zcash. Zcash is a protocol and blockchain network of connected devices all over the world, working together to validate transactions and maintain the Zcash ledger. ZEC is the monetary unit, or coin, of Zcash. Zcash allows for transactional privacy, providing users with options for fully shielded transactions in which the sender, recipient, and amount are encrypted.

On November 12, 2025, we changed our name from "Leap Therapeutics, Inc." to "Cypherpunk Technologies Inc." and changed our trading symbol from "LPTX" to "CYPH". We were renamed to Cypherpunk to reflect the strategic focus on acquiring ZEC, participating in the development of Zcash, and the values of privacy and liberty. Our ongoing biotechnology research and development operations are conducted under a wholly-owned subsidiary named "Leap Therapeutics, Inc.".

We are a privacy technology company implementing a digital asset treasury strategy anchored by Zcash and, through our subsidiary Leap, are developing novel therapies for patients with cancer.

Overview of Cypherpunk

Cypherpunk is a privacy technology company. Our mission is to advance technologies that guarantee privacy for all humans on the internet. Our vision is a future where technology defends self-sovereignty and secures human freedom.

We are not a typical digital asset treasury company. While we hold digital assets as part of our strategy, our core business is identifying, developing, investing in, and, where appropriate, acquiring or building privacy-enhancing technologies. Our initial and primary focus is the Zcash ecosystem, which we believe represents the most mature implementation of private digital money. Over time, we intend to assemble a portfolio of complementary privacy technologies that, together, are designed to secure privacy for individuals across the digital economy.

We believe that privacy is a precondition for the meaningful exercise of individual freedoms, including freedom of speech, thought, and association. As digital systems expand and personal data generation accelerates, we believe demand for privacy-preserving infrastructure will grow and that the companies and protocols best positioned to provide it will capture significant long-term value.

There are public companies focused on delivery, social networking, search, payments, and entertainment, among other sectors. To our knowledge, there is no publicly traded company whose core mission is the advancement of privacy technology. We intend to fill that gap. Our strategy is to combine disciplined capital allocation with active investment in privacy infrastructure, positioning the Company to benefit from what we believe is a structural increase in global demand for privacy-preserving technologies as digital surveillance capabilities expand and the volume of personal data generated continues to grow.

Privacy Strategy

We are focused on identifying, developing, and investing in privacy-enhancing technologies that address the growing global demand for data protection, digital autonomy, and secure communications. We believe that privacy is an increasingly vital component of the digital economy and that technologies enabling responsible data protection, user control, and cryptographic security will play a critical role in future digital infrastructure. We intend to execute a broad corporate strategy designed to make Cypherpunk a globally recognized leader in the privacy field.

We believe that demand for privacy-enhancing technologies will increase as digital systems expand and data generation accelerates. Our objective is to position Cypherpunk as a disciplined capital allocator and strategic partner in this sector, supporting innovation while maintaining a focus on sustainable value creation and risk management.

Zcash Overview

Zcash is a cryptographic digital asset that operates on a decentralized, open-source blockchain network known as the Zcash Network. The network consists of a distributed group of independent computers that collectively maintain and validate a shared transaction ledger. No central authority owns, controls, or operates the Zcash Network; instead, its infrastructure and rules are maintained through consensus among network participants.

Transactions on the Zcash Network are recorded on a publicly accessible blockchain. ZEC functions as the native unit of value on the network and may be used to transfer value between users, pay transaction fees, or facilitate exchange for fiat currencies or other digital assets through trading platforms or private transactions.

Zcash was launched in 2016 using a modified version of the Bitcoin codebase, with a fixed maximum supply of 21 million coins. Its distinguishing technical feature is the use of zero-knowledge proofs (zk-SNARKs), which allow transactions to be validated by the network without revealing the sender, receiver, or transaction amount. This cryptographic approach has been adopted or referenced by other blockchain projects, including Ethereum and Solana. The Zcash protocol has undergone several upgrades since launch, including the introduction of Halo 2, a recursive proof system that eliminates the need for trusted setup ceremonies. Since inception, Zcash has processed tens of millions of transactions and has generally ranked among the larger privacy-focused digital assets by market capitalization.

Privacy-Preserving Transaction Features

Zcash was developed to advance blockchain technology. A core feature of the Zcash Network is optional privacy: the protocol supports both transparent transfers, which disclose transaction data in a manner similar to many other blockchains like Bitcoin, and privacy-preserving transfers that allow users to selectively disclose information associated with a transaction.

Privacy on Zcash is enabled through zero-knowledge cryptography which can conceal transaction amounts and counterparties while still permitting network validation. Transactions using these privacy features are commonly referred to as “shielded” transactions. As of December 31, 2025 approximately 31% of all ZEC was shielded. Since the launch of the Zcash Network in 2016, the amount of shielded ZEC has been consistently growing suggestive of utility and adoption of Zcash’s advantage to other blockchain networks without enhanced privacy, such as Bitcoin.

Zcash History, Network Development, and Governance

Zcash was launched on October 28, 2016 by scientists, advisers, and engineers affiliated with Electric Coin Company (“ECC”) (formerly the Zcash Company) as a new blockchain network based on the Bitcoin codebase but designed with enhanced privacy functionality. Rather than created through a true network fork, Zcash was independently launched using a modified version of Bitcoin’s underlying software architecture. As a result, ownership of bitcoin did not confer ownership of ZEC at the time of launch.

From its launch through early 2026, ECC played a significant role in supporting protocol research and development, including advancing scalability and usability improvements and contributing to upgrades that became part of the primary Zcash client implementation. This development model was broadly comparable to the role played by core developer communities in other open-source blockchain ecosystems, although ultimate adoption of changes depended on the decentralized network.

Ongoing development of the Zcash protocol is supported by a combination of open-source contributors and organizations that propose, review, and implement software updates. Changes to the protocol are adopted only if accepted by the broader network, and participants may choose whether to implement proposed upgrades. The protocol has been upgraded over time to improve the usability, efficiency, and security of shielded transactions.

In January 2026, all employees of ECC resigned from their positions following a governance dispute with the board of Bootstrap, the nonprofit organization that had overseen ECC. The former ECC team, led by former CEO Josh Swihart, subsequently announced the formation of a new company, Zcash Open Development Lab (ZODL) to continue Zcash protocol development. In connection with this transition, the Bootstrap board authorized the transfer of the Zashi wallet technology and related intellectual property to the new entity, and announced an orderly wind-down of ECC. Certain digital assets, including the Z.cash domain and the official Zcash social media accounts, were transferred to the Zcash Foundation.

In February 2026, ZODL released an update to the Zashi wallet and renamed the wallet Zodl. ZODL aims to make Zcash easier to use, with continued development of the wallet as well as supporting Zcash at the protocol level. We believe that Zodl represents critical privacy infrastructure and will support the adoption of Zcash and demand for ZEC.

On March 9, 2026, ZODL announced a financing of over $25 million with investments from a16z, Winklevoss Capital, Coinbase, Paradigm, Chapter One, David Friedberg, Balaji Srinivasan, and others. We invested $5 million in ZODL as part of our commitment to the Zcash ecosystem and the team with the leading Zcash wallet and development expertise.

Zcash Decentralization and Mining

Zcash functions on a distributed network architecture that allows participants to transact directly without reliance on centralized authorization, clearing entities, or custodial intermediaries. The issuance of ZEC and the validation of transactions are governed by protocol-defined rules embedded in the network software rather than by discretionary actions of any organization. No single entity controls or operates the Zcash Network. Prices for ZEC are not fixed or managed by any party and instead emerge from trading activity across digital asset marketplaces and from negotiated transactions between counterparties.

Transaction integrity on the Zcash Network is maintained through a computational consensus process in which independent participants, known as miners, compete to confirm transfers and record them in sequential data structures, known as blocks. These blocks collectively form the Zcash blockchain, which serves as a continuously updated record of confirmed network activity.

To generate a block, miners compete by performing computational work defined by the protocol, selecting unconfirmed transactions and proposing a valid block for network acceptance. Transaction data is propagated across the network, evaluated under consensus rules, and permanently recorded once accepted. Only one miner succeeds in adding each block, and the protocol dynamically adjusts mining difficulty to maintain consistent block timing as total network hash power fluctuates. Miners are economically incentivized through protocol-defined rewards, consisting of newly issued ZEC and transaction fees associated with the transactions included in a block. New blocks are produced at an average interval of approximately 1.25 minutes, with block rewards allocated probabilistically based on the relative computing power contributed by individual miners or mining pools.

Once validated by network nodes, the block is appended to the blockchain, and the associated reward is issued to the successful miner. This process governs transaction finality and represents the sole mechanism through which new ZEC is introduced into circulation.

ZEC Transactions

The Zcash Network accommodates both standard transactions that disclose details on the blockchain and privacy-focused transactions that limit public visibility of transaction information. Users who interact directly with the network typically do so through a “wallet”, which generates cryptographic credentials and enables the sending and receipt of ZEC. Each wallet is controlled by private keys, and possession of the relevant private key is required to authorize transfers; loss or compromise of those keys may result in permanent loss of access to the associated ZEC.

Privacy-enabled Zcash transfers employ zero-knowledge cryptographic methods which allow transactions to be validated without revealing transaction amounts or counterparties. These mechanisms enable the network to confirm authorization and prevent double spending while preserving confidentiality. In addition to on-chain transfers, some ZEC ownership changes occur off-chain, such as internal ledger movements within exchanges or custodial platforms. Because these off-chain activities are not recorded on the blockchain, they are not protected by the protocol's consensus mechanisms and may expose participants to additional counterparty and operational risks.

Maximum Supply and Halving Schedule

The Zcash protocol establishes a fixed maximum supply of 21 million ZEC, which are introduced into circulation over time through block rewards. New ZEC is issued as part of the mining process at regular intervals. The block subsidy is reduced by 50% at predetermined intervals, commonly referred to as "halvings," which occur based on block height rather than calendar date and are designed to slow the rate of new issuance over time.

Since its launch, Zcash has undergone multiple halving events. The first occurred in November 2020, reducing the block reward from 6.25 ZEC to 3.125 ZEC. The second halving occurred in November 2024, further reducing the block reward to 1.5625 ZEC. Future halvings are expected to occur at approximately four-year intervals thereafter based on the current network hash rate, with each event continuing to reduce the rate of new ZEC issuance until the maximum supply is reached.

Trading ZEC

The market price of ZEC is determined by supply and demand for ZEC among buyers and sellers and the overall utility of the Zcash Network, and is typically quoted in fiat currencies or relative to other digital assets on trading platforms. Centralized exchanges generally publish real-time pricing and volume data that serve as common market reference points. ZEC may also be traded through over-the-counter arrangements or private transactions, which are typically less transparent than exchange-based trading.

As of December 31, 2025, the following exchanges have been registered as money services businesses with FinCEN, and have state money transmitter licensing: Coinbase, Kraken, Binance.US, and Gemini Space Station, which is an affiliate of our largest stockholder, Winklevoss Capital. However, there are several additional exchanges that trade ZEC including: KuCoin, Binance (Global), OKX, Bitget and Gate.io.

Our ZEC Digital Asset Treasury Holdings

Our investment thesis for ZEC rests on two premises. First, Zcash is built on the same sound monetary principles as Bitcoin: a fixed supply of 21 million coins, open-source development, and decentralized consensus, but adds privacy-preserving transaction capabilities through zero-knowledge cryptography. We view Bitcoin as a store of value and Zcash as private digital money: one protects value across time, the other protects privacy in daily transactions. Second, we believe that the market has not yet priced in the growing structural demand for financial privacy. Transaction data reveals patterns of life: location, associations, habits, and financial capacity. As data collection and surveillance capabilities expand, we expect demand for privacy-preserving financial infrastructure to increase. Zcash, as the most technically mature privacy-preserving blockchain with a fixed monetary supply, is, in our view, well-positioned to capture a meaningful share of that demand.

As of March 11, 2026, we held a total of 294,743.10 ZEC, at an average purchase price of $335.89, representing approximately 1.76% of the total circulating supply of the Zcash Network. Our stated objective is to accumulate holdings representing at least 5% of the total circulating supply over time. This objective is subject to change, and we may suspend, reduce, or modify acquisition activity at any time based on our assessment of market conditions, capital availability, and strategic priorities.

Competition Related to our Cypherpunk Business

The privacy technology, cryptocurrency, and digital asset treasury industries are characterized by continuing technological advancement and significant competition. Our digital asset treasury strategy involves, from time to time and subject to market conditions, acquiring ZEC using proceeds from offerings of equity securities or other capital raising transactions. While we believe that our focus on privacy technologies and the Zcash Network provides us with competitive advantages, we compete for capital with, among others: Exchange Traded Products, such as Grayscale Zcash Trust; other digital assets with a larger market value than ZEC, such as bitcoin; digital asset treasury companies focused on other digital assets, such as Strategy Inc.; miners; digital asset exchanges that sell ZEC directly to investors; traditional financial firms that have entered into the digital assets market; and other entities that pursue strategies to accumulate or gain exposure to digital assets. In addition, numerous venture capital firms have established investment strategies around privacy technologies and digital assets, including a16z crypto. Many of the entities against which we may compete for capital or for investment in or development of privacy technologies have significantly greater financial resources and expertise than we do. This competition could adversely affect the availability and cost of capital for our ZEC purchases and our privacy technology strategy, and thereby could affect the market price of our securities.

Government Regulation Related to our Cypherpunk Business

The U.S. Congress and a number of U.S. federal and state agencies (including FinCEN, the Treasury Department Office of Foreign Assets Control ("OFAC"), SEC, CFTC, the Financial Industry Regulatory Authority ("FINRA"), the Consumer Financial Protection Bureau ("CFPB"), the Department of Justice, the Department of Homeland Security, the Federal Bureau of Investigation, the U.S. Internal Revenue Service, a bureau of the U.S. Department of the Treasury (the "IRS"), the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Federal Reserve and state financial institution and securities regulators) have been examining, among other issues: digital asset market structure and regulation, and a bill known as the Digital Assset Market Clarity Act of 2025 is currently under consideration in Congress; and the operations of digital asset networks and digital asset users, with particular focus on the extent to which digital assets can be used to launder the proceeds of illegal activities, evade sanctions or fund criminal or terrorist enterprises and the safety and soundness of trading platforms and other service providers that hold or custody digital assets for users.

Various foreign jurisdictions have, and may continue to, in the near future, adopt laws, regulations or directives that affect the Zcash Network and its users. For example, beginning on July 1, 2027, regulations in the European Union will prohibit transactions involving anonymous wallets and privacy-focused digital assets such as ZEC. There remains significant uncertainty regarding foreign governments' future actions with respect to the regulation of digital assets, particularly digital assets with privacy features such as Zcash. Such laws, regulations or directives may conflict with those of the United States and may negatively impact the acceptance of ZEC by users, merchants, and service providers outside the United States and may therefore impede the growth or sustainability of the Zcash ecosystem in the United States and globally, or otherwise negatively affect the value of the ZEC that we hold in our treasury.

Drug Development Through Our Leap Therapeutics Subsidiary

Our subsidiary, Leap, is a biopharmaceutical company developing novel biomarker-targeted antibody therapies designed to treat patients with cancer and other diseases with high unmet medical need. Our lead program is sirexatamab (DKN-01), a monoclonal antibody that inhibits Dickkopf-related protein 1 ("DKK1"). We recently completed a Phase 2 study of sirexatamab in patients with colorectal cancer. We also have a preclinical program to develop a monoclonal antibody inhibiting the GDF-15 protein, known as FL-501. FL-501 has potential to treat patients with a broad variety of difficult-to-treat diseases such as: cancer cachexia, hyperemesis gravidarum and pregnancy-related nausea and vomiting, and many others associated with aging and frailty.

Market Opportunity

Colorectal Cancer

Colorectal cancer ("CRC"), is the third most frequent cancer globally and the second leading cause of death. According to the World Health Organization ("WHO"), there will be over 2.3 million new cases of CRC in 2030, with nearly 1.1 million deaths. CRC includes colon cancer (64%), rectal cancers (29.4%), and anal cancer (6.6%). According to the American Cancer Society ("ACS"), in the United States, there will be 158,850 newly diagnosed cases of CRC and 55,230 estimated deaths from CRC.

When the symptoms of CRC appear, such as rectal bleeding, anemia, or abdominal pain, most patients are already in the advanced stage where cancers are aggressive, malignant, and metastatic. Mutations in the pathways modulated by DKK1, such as APC, and activation of the Wnt pathway are highly prevalent in CRC patients. For patients who have microsatellite stable ("MSS") colorectal cancer, and who do not have a specific mutation that can be targeted with approved therapies, outcomes are extremely poor for patients who have progressed on first-line therapy. A clinical trial of the antibody bevacizumab in combination with chemotherapy generated a response rate of approximately 5% and PFS of 5.7 months in second-line patients.

Our Product and Clinical Studies

Sirexatamab (DKN-01)

DKK1 is a cell secreted protein that research has found plays a crucial role in embryonic development. DKK1 binds to specific cell surface receptors and affects the signaling of key cellular pathways, known as the canonical and non-canonical Wnt signaling pathways. DKK1 serves as one of the inhibitors of the canonical Wnt signaling pathway and modulates the non-canonical Wnt signaling pathways. DKK1 is also a modulator of CKAP4/PI3K/AKT signaling. Changes in these pathways can lead to the expression of several cancer causing genes and factors associated with cell growth, angiogenesis, and metastasis. DKK1 also has a role in suppressing the immune system from effectively targeting and clearing the cancer.

Published data, including from The Cancer Genome Atlas ("TCGA") and real world evidence from our collaboration with Tempus, indicate that DKK1 levels are significantly higher or have an important high DKK1 population in many cancers, including esophagogastric cancer, non-small cell lung cancer, endometrial cancer, CRC, and pancreatic cancer. In addition, elevated DKK1 is associated with worse overall survival or time to treatment discontinuation for patients with CRC and several other cancers. Researchers have shown that when the DKK1 protein is added in certain animal models, the cancer grows larger.

Sirexatamab is a high affinity, neutralizing monoclonal antibody targeting DKK1. We have shown that sirexatamab reduces free DKK1 levels and has demonstrated an anti-tumor effect in preclinical models.

The FDA granted orphan drug designation to sirexatamab for the treatment of gastric and gastroesophageal junction cancer. In addition, on September 24, 2020, the FDA granted Fast Track designation to sirexatamab in combination with tislelizumab for the treatment of patients with gastric and gastroesophageal junction adenocarcinoma whose tumors express high DKK1, following disease progression on or after prior fluoropyrimidine- and platinum- containing chemotherapy and if appropriate, human epidermal receptor growth factor (HER2)/neu-targeted therapy.

We are currently developing sirexatamab in patients with CRC and have also conducted clinical trials in patients with gastric/gastroesophageal junction cancer and with endometrial cancer.

Colorectal Cancer

Mechanism of Action and Preclinical Data

We have evaluated sirexatamab in multiple preclinical CRC models. Sirexatamab showed additive activity with 5-fluorouracil (5-FU) chemotherapy, which is commonly used in CRC patients, and in two CRC models that were resistant to 5-FU therapy. Treatment with sirexatamab can result in tumor regressions as a monotherapy and can overcome 5-FU-resistance to have further activity in combination with 5-FU chemotherapy. We believe that these 5-FU-resistant models are reflective of the second-line CRC population. We believe that sirexatamab also work through an anti-angiogenic mechanism of action, preclinical models have also shown fewer and smaller blood vessels in response to sirexatamab treatment, and an additive effect of sirexatamab in combination with bevacizumab at reducing xenograft tumor size.

DeFianCe Study –Second-Line Patients in combination with bevacizumab and chemotherapy

The DeFianCe study is a Phase 2, randomized, open-label, multicenter study of sirexatmab (DKN-01) in combination with standard of care bevacizumab and chemotherapy in patients with advanced microsatellite stable ("MSS") CRC who have received one prior systemic therapy. Part A of the study enrolled 33 patients as a single arm trial. Based on the results of these first 33 patients, the study expanded into Part B, a 188-patient randomized controlled trial against bevacizumab and standard of care chemotherapy.

Part A – Single Arm

In January 2025, we presented ORR and PFS data from Part A of DeFianCe. In the 27 response-evaluable patients, the ORR was 33% and the disease control rate ("DCR") was 93%. Of these responding patients, the median DoR experienced was 9.92 months. In the 15 patients who had never received prior bevacizumab, the ORR was 53%, the DCR was 93%, and their median PFS was 8.05 months.

Part B – Randomized Controlled Trial

In October 2025, we presented final clinical data from Part B at the European Society for Medical Oncology (ESMO) Congress 2025.

In patients with high circulating DKK1 plasma levels (upper quartile as measured by the SomaLogic SomaScan platform, n=44), the sirexatamab experimental arm has improved ORR, by both investigator-assessment ("IA") and blinded independent central review ("BICR"), PFS, and OS compared to the control arm:

	Sirexatamab Experimental Arm (n=25)	Control Arm (n=19)	
ORR by IA	44.0%	15.8%	p = 0.0149
ORR by BICR	40.0%	15.8%	p = 0.0301
Median PFS	9.36 months	5.88 months	HR 0.46, 95% CI: 0.22, 0.96 p = 0.0168
Median OS	NYR	9.49 months	HR 0.17, 95% CI: 0.05, 0.53 p < 0.001

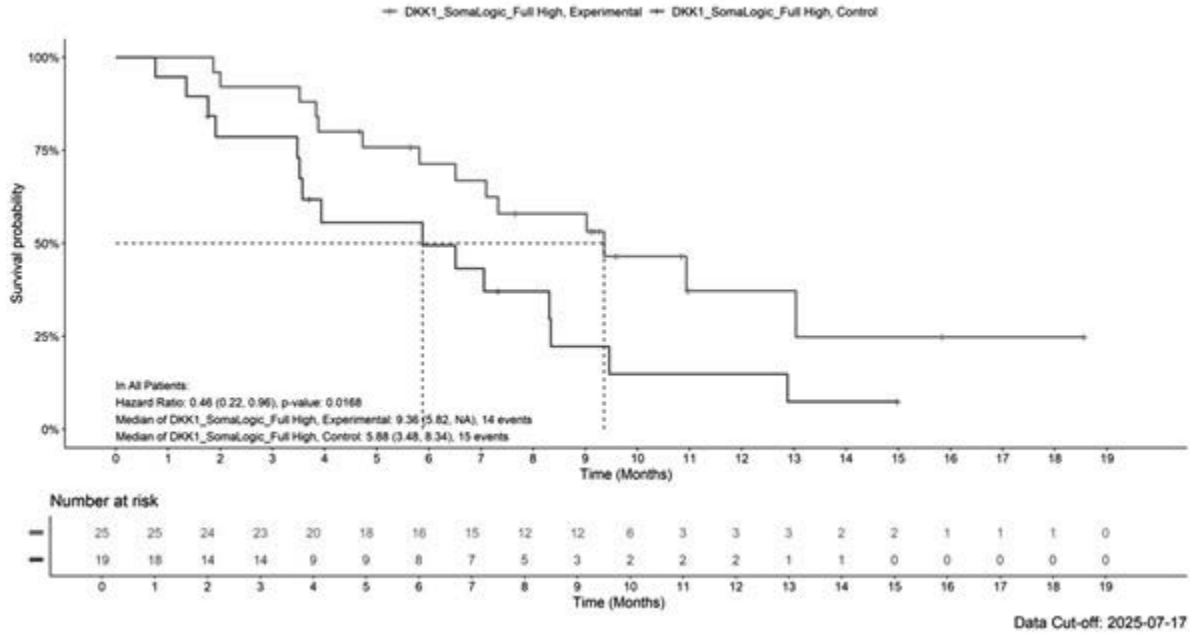

Figure 2: PFS K-M curve in DKK1-high upper quartile patients

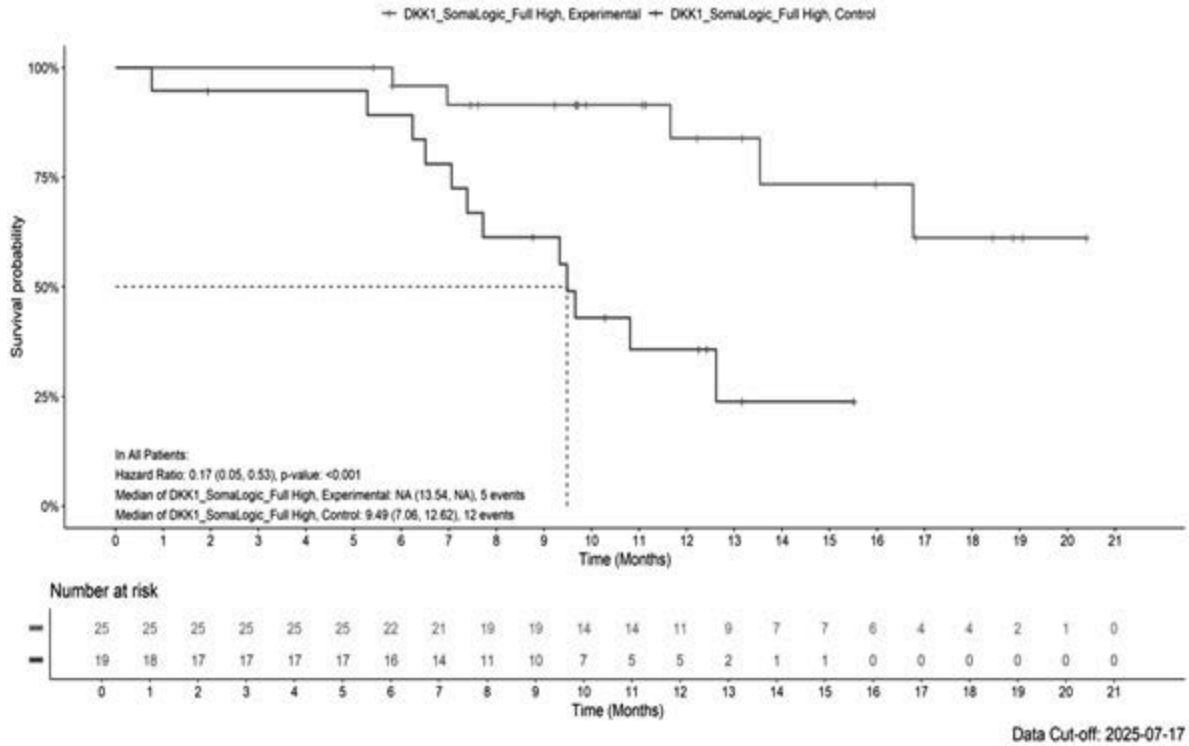

Figure 3: OS K-M curve in DKK1-high upper quartile patients

- In patients with high circulating DKK1 plasma levels (upper median as measured by the SomaLogic SomaScan platform, n=88), the sirexatamab experimental arm has improved ORR, by both IA and BICR, PFS, and OS compared to the control arm:

	Sirexatamab Experimental Arm (n=50)	Control Arm (n=38)	
ORR by IA	38.0%	23.7%	p = 0.0706
ORR by BICR	40.0%	15.8%	p = 0.0039
Median PFS	9.03 months	7.06 months	HR 0.61, 95% CI: 0.37, 1.00 p = 0.0255
Median OS	NYR	14.39 months	HR 0.42, 95% CI: 0.19, 0.91 p = 0.0118

- Across the intent-to-treat (ITT) population with second-line MSS CRC (n=188), the sirexatamab experimental arm had higher ORR and longer PFS compared to the control arm, although this did not reach the pre-defined statistical signficance:

	Sirexatamab Experimental Arm (n=94)	Control Arm (n=94)	
ORR by IA	35.1%	26.6%	p = 0.1009
ORR by BICR	33.0%	20.2%	p = 0.0203
PFS	9.2 months	8.31 months	HR 0.84 95% CI: 0.58, 1.21 p = 0.1712

DKK1 levels correlated with increasing clinical benefit in those patients receiving sirexatamab compared to patients in the control arm who had poorer outcomes and shorter survival as DKK1 levels increased.

FL-501

FL-501 is a potential best in class monoclonal antibody in preclinical development that targets growth and differentiation factor 15 (GDF15), which is a cytokine that is produced at elevated levels in response to various stresses, including chronic inflammation, obesity, cancers, and chemotherapy treatment. High GDF15 expression is associated with cachexia including loss of appetite, nausea and weight loss, and is also a validated target with a successful randomized clinical trial from Pfizer. FL-501 was engineered for higher target affinity and a longer plasma half-life compared to competing therapies. In preclinical cachexia models, FL-501 increased body weight and restored muscle mass. FL-501 is being developed through a collaboration agreement with Adimab.

Intellectual Property

We strive to protect and enhance the proprietary technology, inventions and improvements that are commercially important to our business, including seeking, maintaining and defending patent rights. We also rely on confidential know-how that may be important to the development of our business. We protect our confidential know-how as trade secrets and through confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors and others. We additionally expect to rely on regulatory protection afforded through data exclusivity as well as patent term extensions, where available.

Our commercial success may depend in part on our ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions and know-how related to our business; to defend and enforce our patents; to preserve the confidentiality of our know-how and trade secrets; and to operate without infringing on the valid and enforceable patents and proprietary rights of third parties.

Our ability to prevent third parties from making, using, selling, offering to sell or importing competing products to ours, including a competitor to sirexatamab depends on the validity, enforceability and/or scope of our patents. We have several patents and patent applications relating to sirexatamab and its therapeutic uses, and possess substantial know-how relating to the development and commercialization of sirexatamab. We are the licensee of patents and patent applications relating to sirexatamab. We cannot be sure that any of our pending patent applications or future patent filings will lead to the issuance of new patents, nor can we be sure that any of our existing patents or any patents that may be granted to us in the future will be adequate to protect our market.

We plan on pursuing in-licensing opportunities to develop, strengthen and maintain our proprietary position in our field. We expect to use trademark protection for our products as they are marketed.

Patents

We exclusively license from Eli Lilly and Company ("Lilly"), rights under 26 issued patents and 1 pending patent application, all of which belong to the same patent family. The patents and applications in this patent family are directed to the composition of matter and use of sirexatamab, and include (i) one issued U.S. Patent, (ii) issued patents in the following jurisdictions: Argentina, Australia, Brazil, Canada, China, Eurasia, Europe, Gulf Cooperation Council, India, Israel, Japan, Lebanon, Macao, Mexico, New Zealand, Pakistan, Singapore, South Africa, Taiwan, Ukraine, Hong Kong, Thailand and South Korea and (iii) a pending application in Venezuela. The base 20-year term for patents in this family would expire in 2030. The U.S. patent will expire 87 days after the base term due to patent term adjustment. Patent term extensions for delays in marketing approval may also extend the terms of patents in this family.

We own two issued U.S. Patents, granted patents in Australia, Japan, Korea, Mexico, and Israel and pending applications directed to the use of a biomarker in patients receiving DKN-01 therapy in the following jurisdictions: Brazil, Canada, Europe and Hong Kong,. The issued U.S. Patents will expire in 2037, absent any terminal disclaimer, patent term adjustment due to administrative delays by the United States Patent and Trade Office ("USPTO") or patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Act or Hatch-Waxman Amendment, and provided that all required maintenance fee payments are timely paid. The non-USPatents and any other patents that may issue in foreign jurisdictions will likewise expire in 2037, provided that all required annuities are timely paid.

We also own two additional patent families both directed to the treatment of cancer using DKN-01 in specific subpopulations of patients. In the first patent family, the patient subpopulation is defined by its DKK-1 expression level. A patent has granted in South Korea and applications are pending in the following jurisdictions: the United States of America, China, Australia, Canada, Hong Kong, Mexico, Brazil, Israel and Europe. In the second patent family, the patient subpopulation is defined as harboring a specific genetic mutation. Applications are pending in the following jurisdictions: the United States of America, South Korea, Australia, Canada, Hong Kong, Mexico, Brazil, Israel and Europe.

Any patents that may issue in the United States based on the applications in these two patent families will expire in 2040, absent any terminal disclaimers, patent term adjustment due to administrative delays at the USPTO or patent term extension under the Hatch-Waxman Act, and provided that all required maintenance fee payments are timely paid. The Korean Patent and any other patents that may issue in foreign jurisdictions will likewise expire in 2040, provided that all required annuities are timely paid.

We also own another patent family directed to the treatment of colorectal cancer using combination therapy comprising sirexatamab and additional therapeutic agents. Applications are pending in the following jurisdictions: the United States of America, China, Japan, South Korea, Australia, New Zealand, Canada, Mexico, Brazil, Hong Kong, Israel and Europe. Any patent that may issue in the United States based on the pending U.S. application will expire no earlier than 2043 absent any terminal disclaimer. Any patents issued in foreign jurisdictions will likewise expire in 2043.

We also own one pending international patent application filed under the Patent Cooperation Treaty ("PCT") directed to the treatment of colorectal cancer using combination therapy comprising sirexatamab and additional therapeutic agents in specific subpopulations of patients. The PCT is an international patent law treaty that provides a unified procedure for filing a single initial patent application to seek patent protection for an invention simultaneously in each of the member states. Although a PCT Application is not itself examined and cannot issue as a patent, it allows the applicant to seek protection in any of the member states through national phase applications. Any patents that may issue in the United States based on the PCT application will expire no earlier than 2045 absent any terminal disclaimer. Any patents issued in foreign jurisdictions will likewise expire in 2045.

We also own a pending U.S. Provisional application directed to, among other things, FL-501 (a monoclonal antibody that inhibits GDF-15). If non-Provisional patent applications (e.g., a regular U.S. application, a PCT Application or direct foreign applications) claiming the benefit of the U.S. Provisional application are filed in 2026, any patents that may issue in the United States will expire no earlier than 2046 absent any terminal disclaimer. Any patents issued in foreign jurisdictions will likewise expire in 2046.

Patent Term

The base term of a U.S. patent is 20 years from the filing date of the earliest-filed non-provisional patent application to which the patent is entitled to priority. The term of a U.S. patent can be lengthened by patent term adjustment, which compensates the owner of the patent for administrative delays at the USPTO. In some cases, the term of a U.S. patent is shortened by a terminal disclaimer that reduces its term to that of an earlier-expiring U.S. patent.

The term of a U.S. patent may be eligible for patent term extension under the Hatch-Waxman Act, to account for at least some of the time a product is under development and regulatory review after the patent is granted. With regard to a product for which FDA approval is the first permitted marketing of the active ingredient, the Hatch-Waxman Act allows for extension of protection of one U.S. patent that includes at least one claim covering the composition of matter of an FDA-approved product, an FDA-approved method of treatment using the product, and/or a method of manufacturing the FDA-approved product. The extended protection cannot exceed the shorter of five years beyond the non-extended expiration of the patent or fourteen years from the date of the FDA approval of the product. Some foreign jurisdictions, including Europe, have patent extension provisions (e.g., supplementary protection certificates), which allow for extension of the protection of a patent that covers a drug approved by the applicable foreign regulatory agency. In the future, if and when sirexatamab or any of our other products receives FDA approval, we expect to apply for patent term extension to extend the protection of one of our U.S. patents covering the product, its use, or a method of manufacturing this product. We also may pursue extensions in foreign jurisdictions where applicable.

Lilly License Agreement

On January 3, 2011, we entered into a license agreement with Lilly (the "Lilly Agreement"), pursuant to which Lilly granted us an exclusive license for certain intellectual property rights relating to pharmaceutically active compounds that may be useful in the treatment of bone healing, cancer and, potentially, other medical conditions. The license includes a right to sublicense, under certain Lilly intellectual property rights to further develop and commercialize, on a worldwide basis, pharmaceutical products containing such licensed compounds.

Pursuant to the Lilly Agreement, we granted to Lilly 65,761 shares of common stock and agreed to pay Lilly a royalty in the low single digits of net sales of a particular product in the territory during the applicable royalty term, with certain adjustments to be made to the royalty rate in connection with third person intellectual property, sales of competing products, and sales of biosimilar or generic products. We have not yet paid any royalties to Lilly pursuant to this agreement.

The royalty term, with respect to each country in which a product is sold, on a country-by-country and product-by-product basis, begins on first commercial sale of the product in the country and the later of (i) the tenth anniversary of the first date of commercial sale of the product in the country, (ii) expiration of the last-to-expire issued patent included within the patents licensed under the Lilly Agreement having a valid claim covering the sale of the product, and (iii) the expiration of any data exclusivity period for the product in the country.

The term of the Lilly Agreement began on January 3, 2011 and, unless earlier terminated pursuant to the termination provisions described below, will continue on a country-by-country basis until we have no remaining royalty or other payment obligations in a specific country. Upon expiration in a given country, the licenses granted with respect to such country shall become fully paid up, perpetual and irrevocable.

Either party may terminate the Lilly Agreement with immediate effect if the other party enters into bankruptcy or takes similar action. We may terminate the Lilly Agreement (i) at any time without cause upon ninety (90) days written notice to Lilly or (ii) upon material breach of the Lilly Agreement by Lilly upon ninety (90) days written notice to Lilly, unless Lilly cures such breach or violation during such ninety (90) day period. Lilly may terminate the agreement (i) upon our material breach of the Lilly Agreement upon ninety (90) days written notice to us, unless we cure such breach or violation during such ninety day period or (ii) if we challenge, or materially assist any third person to challenge, the validity or enforceability of the licensed intellectual property that is the subject of the Lilly Agreement upon thirty (30) days written notice to us, unless we cure such breach or violation during such thirty (30) day period.

If Lilly terminates the Lilly Agreement or if we terminate the Lilly Agreement without cause, (i) all rights under the licensed intellectual property rights will terminate and immediately and automatically revert to Lilly, (ii) any sublicense will be assigned by us to Lilly so that such sublicense becomes a direct license between Lilly and such sublicensee, (iii) subject to certain limitations, we will be required to grant to Lilly an irrevocable, non-exclusive, perpetual, fully paid up license under all patent rights developed or acquired by us during the term of the Lilly Agreement that relate to the Lilly licensed intellectual property, (iv) subject to certain limitations, we will be required to grant to Lilly an irrevocable, non-exclusive, perpetual, fully paid up license to the results of data from all preclinical and clinical studies of any compound or product covered by the Lilly Agreement, (v) subject to certain limitations, we will be required to take all steps necessary to permit Lilly to commence marketing product covered by the Lilly Agreement, and (vi) we will be required to assign or re-assign to Lilly all Lilly patents covered by the Lilly Agreement and that were assigned by Lilly to us. If we terminate the Lilly Agreement for material breach by Lilly or Lilly's bankruptcy, the licenses will remain in full force and effect and we will remain liable for the payment of all royalty obligations under the Lilly Agreement. However, in this case, we may offset against such royalties any damages that we are entitled to for breach of the Lilly Agreement by Lilly.

The Lilly Agreement also contains certain standard representations and warranties and certain standard confidentiality and indemnification provisions.

Adimab Collaboration Agreement

On August 10, 2020, we entered into a collaboration agreement with Adimab, LLC (the "Adimab Agreement"), pursuant to which Adimab will conduct research programs to develop monoclonal antibodies to certain targets identified by us and provide us with an option to acquire exclusive rights to such antibodies. Upon payment of an option fee, on a product-by-product basis, Adimab will grant us a world-wide, exclusive license for, or assign ownership to us of, certain intellectual property rights and grant us a non-exclusive license with respect to the Adimab platform technology. Each such license includes a right to sublicense. Pursuant to the Adimab Agreement, after exercising an option and making the option payment, we agreed to pay Adimab milestones upon the completion of clinical development and regulatory milestones, along with a royalty in the low-single digits of net sales of each product during the applicable royalty term, with certain adjustments to be made to the royalty rate in connection with third person intellectual property or a challenge to the royalty term. FL-501 was discovered under the Adimab Agreement and is in the evaluation phase. We have not yet paid any option payments or royalties to Adimab pursuant to this agreement.

The royalty term, with respect to each country in which a product is sold, on a country-by-country and product-by-product basis, begins on the first commercial sale of the product in the country and the later of (i) the expiration of the last-to-expire issued patent included within the patents licensed under the Adimab Agreement having a valid claim covering the sale of the product, and (ii) the twelfth anniversary of the first date of commercial sale of the product in the country.

The term of the Adimab Agreement began on August 10, 2020, and, shall, unless earlier terminated pursuant to the termination provisions described below, expire (a) in the event that no option payment is made by us on any program under the Adimab Agreement, the conclusion of the last-to-expire evaluation term or (b) in the event that an option is exercised, on a country-by-country basis until we have no remaining royalty payment obligations in a specific country. Upon expiration in a given country, the licenses granted with respect to such country shall become fully paid up, perpetual and irrevocable.

Either we or Adimab may terminate the Adimab Agreement for the material breach of this Agreement by the other Party, if such breach remains uncured ninety (90) days following notice. If the Adimab Agreement expires or terminates (other than following an option exercise after all applicable royalties have been paid), we shall not research, develop or commercialize any Adimab-related product except as if it were part of the Adimab Agreement, and we shall not grant any right or options to any third party regarding any Adimab-related product. If we have entered into any sublicense and the Adimab Agreement is terminated, then such sublicenses will survive the termination of the Adimab Agreement and become direct licenses with Adimab.

If Adimab terminates the Adimab Agreement for our uncured material breach, then we shall assign to Adimab all right, title and interest in and to the intellectual property and all data with respect to Adimab-related products, transfer cell lines and manufacturing information to Adimab, transfer all filings with regulatory authorities, and Adimab shall pay us a royalty in low single digits.

The Adimab Agreement also contains certain standard representations and warranties and certain standard confidentiality and indemnification provisions.

Competition Related to our Leap Therapeutics Business

The biotechnology and pharmaceutical industries are characterized by continuing technological advancement and significant competition. While we believe that our product candidates, technology, knowledge, experience and scientific resources provide us with competitive advantages, we face competition from major pharmaceutical and biotechnology companies, academic institutions, governmental agencies and public and private research institutions, among others. Any product candidates that we successfully develop and commercialize will compete with existing therapies and new therapies that may become available in the future. Key product features that would affect our ability to effectively compete with other therapeutics include the efficacy, safety and convenience of our products and the ease of use and effectiveness of any companion diagnostics. The level of generic competition and the availability of reimbursement from government and other third-party payors will also significantly affect the pricing and competitiveness of our products. Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market.

Many of the companies against which we may compete have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. For example, Novartis, Merck, Amgen, Pfizer, Junshi Biosciences, and Twist Biosciences are all currently developing or have previously been developing anti-DKK1 monoclonal antibodies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

Manufacturing and Distribution

We do not have, and we do not currently plan to acquire or develop, the facilities or capabilities to manufacture clinical trial material for use in human clinical trials or finished drug product for commercialization. We depend on third-party contract manufacturers ("CMOs"), for the production of clinical trial material for our studies. Our sirexatamab bulk drug substance ("DS"), is produced at our CMO, ThermoFisher Scientific, which is required to comply with the FDA's Current Good Manufacturing Practice ("cGMP") regulations. Our finished drug product is produced at a contract fill/finisher provider, which is also required to comply with cGMP regulations. We have personnel with significant technical, manufacturing, analytical, quality and project management experience to oversee our third-party CMOs and to manage manufacturing and quality data and information for regulatory compliance purposes.

We must manufacture drug product for clinical trial use in compliance with cGMP regulations. The cGMP regulations include requirements relating to organization of personnel, buildings and facilities, equipment, control of components and drug product containers and closures, production and process controls, packaging and labeling controls, holding and distribution, laboratory controls, records and reports, and returned or salvaged products. Our third-party CMOs are also subject to periodic inspections of facilities by the FDA and other authorities, including procedures and operations used in the testing and manufacture of our products to assess our compliance with applicable regulations. Failure to comply with statutory and regulatory requirements subjects a manufacturer to possible legal or regulatory action, including warning letters, the seizure or recall of products, injunctions, consent decrees placing significant restrictions on or suspending manufacturing operations and civil and criminal penalties. These actions could have a material impact on the availability of our products. CMOs often encounter difficulties involving production yields, quality control and quality assurance, as well as shortages of qualified personnel.

We have not yet established a sales, marketing or product distribution infrastructure because our lead candidates are still in clinical development. We eventually may, however, choose to build (or obtain through strategic acquisition) our own sales and marketing team to commercialize some or all of our products if they receive FDA approval and if it is in our long -term interests. We may choose to enter into distribution agreements with strategic partners with their own robust distribution channels for the United States, Europe, Japan, and other territories.

Government Regulation and Product Approval

Government authorities in the United States, at the federal, state, and local level, and in other countries, extensively regulate, among other things, the research, development, testing, approval, manufacture, packaging, storage, recordkeeping, labeling, advertising, promotion, distribution, post-approval monitoring and reporting, marketing, import, and export of biopharmaceutical products such as those we are developing. In addition, manufacturers of biopharmaceutical products participating in Medicaid and Medicare are required to comply with mandatory price reporting, discount, and rebate requirements. The processes for obtaining regulatory approvals in the United States and in foreign countries, along with subsequent compliance with applicable statutes and regulations, require the expenditure of substantial time and financial resources. The following is a summary of the primary government regulations applicable to our business.

FDA Regulation

In the United States, the FDA regulates biologics under the Federal Food, Drug, and Cosmetic Act ("FDCA"), the Public Health Services Act ("PHSA"), and their implementing regulations. Any product we may develop must be cleared by the FDA before it is marketed in the United States. The process required by the FDA before product candidates may be marketed in the United States generally involves the following:

- completion of preclinical laboratory tests, animal studies, and formulation studies in compliance with the FDA's Good Laboratory Practice ("GLP"), regulations;
- submission to the FDA of an Investigational New Drug application ("IND"), which must become effective before human clinical trials may begin;
- approval by an Institutional Review Board ("IRB"), for each clinical site, or centrally, before each trial may be initiated;
- adequate and well-controlled human clinical trials to establish the safety and efficacy of the proposed product candidates for its intended use, performed in accordance with GCPs;
- development of manufacturing processes to ensure the product candidate's identity, strength, quality, and purity;
- submission to the FDA of a Biologics License Application ("BLA");
- satisfactory completion of an FDA advisory committee review, if applicable;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the products are produced to assess compliance with cGMPs, and to assure that the facilities, methods, and controls are adequate to preserve the therapeutic's identity, strength, quality, and purity, as well as satisfactory completion of an FDA inspection of selected clinical sites and selected clinical investigators to determine GCP compliance; and
- FDA review and approval of the BLA to permit commercial marketing for particular indications for use.

Preclinical Studies and IND Submission

The testing and approval process of product candidates requires substantial time, effort, and financial resources. Satisfaction of FDA pre-market approval requirements typically takes many years and the actual time required may vary substantially based upon the type, complexity, and novelty of the product or disease. Preclinical studies include laboratory evaluation of chemistry, pharmacology, toxicity, and product formulation, as well as animal studies to assess potential safety and efficacy. Such studies must generally be conducted in accordance with the FDA's GLPs. Prior to commencing the first clinical trial with a product candidate, an IND sponsor must submit the results of the preclinical tests and preclinical literature, together with manufacturing information, analytical data, any available clinical data or literature, and proposed clinical study protocols among other things, to the FDA as part of an IND.

An IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day time period, notifies the applicant of safety concerns or questions related to one or more proposed clinical trials and places the trial on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Clinical holds also may be imposed by the FDA at any time before or during trials due to safety concerns or non-compliance. As a result, submission of an IND may not result in FDA authorization to commence a clinical trial. A separate submission to an existing IND must also be made for each successive clinical trial conducted during product development.

Clinical Trials

Clinical trials involve the administration of the investigational product to human subjects under the supervision of qualified investigators in accordance with federal regulations and GCP requirements, which include the requirements that all research subjects provide their informed consent in writing for their participation in any clinical trial, as well as review and approval of the study by an IRB. Investigators must also provide certain information to the clinical trial sponsors to allow the sponsors to make certain financial disclosures to the FDA. Clinical trials are conducted under protocols detailing, among other things, the objectives of the trial, the trial procedures, the parameters to be used in monitoring safety, the effectiveness criteria to be evaluated, and a statistical analysis plan. A protocol for each clinical trial, and any subsequent protocol amendments, must be submitted to the FDA as part of the IND. In addition, an IRB at each study site participating in the clinical trial or a central IRB must review and approve the plan for any clinical trial, informed consent forms, and communications to study subjects before a study commences at that site. An IRB considers, among other things, whether the risks to individuals participating in the trials are minimized and are reasonable in relation to anticipated benefits and whether the planned human subject protections are adequate. The IRB must continue to oversee the clinical trial while it is being conducted. Once an IND is in effect, each new clinical protocol and any amendments to the protocol must be submitted to the IND for FDA review, and to the IRB for approval. Progress reports detailing the results of the clinical trials must also be submitted at least annually to the FDA and the IRB and more frequently if serious adverse events or other significant safety information is found.

The FDA may order the temporary, or permanent, discontinuation of a clinical trial at any time, or impose other sanctions, if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial patients. An IRB may also require the clinical trial at the site to be halted, either temporarily or permanently, for failure to comply with the IRB's requirements or if the trial poses an unexpected serious harm to subjects, or may impose other conditions. We may also discontinue clinical trials as a result of risks to subjects, a lack of favorable results, or changing business priorities.

Information about certain clinical trials, including a description of the study and study results, must be submitted within specific timeframes to the National Institutes of Health for public dissemination on their clinicaltrials.gov website.

Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board or committee. This group regularly reviews accumulated data and advises the study sponsor regarding the continuing safety of trial subjects, potential trial subjects, and the continuing validity and scientific merit of the clinical trial. The data safety monitoring board receives special access to unblinded data during the clinical trial and may advise the sponsor to halt the clinical trial if it determines there is an unacceptable safety risk for subjects or on other grounds, such as no demonstration of efficacy.

The manufacture of investigational biologics for the conduct of human clinical trials is subject to cGMP requirements. Investigational biologics and active ingredients imported into the United States are also subject to regulation by the FDA relating to their labeling and distribution. Further, the export of investigational products outside of the United States is subject to regulatory requirements of the receiving country as well as U.S. export requirements under the FDCA.

In general, for purposes of BLA approval, human clinical trials are typically conducted in three sequential phases, which may overlap or be combined.

- *Phase 1* — Studies are initially conducted in healthy human volunteers or subjects with the target disease or condition and test the product candidate for safety, dosage tolerance, target engagement, mechanism of action, absorption, metabolism, distribution, and excretion. If possible, Phase 1 trials may also be used to gain an initial indication of product effectiveness.

- *Phase 2* — Controlled studies are conducted in limited subject populations with a specified disease or condition to evaluate preliminary efficacy, identify optimal dosages, dosage tolerance and schedule, possible adverse effects and safety risks, and expanded evidence of safety.

- *Phase 3* — These adequate and well-controlled clinical trials are undertaken in expanded subject populations, generally at geographically dispersed clinical trial sites, to generate enough data to provide statistically significant evidence of clinical efficacy and safety of the product for approval, to establish the overall risk-benefit profile of the product, and to provide adequate information for the labeling of the product. Typically, two Phase 3 trials are required by the FDA for product approval.

The FDA may also require, or companies may conduct, additional clinical trials for the same indication after a product is approved. These so-called Phase 4 studies may be made a condition to be satisfied after approval. The results of Phase 4 studies can confirm the effectiveness of a product candidate and can provide important safety information.

Phase 1, Phase 2, and Phase 3 clinical trials may not be completed successfully within any specified period, or at all. Regulatory authorities, an IRB, or the sponsor may suspend or discontinue a clinical trial at any time on various grounds, including a finding that the subjects are being exposed to an unacceptable health risk, the clinical trial is not being conducted in accordance with the FDA's or the IRB's requirements, the product has been associated with unexpected serious harm to the subjects, or based on evolving business objectives or competitive climate.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the product candidate as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, must develop methods for testing the identity, strength, quality, potency, and purity of the final product. Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

During the development of a new therapeutic, a sponsor may be able to request a Special Protocol Assessment ("SPA"), the purpose of which is to reach agreement with the FDA on the Phase 3 clinical trial protocol design and analysis that will form the primary basis of product approval and an efficacy claim as well as preclinical carcinogenicity trials and stability studies. An SPA may only be modified with the agreement of the FDA and the trial sponsor, or if the director of the FDA reviewing division determines that a substantial scientific issue essential to determining the safety or efficacy of the product was identified after the testing began. An SPA is intended to provide assurance that, in the case of clinical trials, if the agreed upon clinical trial protocol is followed, the clinical trial endpoints are achieved, and there is a favorable risk-benefit profile, the data may serve as the primary basis for an efficacy claim in support of a BLA. However, SPA agreements are not a guarantee of an approval of a product candidate or any permissible claims about the product candidate. In particular, SPAs are not binding on the FDA if, among other reasons, previously unrecognized public health concerns arise during the performance of the clinical trial, other new scientific concerns regarding the product candidate's safety or efficacy arise, or if the sponsoring company fails to comply with the agreed upon clinical trial protocol.

BLA Submission, Review by the FDA, and Marketing Approval

Assuming successful completion of the required clinical and preclinical testing, the results of product development, including chemistry, manufacture, and controls, non-clinical studies, and clinical trial results, including negative or ambiguous results as well as positive findings, are all submitted to the FDA, along with the proposed labeling, as part of a BLA requesting approval to market the product for one or more indications. In most cases, the submission of a BLA is subject to a substantial application user fee. These user fees must be paid at the time of the first submission of the application, even if the application is being submitted on a rolling basis. Fee waivers or reductions are available in certain circumstances. One basis for a waiver of the application user fee is if the applicant employs fewer than 500 employees, including employees of affiliates, the applicant does not have an approved marketing application for a product that has been introduced or delivered for introduction into interstate commerce, and the applicant, including its affiliates, is submitting its first marketing application. Product candidates that are designated as orphan drugs, which are further described below, are also not subject to application user fees unless the application includes an indication other than the orphan indication.

In addition, under the Pediatric Research Equity Act ("PREA"), a BLA or supplement to a BLA for a new active ingredient, indication, dosage form, dosage regimen, or route of administration, must contain data that are adequate to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements.

The FDA also may require submission of a risk evaluation and mitigation strategy, or REMS, to ensure that the benefits of the biologic outweigh the risks. The REMS plan could include medication guides, physician communication plans, and elements to assure safe use, such as restricted distribution methods, patient registries, or other risk minimization tools. An assessment of the REMS must also be conducted at set intervals. Following product approval, a REMS may also be required by the FDA if new safety information is discovered and the FDA determines that a REMS is necessary to ensure that the benefits of the biologic outweigh the risks.

Once the FDA receives an application, it has 60 days to review the BLA to determine if it is substantially complete to permit a substantive review, before it accepts the application for filing. The FDA may request additional information rather than accept a BLA for filing. In this event, the application must be resubmitted with the additional information. The resubmitted application is also subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review.

Under the goals and policies agreed to by the FDA under the Prescription Drug User Fee Act ("PDUFA"), the FDA has set the review goal of completing its review of 90% of all applications within ten months from the 60-day filing date for its initial review of an initial BLA. Such deadlines are referred to as the PDUFA date. The PDUFA date is only a goal, thus, the FDA does not always meet its PDUFA dates. The review process and the PDUFA date may also be extended if the FDA requests or the sponsor otherwise provides substantial additional information or clarification regarding the submission.

The FDA may also refer certain applications to an advisory committee. An advisory committee is typically a panel that includes clinicians and other experts, which reviews, evaluates, and makes a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

The FDA reviews applications to determine, among other things, whether a product is safe, pure and potent and whether the manufacturing methods and controls are adequate to assure and preserve the product's identity, strength, quality, safety, potency, and purity. Before approving a BLA, the FDA typically will inspect the facility or facilities where the product is manufactured, referred to as a Pre-Approval Inspection. The FDA will not approve an application unless it determines that the manufacturing processes and facilities, including contract manufacturers and subcontractors, are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving a BLA, the FDA will inspect one or more clinical trial sites to assure compliance with GCPs.

The approval process is lengthy and difficult, and the FDA may refuse to approve a BLA if the applicable regulatory criteria are not satisfied or may require additional clinical data or other data and information. Even if such data and information are submitted, the FDA may ultimately decide that the BLA does not satisfy the criteria for approval. Data obtained from clinical trials are not always conclusive and the FDA may interpret data differently than an applicant interprets the same data.

After evaluating the BLA and all related information, including the advisory committee recommendation, if any, and inspection reports regarding the manufacturing facilities and clinical trial sites, the FDA may issue an approval letter, or, in some cases, a Complete Response Letter ("CRL"). If a CRL is issued, the applicant may either: resubmit the BLA, addressing all of the deficiencies identified in the letter; withdraw the application; or request an opportunity for a hearing. A CRL indicates that the review cycle of the application is complete, and the application is not ready for approval and describes all of the specific deficiencies that the FDA identified in the BLA. A CRL generally contains a statement of specific conditions that must be met in order to secure final approval of the BLA and may require additional clinical or preclinical testing in order for the FDA to reconsider the application. The deficiencies identified may be minor, for example, requiring labeling changes; or major, for example, requiring additional clinical trials. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those conditions have been met to the FDA's satisfaction, the FDA may issue an approval letter. An approval letter authorizes commercial marketing of the product with specific prescribing information for specific indications.

Even if the FDA approves a product, it may limit the approved indications for use of the product, require that contraindications, warnings, or precautions be included in the product labeling, including a boxed warning, require that post-approval studies, including Phase 4 clinical trials, be conducted to further assess a product's safety and efficacy after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution restrictions or other risk management mechanisms under a REMS which can materially affect the potential market and profitability of the product. The FDA may also not approve label statements that are necessary for successful commercialization and marketing.

After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes, and additional labeling claims, are subject to further testing requirements and FDA review and approval. The FDA may also withdraw the product approval if compliance with the pre- and post-marketing regulatory standards is not maintained or if problems occur after the product reaches the marketplace. Further, should new safety information arise, additional testing, product labeling, or FDA notification may be required.

Biosimilars, Orphan Drugs, and Exclusivity

The Biologics Price Competition and Innovation Act of 2009 ("BPCIA"), creates an abbreviated approval pathway for biological products shown to be highly similar to or interchangeable with an FDA-licensed reference biological product. Biosimilarity sufficient to reference a prior FDA-approved product requires a high similarity to the reference product notwithstanding minor differences in clinically inactive components, and no clinically meaningful differences between the biological product and the reference product in terms of safety, purity, and potency. Biosimilarity must be shown through analytical studies, animal studies, and at least one clinical trial, absent a waiver by the FDA. There must be no difference between the reference product and a biosimilar product in conditions of use, route of administration, dosage form, and strength. A biosimilar product may be deemed interchangeable with a prior approved product if it meets the higher hurdle of demonstrating that it can be expected to produce the same clinical results as the reference product and, for products administered multiple times, the biologic and the reference biologic may be switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic. Complexities associated with the larger, and often more complex, structures of biological products, as well as the process by which such products are manufactured, pose significant hurdles to implementation which are still being evaluated by the FDA.

A reference biologic is granted 12 years of exclusivity from the time of first licensure of the reference product, and no application for a biosimilar can be submitted for four years from the date of licensure of the reference product. However, certain changes and supplements to an approved BLA, and subsequent applications filed by the same sponsor, manufacturer, licensor, predecessor in interest, or other related entity do not qualify for the twelve-year exclusivity period.

The Orphan Drug Act provides incentives for the development of products intended to treat rare diseases or conditions, which generally are diseases or conditions affecting less than 200,000 individuals annually in the United States, or affecting more than 200,000 in the United States and for which there is no reasonable expectation that the cost of developing and making the product available in the United States will be recovered from United States sales. Additionally, sponsors must present a plausible hypothesis for clinical superiority to obtain orphan designation if there is a product already approved by the FDA that is intended for the same indication and that is considered by the FDA to be the same as the already approved product. This hypothesis must be demonstrated to obtain orphan exclusivity. If granted, prior to product approval, Orphan Designation entitles a party to financial incentives such as opportunities for grant funding towards clinical study costs, tax advantages, and user-fee waivers. In addition, if a product receives FDA approval for the indication for which it has orphan designation, the product is generally entitled to orphan exclusivity, which means the FDA may not approve any other application to market the same product for the same indication for a period of seven years, except in limited circumstances, such as a showing of clinical superiority over the product with orphan exclusivity.

Special FDA Expedited Review and Approval Programs

The FDA has various programs, including Fast Track designation, priority review, and breakthrough designation, that are intended to expedite or simplify the process for the development and FDA review of certain products that are intended for the treatment of serious or life threatening diseases or conditions, and demonstrate the potential to address unmet medical needs or present a significant improvement over existing therapy. The purpose of these programs is to provide important new therapeutics to patients earlier than under standard FDA review procedures.

To be eligible for a Fast Track designation, the FDA must determine, based on the request of a sponsor, that a product is intended to treat a serious or life-threatening disease or condition and demonstrates the potential to address an unmet medical need. The FDA will determine that a product will fill an unmet medical need if the product will provide a therapy where none exists or provide a therapy that may be potentially superior to existing therapies based on efficacy, safety, or public health factors. If Fast Track designation is obtained, sponsors may be eligible for more frequent development meetings and correspondence with the FDA. In addition, the FDA may initiate reviews of certain sections of an application before the application is complete. This "rolling review" is available if the applicant provides and the FDA approves a schedule for the remaining information. In some cases, a Fast Track product may be eligible for accelerated approval or priority review. On September 24, 2020, the FDA granted Fast Track designation to DKN-01 for the treatment of patients with gastric and gastroesophageal junction adenocarcinoma whose tumors express high DKK1, following disease progression on or after prior fluoropyrimidine- and platinum- containing chemotherapy and if appropriate, human epidermal receptor growth factor (HER2)/neu targeted therapy.

The FDA may give a priority review designation to products that are intended to treat serious conditions and, if approved, would provide significant improvements in the safety or effectiveness of the treatment, diagnosis, or prevention of serious conditions. A priority review means that the goal for the FDA is to review an application within six months, rather than the standard review of ten months under current PDUFA guidelines, of the 60-day filing date.

Drug or biological products studied for their safety and effectiveness in treating serious or life-threatening illnesses and that provide meaningful therapeutic benefit over existing treatments may receive accelerated approval, which means the FDA may approve the product based upon a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. A drug or biologic candidate approved on this basis is subject to rigorous post-marketing compliance requirements, including the completion of Phase 4 or post-approval clinical trials to confirm the effect on the clinical endpoint. Failure to conduct required post-approval studies, or confirm a clinical benefit during post-marketing studies, will allow the FDA to withdraw the drug or biologic from the market on an expedited basis. All promotional materials for drug or biologic candidates approved under accelerated regulations are subject to prior review by the FDA.

Moreover, under the provisions of the Food and Drug Administration Safety and Innovation Act ("FDASIA"), enacted in 2012, a sponsor can request designation of a product candidate as a "breakthrough therapy". A breakthrough therapy is defined as a product that is intended, alone or in combination with one or more other products, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Products designated as breakthrough therapies are eligible for the Fast Track designation features as described above, intensive guidance on an efficient development program beginning as early as Phase 1 trials, and a commitment from the FDA to involve senior managers and experienced review staff in a proactive collaborative, cross-disciplinary review.

Even if a product qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened.

Post-approval Requirements

Any products manufactured or distributed pursuant to FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements related to manufacturing, recordkeeping, and reporting, including adverse experience reporting, shortage reporting, periodic reporting, product sampling and distribution, advertising, marketing, promotion, certain electronic records and signatures, and post-approval obligations imposed as a condition of approval, such as Phase 4 clinical trials, REMS, and surveillance to assess safety and effectiveness after commercialization.

After approval, most changes to the approved product, such as adding new indications or other labeling claims, are subject to prior FDA review and approval. There also are continuing annual user fee requirements for any marketed products and the establishments at which such products are manufactured, as well as new application fees for supplemental applications with clinical data. In addition, manufacturers and other entities involved in the manufacture and distribution of approved therapeutics are required to register their establishments with the FDA and certain state agencies, list their products, and are subject to periodic announced and unannounced inspections by the FDA and these state agencies for compliance with cGMP and other requirements, which impose certain procedural and documentation requirements upon a company and its third-party manufacturers. Manufacturers must continue to expend time, money, and effort in the areas of production and quality -control to maintain compliance with cGMPs. Regulatory authorities may withdraw product approvals or request product recalls if a company fails to comply with regulatory standards, if it encounters problems following initial marketing, or if previously unrecognized problems are subsequently discovered.

Changes to the manufacturing process are strictly regulated and often require prior FDA approval or notification before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and specifications, and impose reporting and documentation requirements upon the sponsor and any third-party manufacturers that the sponsor may decide to use. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain cGMP compliance.

Moreover, the enacted Drug Quality and Security Act ("DQSA") imposes obligations on manufacturers of biopharmaceutical products related to product tracking and tracing. Among the requirements of this legislation, manufacturers are required to provide certain information regarding the products to individuals and entities to which product ownership is transferred, will be required to label products with a product identifier, and are required to keep certain records regarding the product. The transfer of information to subsequent product owners by manufacturers will eventually be required to be done electronically. Manufacturers must also verify that purchasers of the manufacturers' products are appropriately licensed. Further, under this legislation, manufacturers will have product investigation, quarantine, disposition, and notification responsibilities related to counterfeit, diverted, stolen, and intentionally adulterated products that would result in serious adverse health consequences or death to humans, as well as products that are the subject of fraudulent transactions or which are otherwise unfit for distribution such that they would be reasonably likely to result in serious health consequences or death. Similar requirements additionally are and will be imposed through this legislation on other companies within the biopharmaceutical product supply chain, such as distributors and dispensers.

Adverse event reporting and the submission of periodic reports, including annual reports and deviation reports, are required following FDA approval of a BLA. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in significant regulatory actions. Such actions may include refusal to approve pending applications, license suspension or revocation, withdrawal of an approval, imposition of a clinical hold or termination of clinical trials, warning letters, untitled letters, cyber letters, modification of promotional materials or labeling, provision of corrective information, imposition of post-market requirements including the need for additional testing, imposition of distribution or other restrictions under a REMS, product recalls, product seizures or detentions, refusal to allow imports or exports, total or partial suspension of production or distribution, FDA debarment, injunctions, fines, consent decrees, corporate integrity agreements, debarment from receiving government contracts, new orders under existing contracts, exclusion from participation in federal and state healthcare programs, restitution, disgorgement, or civil or criminal penalties, including fines and imprisonment, and result in adverse publicity, among other adverse consequences.

Other Regulation Related to our Leap Therapeutics Business

In addition to any FDA restrictions on marketing and promotion of drugs and devices, other federal and state laws restrict our business practice including, without limitation, anti-kickback and false claims laws, data privacy and security laws, as well as transparency laws regarding payment or other items of value provided to healthcare providers. Future legislative proposals to reform healthcare may also impact us.

We are also governed by other federal, state and local laws of general applicability, such as laws regulating working conditions, employment practices, as well as environmental protection.

Research and Development Expenses Related to Our Leap Therapeutics Business

Our total research and development expenses were $25.7 million and $57.2 million, during the years ended December 31, 2025 and 2024, respectively. See Part II — Item 7 — "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K for additional details regarding our research and development activities.

Employees

As of December 31, 2025, we had 6 full-time employees. None of our employees are represented by a labor union or subject to a collective bargaining agreement. We have not experienced a work stoppage and consider our relations with our employees to be good.

Web Availability

We make available free of charge through our website, www.leaptx.com, our Annual Report on Form 10-K, other reports that we file with the Securities and Exchange Commission and any amendments to the reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as well as certain of our corporate governance policies, including the charters for the audit, compensation and nominating and governance committees of our board of directors and our code of ethics and corporate governance guidelines. We make these reports available as soon as reasonably practicable after they are filed with or furnished to the SEC. The information contained on, or that can be accessed through our website is not a part of or incorporated by reference into this Annual Report on Form 10-K. We will also provide to any person without charge, upon request, a copy of any of the foregoing materials. Any such request must be made in writing to us at: Cypherpunk Technologies Inc. c/o Investor Relations, 47 Thorndike Street, Suite B1, Cambridge, MA 02141.

Item 1A. Risk Factors.

The following risk factors and other information included in this Annual Report on Form 10-K should be carefully considered. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we presently deem less significant may also impair our business operations. Please see the "Special Note Regarding Forward-Looking Statements and Industry Data" at the beginning of this Annual Report on Form 10-K for a discussion of some of the forward-looking statements that are qualified by these risk factors. If any of the following risks occur, our business, financial condition, results of operations and future growth prospects could be materially and adversely affected.

Risk Factors Summary

The following is a summary of the principal factors that make an investment in our securities speculative or risky, all of which are more fully described below. This summary should be read in conjunction with the full description of "Risk Factors" in this section and should not be relied upon as an exhaustive summary of the material risks facing our business. In addition to the following summary and the information in this section, you should consider the other information contained in this Annual Report on Form 10-K before investing in our securities.

Risks Related to the Company's Strategy and Industry

- We have recently shifted a significant portion of our business strategy towards a focus on our digital asset treasury strategy, and we may be unable to successfully execute this new strategy.
- ZEC is a highly volatile digital asset, and fluctuations in the price of ZEC may adversely influence our financial results and the market price of our listed securities.
- We have limited experience in investing in and managing the ownership of digital assets, and we rely on a third party custodian for the trading execution and custody of our ZEC.
- We may inadvertently and without knowledge, directly or indirectly, engage in transactions in violation of U.S. or foreign sanctions laws.
- The cryptography used on the Zcash network could fail or could be used to facilitate illicit activities, and businesses that facilitate transactions in ZEC may be at increased risk of criminal or civil lawsuits.
- If a security breach or cyberattack gives unauthorized parties access to our ZEC, or if our access to our wallets holding ZEC is lost or destroyed, we may lose some or all of our ZEC.
- Disruptions, forks, 51% attacks, hacks, network disruptions, or other adverse events or other compromises to blockchain networks, could materially and adversely impact us.
- We face risks relating to the potential compromise of the Zcash network security by emerging technologies, including artificial intelligence and quantum computing.
- ZEC is subject to significant legal, commercial, tax, technical and regulatory uncertainty.
- Zcash does not pay interest or dividends and our ability to generate a return on investment from our purchases of ZEC is dependent on an appreciation in value of ZEC.
- Digital asset holdings are less liquid than cash and cash equivalents and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents.
- The concentration of our expected digital asset holdings relative to non-digital assets enhances the risks inherent in our digital asset treasury strategy.

- If we are unable to raise additional capital on acceptable terms, our ability to implement and sustain a digital asset treasury strategy may be compromised.
- Our ability to time the price of our purchases of ZEC pursuant to our digital asset treasury strategy will be limited.
- A significant decrease in the market value of our digital asset holdings could adversely affect our ability to satisfy financial obligations, including any debt financings.
- Our common stock may trade at a substantial premium or discount to the value of ZEC we hold, and our stock price may be more volatile than the price of ZEC.
- Our Zcash treasury strategy subjects us to enhanced regulatory oversight.
- Absent federal regulations, there is a possibility that ZEC may be classified as a "security." Any classification of ZEC as a "security" could lead to our falling under the definition of "investment company" under the Investment Act of 1940, as amended.
- We may be deemed to be a "commodity pool" under CEA and CFTC Rules as a result of our commodity interest trading.
- We are not subject to legal and regulatory obligations that apply to investment companies such as mutual funds and ETPs, or to obligations applicable to investment advisers.
- Changes in regulatory interpretations could require us to register as a money services business or money transmitter, leading to increased compliance costs or operational shutdowns.
- The availability of spot ETPs for digital assets may adversely affect the demand for our common stock.
- Although we currently are not considered to be a "controlled company" under Nasdaq corporate governance rules, we may in the future become a controlled company due to the concentration of voting power among Winklevoss Capital and their affiliates.

Risks Related to Leap

- We have a history of losses, have no source of product revenue, and may never become profitable.
- We will require additional capital to fund our operations which may not be available on acceptable terms, or at all.
- Raising additional capital may cause dilution to our existing stockholders, restrict our operations or require us to relinquish rights to our product candidates.
- Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain.
- The regulatory approval processes of the FDA and comparable foreign authorities are lengthy, time consuming and inherently unpredictable.
- The therapeutic safety and efficacy of sirexatamab is unproven, and we may not be able to successfully develop and commercialize any of our products.
- We face substantial competition from much larger competitors.
- We may acquire other assets, form collaborations or make investments in other companies or technologies, that could harm our operating results, dilute our stockholders' ownership, or cause us to incur significant expense.

- We rely on third parties to conduct, supervise, and monitor our preclinical studies and clinical trials.

- We may face delays in the development and commercialization of, or be unable to meet demand for, our product candidates and may lose potential revenues.

- If we are unable to protect our intellectual property rights or if our intellectual property rights are inadequate to protect our technology and product candidates, our competitive position could be harmed.

Risks Related to our Common Stock

- If our share price continues to be low and volatile, we could be subject to securities class action litigation and our stockholders could incur substantial losses.

- We are a "smaller reporting company," and we take advantage of reduced disclosure and governance requirements applicable to smaller reporting companies.

- If we fail to maintain an effective system of disclosure controls and internal controls over financial reporting, or if we fail to adequately remediate the material weakness identified in connection with the preparation of our financial statements for the quarter and fiscal year ended December 31, 2025, our ability to produce timely and accurate financial statements or comply with applicable regulations could be adversely affected.

- Sales of a substantial number of shares of our common stock in the public market by our stockholders could cause our stock price to fall.

- Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain.

- Our failure to maintain compliance with Nasdaq's continued listing requirements could result in the delisting of our Common Stock.

Risks Related to the Company's Strategy and Industry

We have recently shifted a significant portion of our business strategy towards a focus on our digital asset treasury strategy, and we may be unable to successfully execute this new strategy.

In October 2025, we shifted a significant portion of our business strategy towards the implementation of our digital asset treasury strategy, including material investments in ZEC. There is no assurance that we will be able to successfully execute this new strategy or operate ZEC-related activities at the scale or profitability currently anticipated. This strategic shift requires specialized skillsets and operational, technical and compliance infrastructure to support our accumulation of ZEC and related activities. This also requires that we implement different security protocols and treasury management practices. Although we have engaged consultants and added additional board members with experience in these areas, there can be no assurance that we will be able to effectively execute on this strategy within our expected timeframe, or at all. Further, there is ongoing scrutiny and limited formal guidance from regulatory agencies, including Nasdaq and the SEC, with respect to the treatment of public company digital asset treasury strategies. Errors by key management or our third party service providers could result in significant loss of funds and value, which could in turn result in a significant decrease in the value of our common stock. As a result, our shift towards our digital asset treasury strategy could have a material adverse effect on our business and financial condition.

ZEC is a highly volatile digital asset, and fluctuations in the price of ZEC may adversely influence our financial results and the market price of our listed securities.

We have used a significant portion of capital in our treasury to purchase ZEC, a digital asset, and plan to continue to do so in the future. The price of ZEC has been subject to dramatic price fluctuations and is highly volatile. In the twelve months ended December 31, 2025, ZEC has traded between approximately $26.14 and $736.51.

Any increase or decrease in the fair value of ZEC will require us to recognize unrealized gains or losses, which could be material to our financial results for the applicable reporting period, which may create significant volatility in our reported earnings. Any decrease in reported earnings or increased volatility of such earnings could have a material adverse effect on the market price of our securities. In addition, the application of generally accepted accounting principles in the United States with respect to digital assets remains uncertain in some respects, and any future changes in the manner in which we account for our ZEC holdings could have a material adverse effect on our financial results and the market price of our securities.

In addition, investors may view the value of our securities as dependent upon or linked to the value or change in the value of our ZEC holdings, and accordingly, the price of ZEC may significantly influence the market price of our securities. ZEC is a highly volatile asset. Our financial results and the market price of our listed securities would be adversely affected, and our business and financial condition would be negatively impacted, if the price of ZEC decreased substantially, including as a result of:

- decreased user and investor confidence in Zcash, including due to the risk factors described herein
- investment and trading activities such as (i) trading activities of highly active retail and institutional users, speculators, miners, and investors, (ii) significant dispositions of ZEC by large holders, or (iii) actual or perceived manipulation of the markets for ZEC;
- negative publicity, media or social media coverage, or sentiment due to events in or relating to, or perception of, Zcash, for example: (i) public, legislative, or regulatory perception that ZEC or other digital assets can be used as a vehicle for money laundering or to circumvent government regulations or sanctions; (ii) regulations in the European Union that, beginning on July 1, 2027, will prohibit transactions involving anonymous wallets and privacy-focused digital assets such as ZEC; (iii) filings for bankruptcy protection or bankruptcy proceedings of major digital assets or blockchain industry participants; (iv) public perception regarding technological safeguards with respect to theft or loss of digital assets; and (v) activities relating to other high profile digital assets, including bitcoin or “meme coins”;
- changes in consumer preferences and the perceived value or prospects or utility of Zcash;
- developments affecting other companies pursuing a digital asset treasury strategy similar to ours, such as the abandonment of the strategy by such other companies, the failure by such other companies to satisfy their debt or other financial obligations, market concerns as to the viability or creditworthiness of such other companies, the loss or disposition of substantial assets by such other companies, regulatory or legal judgments or actions against such other companies due to their adoption of a digital asset treasury strategy, or any other similar actions or negative outcomes impacting such other companies;
- competition from other digital assets that exhibit comparable or better privacy, speed, security, scalability or efficiency, that feature other more favored characteristics, that are backed by governments, including the U.S. government, or reserves of fiat currencies, or that represent ownership or security interests in physical assets;
- the introduction of a government-issued digital currency that could eliminate or reduce the need or demand for private-sector issued digital assets such as ZEC, or significantly limit their utility;
- a decrease in the price of other digital assets, to the extent the decrease in the price of such other digital assets may cause a decrease in the price of ZEC or adversely affect investor confidence in digital assets generally;
- developments relating to the Zcash blockchain and protocol, including (i) changes to the Zcash blockchain and protocol that impact its security, speed, scalability, usability or value, such as changes to the cryptographic security protocol underpinning the blockchain and protocol, changes to the finality of transactions, and similar changes; (ii) failures to make upgrades to the Zcash blockchain and the protocol to adapt to security, technological, legal or other challenges; and (iii) changes to the Zcash blockchain and protocol that introduce software bugs, security risks or other elements that adversely affect Zcash and the privacy functionality;
- interruptions, failures, unavailability, or other short or long term disruptions in services of trading venues for ZEC or other digital assets, including but not limited to those arising from hacking, sabotage, or other intentional acts;

- the filing for bankruptcy protection by, liquidation of, or market concerns about the financial viability of digital asset custodians, trading venues, lending platforms, investment funds, or other digital asset industry participants;

- regulatory, legislative, enforcement and judicial actions that adversely affect access to, functionality of, or performance of Zcash, or that adversely affect the operations of or otherwise prevent digital asset custodians, trading venues, lending platforms or other digital assets industry participants from trading in and holding ZEC;

- macroeconomic changes, such as changes in the level of interest rates and inflation, fiscal and monetary policies of governments, trade restrictions and fiat currency devaluations; and

- developments in mathematics or technology, including in digital computing, algebraic geometry and quantum computing, that could result in the cryptography used by the Zcash blockchain becoming insecure or ineffective.

In addition, the U.S. and international stock markets and the markets for both digital asset-influenced and technology companies have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies in those markets. In particular, future trading prices in our securities may reflect market dynamics that are not connected to valuation methods commonly associated with operating companies in similar industries or with companies engaged predominantly in passive investments in digital assets or other commodities, such as exchange-traded products ("ETPs"). Equity market capitalizations of other such companies are often in excess of stockholders' equity calculated in accordance with U.S. generally accepted accounting principles, and in excess of valuations that might traditionally be expected based on their operating performances, cash flows and net assets. Investors may therefore be unable to assess the value of our common stock or evaluate the risks of an investment in our company using traditional or commonly used enterprise valuation methods. We cannot predict how these dynamics may evolve over time, or whether or how long they may last. These market and industry factors may significantly harm the market price of our listed securities, regardless of our actual operating performance.

The price of our listed securities has been and is likely to continue to be volatile, and with the recent adoption of our new digital asset treasury strategy, we expect to see additional volatility in our stock price. In addition, if investors view the value of our listed securities as dependent upon or linked to the value or change in the value of our ZEC holdings, the price of ZEC may significantly influence the market price of our listed securities. The price of ZEC has historically been, and is likely to continue to be, volatile.

We have limited experience in investing in and managing the ownership of digital assets, and we rely on an affiliate of Winklevoss Capital, Gemini Space Sciences LLC, for the trading execution and custody of our ZEC, and we will not have direct control over our digital assets held through such custodian.

We have limited experience in investing in and managing the ownership of digital assets, such as ZEC. We are reliant on an affiliate of Winklevoss Capital, Gemini Space Sciences LLC ("Gemini"), for the trading execution by which we acquire ZEC and to serve as the custodian for our ZEC on its regulated exchange and wallet storage system. As a result, our ZEC holdings are concentrated with a single custodian, and we rely solely on its proprietary storage system and wallet infrastructure, security infrastructure, financial reporting, and software systems for our ZEC holdings. In Gemini's structure to support trading, customer digital assets are pooled together, and Gemini relies on an internal customer ledger to maintain the segregated customer digital asset ownership. Gemini's Omnibus Wallet Structure is made up of a set of online (i.e., "Hot") and offline (e.g., "Cold") wallets (or "storage tiers"), with Gemini responsible for managing the movement of digital assets between the online and offline storage tiers. While we have agreements governing Gemini's activities relating to our account, we have limited influence over its actual performance.

ZEC is controllable only by the possessor of both the unique public key and private key(s) relating to the local or online digital wallet in which ZEC is held. While the Zcash blockchain ledger requires a public key relating to a digital wallet to be published when used in a transaction, private keys must be safeguarded and kept private in order to prevent a third party from accessing ZEC held in such wallet. To the extent the private key(s) for a digital wallet are lost, destroyed, or otherwise compromised and no backup of the private key(s) is accessible, neither we nor our custodians will be able to access ZEC held in the related digital wallet.

Furthermore, we cannot provide assurance that the digital wallets at Gemini will not be compromised as a result of a cyberattack. ZEC and the Zcash blockchain ledger, as well as other digital assets and blockchain technologies, have been, and may in the future be, subject to security breaches, cyberattacks, or other malicious activities. The failure of Gemini to successfully carry out its contractual duties, trading instructions, safeguard our ZEC, or maintain its internal systems and processes could have a material adverse effect on our ZEC holdings, digital asset treasury strategy, financial condition, and business operations.

Moreover, our agreements with Gemini might terminate for a variety of reasons, and if we need to enter into alternative custody arrangements, we may not be able to enter into arrangements with alternative custodians or to do so on commercially reasonable terms. Switching or adding additional custodians for digital assets involves additional cost, custody risk, and requires management time and focus. While we will conduct due diligence on our custodians and any exchanges or platforms we may use, there can be no assurance that such diligence will uncover all risks, including operational deficiencies, hidden vulnerabilities or legal noncompliance. In addition, there is risk during any transition period when a new custodian would commence services to safeguard our ownership of our digital assets. There can be no assurance that we will not encounter challenges in the custody of our digital assets and that those challenges will not have a material adverse impact on our business, financial condition and prospects, and results of operations.

Additionally, our use of custodians, such as Gemini, exposes us to the risk that the ZEC that the custodian holds on our behalf could be subject to bankruptcy, receivership or similar insolvency proceedings, and we could be treated as a general unsecured creditor of the custodian, inhibiting our ability to exercise ownership rights with respect to such ZEC. A series of recent high-profile bankruptcies, closures, liquidations, regulatory enforcement actions, criminal charges, and other events relating to companies operating in the digital asset industry, the closure or liquidation of certain financial institutions that provided lending and other services to the digital assets industry, and the filing and subsequent settlement of a civil fraud lawsuit have highlighted the counterparty risks applicable to owning and transacting in digital assets. These bankruptcies, closures, liquidations and other events have likely negatively impacted the adoption rate and use of digital assets. Additional bankruptcies, closures, liquidations, regulatory enforcement actions, criminal charges, or other events involving participants in the digital assets industry in the future may further negatively impact the adoption rate, price, and use of digital assets, limit the availability to us of financing collateralized by such assets, or create or expose additional counterparty risks. Any loss associated with such bankruptcy, receivership or similar insolvency proceedings is unlikely to be covered by any insurance coverage we may maintain related to our ZEC. Even if we are able to prevent our digital assets from being considered the property of a custodian's bankruptcy estate as part of an insolvency proceeding, it is possible that we would still be delayed or may otherwise experience difficulty in accessing our digital assets held by the affected custodian during the pendency of the insolvency proceedings. Any such outcome could have a material adverse effect on our financial condition and the market price of our listed securities. The legal framework governing digital asset ownership and rights in custodial or insolvency contexts remains uncertain and continues to evolve, which could result in unexpected losses, protracted recovery processes or adverse treatment in insolvency proceedings.

Any insurance that may cover losses of our ZEC holdings may cover none or only a small fraction of the value of the entirety of our ZEC holdings, and there can be no guarantee that such insurance will be maintained as part of the custodial services we have or that such coverage will cover losses with respect to our ZEC.

In addition, we rely, for financial reporting requirements and our own internal controls, on the controls that are implemented, executed, and reported on by Gemini and other third party service providers. If those controls fail, are modified, or if assurance reports are unavailable or delayed, our ability to maintain effective internal controls over financial reports could be adversely affected. A failure of controls could have a material adverse effect on our digital asset treasury strategy, financial condition, and business operations.

Because of the pseudonymous nature of blockchain transactions, we may inadvertently and without knowledge, directly or indirectly, engage in transactions with or for the benefit of prohibited persons under U.S. or foreign sanctions laws.

We are subject to the rules enforced by the Office of Foreign Asset Control ("OFAC"), including prohibitions on conducting direct or indirect business with persons named on, or owned by persons named on, OFAC's various sanctions lists, including the Specially Designated Nationals and Blocked Persons list. We are also prohibited from direct or indirect dealings with persons located in, organized in, or nationals of, jurisdictions subject to U.S. embargos, and may be prohibited from dealing with persons in other jurisdictions subject to targeted U.S. sanctions. U.S. sanctions compliance obligations apply to transactions in digital assets and U.S. sanctions authorities have in recent years directed significant attention to sanctions compliance in the digital asset industry. Because of the pseudonymous nature of blockchain transactions and decentralized applications, we may inadvertently and without knowledge, directly or indirectly, engage in transactions with or for the benefit of prohibited persons. Civil liability for OFAC sanctions violations

is typically regarded as "strict liability" violations, meaning we may be held responsible for transacting with prohibited parties even if we have no knowledge that a particular counterparty is a prohibited person under the OFAC sanctions regulations. In addition, we may be subject to non-U.S. economic sanctions laws and regulations to the extent we conduct activity within the jurisdiction of other sanctions regimes, including those of the European Union and United Kingdom.

OFAC and other governmental authorities have significant discretion in the interpretation and enforcement of sanctions laws and regulations. Moreover, economic sanctions laws and regulations continue to evolve, often with little or no notice, which could raise operational or compliance challenges. If it is determined that we have transacted with prohibited persons, even inadvertently, this could result in substantial reputational harm, fines or penalties, and costs associated with governmental inquiries and investigations. Any or all of the foregoing could have a material adverse effect on our business, prospects, operations or financial condition.

The cryptography used to enhance the privacy of transactions on the Zcash Network could ultimately fail or could be used to facilitate illicit activities, and businesses that facilitate transactions in ZEC may be at increased risk of criminal or civil lawsuits, or of having services cut off, which could negatively affect the price of ZEC and the value of our listed securities.

The Zcash network uses zk-SNARKs, which provide additional layers of confidentiality to transactions on the Zcash Network by protecting the amount and the recipient in ZEC transactions. This cryptography could ultimately fail, resulting in less privacy than believed or no privacy at all, and could adversely affect one's ability to complete transactions on any such digital asset network or otherwise adversely interfere with the integrity of the relevant blockchain. Because ZEC is a privacy-preserving digital asset, it is also subject to certain types of attacks that may go undetected. For example, on February 5, 2019, the team behind ZEC announced that it discovered a vulnerability in its zk-SNARK implementation on March 1, 2018 that was subsequently patched in connection with a network upgrade called "Sapling" in October 2018.

Digital asset networks have in the past been, and may continue to be, used to facilitate illicit activities, including money laundering, human and drug trafficking, arms dealing and other crimes. Moreover, law enforcement agencies and other market participants have often relied on the transparency of blockchains to facilitate investigations and comply with laws, such as anti-money laundering and economic sanctions laws. Because of the privacy-enhancing features of the Zcash Network, law enforcement agencies and other market participants may have less visibility into transaction-level data, which may encourage bad actors to misuse the Zcash Network for such illicit purposes. As a result, businesses that facilitate transactions in ZEC may be at increased risk of potential criminal charges or civil lawsuits, or of having banking or other services cut off if there is a concern that these features interfere with the performance of anti-money laundering duties and economic sanctions checks. Since 2019, ZEC, along with several other privacy tokens including Monero, Dash, and Horizen have been delisted from multiple exchanges. Although these digital asset trading platforms did not disclose the reasons for such delisting, and some digital asset trading platforms subsequently relisted ZEC, it is believed that they were the result of the privacy-enhancing features of the digital assets, and there is a risk that other digital asset trading platforms may remove ZEC from their platforms as a result of these concerns. Other service providers of such businesses may also cut off services if there is a concern that the Zcash Network is being used to facilitate crime. Any of the aforementioned occurrences could increase regulatory scrutiny of the Zcash Network and/or adversely affect the price of ZEC, the attractiveness of the Zcash Network and an investment in our listed securities.

If we, Gemini or our respective third-party service providers experience a security breach or cyberattack and unauthorized parties obtain access to our ZEC, or if our access to our wallets holding ZEC is lost or destroyed, or other similar circumstances or events occur, we may lose some or all of our ZEC and our financial condition and results of operations could be materially adversely affected.

We expect that substantially all of the ZEC we acquire will be held in accounts at Gemini. Security breaches and cyberattacks are of particular concern with respect to digital assets, including ZEC. ZEC and other blockchain-based digital assets and the entities that provide services to participants in the Zcash ecosystem have been, and may in the future be, subject to security breaches, cyberattacks, or other malicious activities. For example, in October 2021, it was reported that hackers exploited a flaw in the account recovery process and stole from the accounts of at least 6,000 customers of the Coinbase exchange, although the flaw was subsequently fixed and Coinbase reimbursed affected customers. Similarly, in November 2022, hackers exploited weaknesses in the security architecture of the FTX Trading digital asset exchange and reportedly stole over $400 million in digital assets from customers.

A successful security breach or cyberattack could result in:

- a partial or total loss of our ZEC in a manner that may not be covered by insurance or the liability provisions of the custody agreements with the custodians who hold our ZEC;
- harm to our reputation and brand;
- improper disclosure of data and violations of applicable data privacy and other laws; or
- significant regulatory scrutiny, investigations, fines, penalties and other legal, regulatory, contractual and financial exposure, which in turn could adversely affect our stock price.

Further, any actual or perceived data security breach or cybersecurity attack directed at other companies with digital assets or companies that operate in the digital asset ecosystem, regardless of whether we are directly impacted, could lead to a general loss of confidence in the broader Zcash ecosystem or in the use of the Zcash Network to conduct financial transactions, which could negatively impact us.

Attacks upon systems across a variety of industries, including industries related to digital assets such as ZEC, are increasing in frequency, persistence and sophistication and, in many cases, are being conducted by sophisticated, well-funded and organized groups and individuals, including state actors. The techniques used to obtain unauthorized, improper or illegal access to systems and information (including personal data and digital assets), disable or degrade services, or sabotage systems are constantly evolving, may be difficult to detect quickly and often are not recognized or detected until after they have been launched against a target. These attacks may occur on our systems or those of our third-party service providers or partners, including Gemini. We may experience breaches of our security measures due to human error, malfeasance, insider threats, system errors or vulnerabilities or other irregularities. In particular, we expect that unauthorized parties will attempt to gain access to our systems and facilities, as well as those of our partners and third-party service providers, through various means, such as hacking, social engineering, phishing and fraud. Threats can come from a variety of sources, including criminal hackers, hacktivists, state-sponsored intrusions, industrial espionage and insiders. In addition, certain types of attacks could harm us even if our systems are left undisturbed. For example, certain threats are designed to remain dormant or undetectable, sometimes for extended periods of time, or until launched against a target and we may not be able to implement adequate preventative measures. Further, there has been an increase in such activities due to the increase in work-from-home arrangements. The risk of cyberattacks could also be increased by cyberwarfare in connection with the ongoing Russia-Ukraine conflict, as well as the conflicts in the Middle East and Latin America, or other future conflicts, including potential proliferation of malware into systems unrelated to such conflicts. Any future breach of our operations or those of others in the Zcash ecosystem, including third-party services on which we rely, could materially and adversely affect our financial condition and results of operations.

We face significant risks relating to disruptions, forks, 51% attacks, hacks, network disruptions, or other adverse events or other compromises to blockchain networks, which could materially and adversely impact our business, financial condition and results of operations.

Blockchain networks are maintained by decentralized networks of participants, and as such are susceptible and vulnerable to a variety of risks, including disruptions, security breaches, and fundamental technical issues. Blockchain networks are vulnerable to attacks by malicious actors who gain control of a significant portion of the network's mining hash rate, a scenario commonly referred to as a 51% attack. In such an event, the attacker could double-spend transactions, reverse previously confirmed transactions, or otherwise disrupt the normal operations of the network. Successful 51% attacks have historically undermined trust in affected blockchain networks and could materially decrease the value of digital assets.

Additionally, forks, or splits in the underlying protocol may occur when participants fail to reach consensus on proposed upgrades or changes. Forks can lead to the creation of duplicate networks, confusion among market participants, dilution of the original network's value and disruption of the network's operations. Hard forks, in particular, can materially and adversely impact the perceived stability and value of digital assets, leading to reduced demand and price declines.

Further, hacks and other security breaches targeting the core infrastructure of blockchain networks or major participants, such as exchanges and custodians, including Gemini, could severely impact the reputation and market confidence in these networks. Exploits of protocol-level vulnerabilities could also compromise the integrity of blockchain networks, resulting in a substantial loss of value.

The success and growth of digital assets depend significantly on their continued security, stability and scalability. Any technical failures, consensus breakdowns, governance disputes or regulatory interventions that diminish confidence in the networks or impair their functionality could lead to a material decline in their market price, which could materially and adversely impact our business, financial condition and results of operations. A sustained or significant decrease in the price or liquidity of digital assets, whether due to 51% attacks, forks, hacks, network disruptions or other adverse events, could negatively impact our business, financial condition and results of operations. Furthermore, even the perception that any of these events could occur may lead to significant market volatility and price declines, adversely affecting our business, financial condition and results of operations.

We face risks relating to the potential compromise of the Zcash Network security by emerging technologies, including artificial intelligence and quantum computing, which may materially and adversely impact our operations and financial condition.

The security and integrity of the Zcash Network are fundamentally dependent on the robustness of its cryptographic algorithms. Blockchain protocols rely heavily on public key cryptography and hashing algorithms to secure transactions, safeguard private keys, and prevent double-spending. Advances in emerging technologies, particularly artificial intelligence ("AI") and quantum computing, may pose significant risks to the network's security and operational stability.

Quantum computing, in particular, presents a long-term threat to the cryptographic assumptions underpinning the Zcash Network. Should quantum computing achieve sufficient maturity, it could undermine the effectiveness of the cryptographic algorithms used to secure the blockchain. A sufficiently powerful quantum computer could potentially reverse-engineer private keys from public addresses or compromise the blockchain's consensus mechanism, leading to the theft of digital assets, double-spending, and other forms of fraud. Although current quantum computing capabilities are not yet at this level, advancements in quantum technologies could materialize more rapidly than anticipated, creating significant systemic risks for the Zcash Network.

AI may also pose indirect security risks. AI-driven cyberattacks, including advanced phishing schemes, autonomous malware, and intelligent blockchain analysis tools, could increase the sophistication and success rate of attacks targeting Zcash users, exchanges, custodians, and node operators. The use of AI to exploit vulnerabilities in software, mining hardware, or network protocols could threaten the stability and reliability of the Zcash Network and other digital asset ecosystems.

There can be no assurance that Zcash's current cryptographic safeguards will be sufficient to protect against future technological advances. While research and development efforts are ongoing to develop quantum-resistant cryptographic protocols, the Zcash network may face challenges in adopting such technologies at scale, particularly given its decentralized governance structure. Any successful attack or perceived vulnerability arising from AI or quantum computing could materially and adversely affect the price, liquidity, and adoption of ZEC and could negatively impact our business, financial condition and results of operations.

ZEC and other digital assets are novel assets and are subject to significant legal, commercial, tax, technical and regulatory uncertainty, which could materially adversely affect our financial position, operations and prospects.

The first digital asset, Bitcoin, was launched in 2009. Zcash was launched in 2016. ZEC and other digital assets are relatively novel and are subject to significant uncertainty, which could adversely impact their price. The application of state and federal securities laws and other laws and regulations to digital assets is unclear in certain respects, and it is possible that regulators in the United States or foreign countries may interpret or apply existing laws and regulations in a manner that adversely affects the price of ZEC or the ability of individuals or institutions such as us to own or transfer ZEC. For example, beginning on July 1, 2027, regulations in the European Union will prohibit transactions involving anonymous wallets and privacy-focused digital assets such as ZEC.

In addition, our accounting for digital assets relies on complex judgment and emerging interpretations of U.S. GAAP. Digital assets are a relatively new asset class, and accordingly, accounting and tax guidance, regulations, and best practices are evolving and rapidly changing. Future changes in authoritative guidance, SEC views, or industry practice could require us to change our accounting or tax approach, which could materially affect our financial statements, reported earnings, comparability of financial results in future periods with prior periods, or comparability with other companies.

The U.S. federal government, states, regulatory agencies, and foreign countries may also enact new laws and regulations, or pursue regulatory, legislative, enforcement or judicial actions, that could materially impact the price of ZEC or the ability of individuals or institutions such as us to own or transfer ZEC.

It is not possible to predict whether or when new laws and regulations will be enacted or adopted that change the legal framework governing digital assets or provide additional authorities to the SEC, the Commodity Futures Trading Commission (the "CFTC"), or other regulators, or whether or when any other federal, state or foreign legislative or regulatory bodies will take any similar actions. For example, legislation such as the Digital Asset Market Clarity Act of 2025 (the "CLARITY Act"), a comprehensive digital asset market structure and regulation bill, as proposed by the U.S. House of Representatives in July 2025 could, if it became law, grant the CFTC additional regulatory and supervisory powers with respect to spot digital assets as "digital commodities" and potentially result in the imposition of additional regulatory obligations and burdens to us, which could potentially include registration, disclosure, reporting, and business conduct requirements.

It is also not possible to predict the nature of any such additional laws or authorities, how additional legislation or regulatory oversight might impact the ability of digital asset markets to function, the willingness of financial and other institutions to continue to provide services to the digital assets industry, or how any new laws or regulations, or changes to existing laws or regulations, might impact the value of digital assets generally and ZEC specifically. The consequences of any new law or regulation relating to digital assets and digital asset activities could adversely affect the market price of ZEC, as well as our ability to hold or transact in ZEC, and in turn adversely affect the market price of our listed securities. Furthermore, other companies have begun to adopt strategies similar to ours with respect to digital assets, and this could result in new laws or regulations, or new interpretations of existing laws or regulations, impacting our digital asset treasury strategy, particularly if the adoption of digital asset strategies by other companies continues or accelerates.

Moreover, the risks of engaging in a digital asset treasury strategy generally, and ZEC as the digital asset specifically, are relatively novel and have created, and could continue to create, complications due to the lack of experience that third parties have with companies engaging in such a strategy, such as increased costs of director and officer liability insurance or the potential inability to obtain such coverage on acceptable terms in the future.

The growth of the digital assets industry in general, and the use and acceptance of Zcash in particular, may also impact the price of ZEC and is subject to a high degree of uncertainty. The pace of worldwide growth in the adoption and use of ZEC may depend, for instance, on public familiarity with digital assets, ease of buying, accessing or gaining exposure to ZEC, institutional demand for ZEC as an investment asset, the participation of traditional financial institutions in the digital assets industry, consumer demand for ZEC as a store of value or means of payment, and the availability and popularity of alternatives. Even if growth in ZEC adoption occurs in the near or medium term, there is no assurance that ZEC usage will continue to grow over the long term.

A variety of technical factors related to the Zcash blockchain could also impact the price of ZEC. For example, malicious attacks by miners, inadequate mining fees to incentivize validating of Zcash transactions, hard "forks" of the Zcash blockchain into multiple blockchains, and advances in digital computing, algebraic geometry, and quantum computing could undercut the integrity of the Zcash blockchain and protocol, and negatively affect the price of ZEC. The liquidity of ZEC may also be reduced and damage to the public perception of ZEC may occur, if financial institutions were to deny or limit banking services to businesses that hold ZEC, provide Zcash-related services or accept ZEC as payment, which could also decrease the price of ZEC. The liquidity of ZEC may also be impacted to the extent that changes in applicable laws and regulatory requirements, such as those proposed by the European Union, negatively impact the ability of exchanges and trading venues to provide services for ZEC and other privacy-based digital assets.

ZEC does not pay interest or dividends and our ability to generate a return on investment from our purchases of ZEC is dependent on an appreciation in value of ZEC.

ZEC does not pay interest or dividends. The ability to generate a return on investment from the purchase of ZEC will depend on whether there is appreciation in the value of ZEC following our purchases. Future fluctuations in ZEC's trading prices may result in our converting ZEC into US dollars, Euros, or other assets with a value substantially below the cost of such purchases.

Digital asset holdings are less liquid than cash and cash equivalents and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents.

Our ZEC holdings are less liquid than our existing cash and cash equivalents and may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents. Historically, the digital asset market has been characterized by significant volatility in price, limited liquidity and trading volumes compared to sovereign currencies markets, concerns regarding pseudonymity of digital asset addresses, a developing regulatory landscape, potential susceptibility to market abuse and manipulation, compliance and internal control failures at exchanges, and various other risks inherent in its entirely electronic, virtual form and decentralized network. During times of market instability, we may not be able to sell our digital assets at favorable prices or at all. As a result, digital asset holdings may not be able to serve as a source of liquidity for us to the same extent as cash and cash equivalents. Further, digital assets we hold with our custodians and transact with our trade execution partners do not enjoy the same protections or insurance as are available to cash or securities deposited with or transacted by institutions subject to regulation by the Federal Deposit Insurance Corporation or the Securities Investor Protection Corporation. Additionally, we may be unable to enter into term loans or other capital raising transactions collateralized by our unencumbered digital assets or otherwise generate funds using our digital asset holdings, including in particular during times of market instability or when the price of digital assets has declined significantly. If we are unable to sell our digital assets, enter into additional capital raising transactions, including capital raising transactions using ZEC as collateral, or otherwise generate funds using our ZEC holdings, or if we are forced to sell our digital assets at a significant loss, in order to meet our working capital requirements, our business and financial condition could be negatively impacted.

The concentration of our ZEC holdings could enhance the risks inherent in our digital asset treasury strategy.

The concentration of our ZEC holdings limits the risk mitigation that we could achieve if we were to purchase a more diversified portfolio of treasury assets, and the absence of diversification enhances the risks inherent in our ZEC digital asset treasury strategy. Any future significant declines in the price of ZEC would have a more pronounced impact on our financial condition than if we used our cash to purchase a more diverse portfolio of assets.

Historically, the digital asset markets have been characterized by significant volatility in price, limited liquidity and trading volumes compared to sovereign currencies markets, relative anonymity, a developing regulatory landscape, potential susceptibility to market abuse and manipulation, compliance and internal control failures at exchanges and various other risks inherent in its entirely electronic, virtual form and decentralized network. During times of market instability, we may not be able to sell our ZEC at favorable prices or at all. Further, any ZEC we hold with Gemini or other custodians and transact with our trade execution partners does not enjoy the same protections as are available to cash or securities deposited with or transacted by institutions subject to regulation by the Federal Deposit Insurance Corporation or the Securities Investor Protection Corporation. If we are unable to sell our ZEC, enter into additional capital raising transactions, or otherwise generate funds using our ZEC holdings, or if we are forced to sell our ZEC at a significant loss, in order to meet our working capital requirements, our business and financial condition could be negatively impacted.

The concentration of our expected digital asset holdings relative to non-digital assets enhances the risks inherent in our digital asset treasury strategy.

We expect ZEC to comprise a significant portion of our total assets. The concentration of our digital asset holdings limits the risk mitigation that we could take advantage of by purchasing a more diversified portfolio of treasury assets, and the absence of diversification enhances the risks inherent in our digital asset treasury strategy. If there is a significant decrease in the price of ZEC, we will experience a more pronounced impact on our financial condition than if we used our cash to purchase a more diverse portfolio of assets.

If we are unable to raise additional capital on acceptable terms, our ability to implement and sustain a digital asset treasury strategy may be compromised.

Our digital asset treasury strategy contemplates the discretionary purchase of ZEC. The capital required to acquire and actively manage ZEC may exceed our existing cash resources and any cash flows from operations. Market conditions, our share price performance, the volatility of digital assets, and regulatory uncertainties could impair our ability to access debt or equity capital on terms acceptable to us, or at all. Failure to obtain necessary financing could force us to curtail or abandon our digital asset strategy, which could materially harm our growth prospects and the value of our securities.

Our ability to time the price of our purchases of ZEC pursuant to our digital asset treasury strategy will be limited.

In future periods, we intend to continue to acquire additional ZEC in accordance with our digital asset treasury strategy. ZEC is a highly volatile asset. Volatility may continue in the future and historical trends could reverse dramatically. As a result, there can be no assurance that we will be able to purchase ZEC at favorable prices or avoid losses associated with declines in the value of ZEC. Our ability to time such purchases to coincide with favorable market conditions may be limited.

A significant decrease in the market value of our digital asset holdings could adversely affect our ability to satisfy financial obligations, including any debt financings.

As part of our digital asset treasury strategy, we may incur indebtedness and other fixed charges in the future in order to raise capital for our business strategies. If our businesses do not generate cash flow in future periods sufficient to satisfy our financial obligations, including our debt, if any, we intend to fund our obligations using cash flow generated by equity or debt financing. Our ability to obtain equity or debt financing may in turn depend on, among other factors, the value of our ZEC holdings, investor sentiment and the general public perception of ZEC, as well as our strategy and our value proposition. Accordingly, a significant decline in the market value of our ZEC holdings or a negative shift in these other factors may create liquidity and credit risks, as such a decline or such shifts may adversely impact our ability to secure sufficient equity or debt financing to satisfy our financial obligations. As ZEC will constitute a substantial part of our balance sheet, if we are unable to generate revenue or secure equity or debt financing in a timely manner, on favorable terms, or at all, we may be required to sell ZEC to satisfy these obligations. Any such sale of ZEC may have a material adverse effect on our operating results, financial condition and future prospects, and could impair our ability to secure additional equity or debt financing in the future. Our inability to secure additional equity or debt financing in a timely manner, on favorable terms or at all, or to sell our ZEC in amounts and at prices sufficient to satisfy our financial obligations, including our debt service obligations, could cause us to default under such obligations. Any default on our indebtedness may have a material adverse effect on our operating results, financial condition and future prospects.

Our common stock may trade at a substantial premium or discount to the value of ZEC we hold, and our stock price may be more volatile than the price of ZEC.

The market price of our common stock reflects many factors that do not affect the spot price of ZEC and may therefore diverge materially — positively or negatively — from the per-share value of our ZEC holdings (net of cash, other assets and liabilities). These factors include, among others: our corporate-level expenses; taxes; the timing, size and pricing of equity or debt financings (including at-the-market offerings, equity line financings or convertible securities), equity awards and other sources of dilution; expectations about our future purchases or sales of ZEC; our liquidity and public float; differences in trading hours and market microstructure between our common stock and spot markets for ZEC; changes in index inclusion, analyst coverage or investor sentiment toward us as an operating company; our corporate governance, financial reporting, and any actual or perceived operational, custody, technology or regulatory risks specific to us; and broader equity-market conditions independent of crypto-asset markets. As a result, our common stock may trade at a premium or discount to the value of our ZEC holdings for extended periods, and may be more volatile than the price of ZEC. Accordingly, investors could lose all or a substantial part of their investment even if the market price of ZEC does not decline, and may not benefit commensurately from increases in the market price of ZEC.

Our ZEC treasury strategy subjects us to enhanced regulatory oversight.

Several spot ETPs have received approval from the SEC to list their shares on a U.S. national securities exchange with continuous share creation and redemption at net asset value. Even though we are not, and do not function in the manner of, a spot ETP, it is possible that we nevertheless could face regulatory scrutiny from the SEC or other federal or state agencies due to our ZEC holdings.

In addition, there has been increasing focus on the extent to which digital assets can be used to launder the proceeds of illegal activities, fund criminal or terrorist activities, or circumvent sanctions regimes, including those sanctions imposed in response to the ongoing conflict between Russia and Ukraine. While we have implemented and maintain policies and procedures reasonably designed to promote compliance with applicable anti-money laundering and sanctions laws and regulations and take care to only acquire our ZEC through Gemini, which is subject to anti-money laundering regulation and related compliance rules in the United States, if we are found to have purchased any of our ZEC from bad actors that have used ZEC to launder money or persons subject to sanctions, we may be subject to regulatory proceedings and any further transactions or dealings in ZEC by us may be restricted or prohibited.

Although our ZEC holdings do not currently serve as collateral securing any of our outstanding indebtedness as of the date hereof, we may incur indebtedness or enter into other financial instruments in the future that may be collateralized by our ZEC holdings. We may also consider pursuing strategies to create income streams or otherwise generate funds using our ZEC holdings. These types of ZEC-related transactions are the subject of enhanced regulatory oversight by international, federal, and state regulatory agencies. These and any other ZEC-related transactions we may enter into, beyond simply acquiring and holding ZEC, may subject us to additional regulatory compliance requirements and scrutiny, including under international, federal, and state money services regulations, money transmitter licensing requirements and various commodity and securities laws and regulations.

In addition, private actors that are wary of ZEC or the regulatory concerns associated with Zcash may in the future take actions that may have an adverse effect on our business or the market price of our listed securities. For example, it is possible that a financial institution could restrict customers from buying our securities if it were to determine that the value of our securities is closely tied to the performance of ZEC, signaling a reluctance to facilitate exposure to virtual currencies.

Absent federal regulations, there is a possibility that ZEC may be classified as a "security." Any classification of ZEC as a "security" could lead to our falling under the definition of "investment company" under the Investment Act of 1940, as amended, and would subject us to additional regulation and could materially impact the operation of our business.

Neither the SEC nor any other U.S. federal or state regulator has publicly stated whether they believe that ZEC is a "security." Despite the Executive Order titled "Strengthening American Leadership in Digital Financial Technology," which includes as an objective, "protecting and promoting the ability of individual citizens and private sector entities alike to access and … to maintain self-custody of digital assets," ZEC has not yet been classified with respect to U.S. federal securities laws. Because ZEC heavily resembles bitcoin, we believe that the analysis and statements from the SEC and CFTC that have stated that bitcoin is not a security apply to ZEC. Therefore, while we believe that ZEC is not a "security" within the meaning of the U.S. federal securities laws, and registration of the Company under the Investment Company Act of 1940, as amended (the "Investment Company Act"), is therefore not required under the applicable securities laws, we acknowledge that a regulatory body or federal court may determine otherwise. Our belief, even if reasonable under the circumstances, would not preclude legal or regulatory action based on such a finding that ZEC is a "security" which would require us to register as an investment company under the Investment Company Act.

ZEC and other digital assets, as well as new business models and transactions enabled by blockchain technologies, present novel interpretive questions under the Investment Company Act. There is a risk that assets or arrangements that we have concluded are not securities could be deemed to be securities by the SEC or another authority for purposes of the Investment Company Act, which would increase the percentage of securities held by us for Investment Company Act purposes.

Regulatory change reclassifying ZEC as a security could lead to our falling within the definition of "investment company" under the Investment Company Act and could adversely affect the market price of ZEC and the market price of our common stock.

Under Sections 3(a)(1)(A) and (C) of the Investment Company Act, a company generally will be deemed to be an "investment company" for purposes of the Investment Company Act if (1) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities or (2) it is engaged, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis.

While the SEC has not stated a view as to whether ZEC is or is not a "security" for purposes of the federal securities laws, a determination by the SEC or a court of competent jurisdiction that ZEC is a security could lead to our meeting the definition of "investment company" under the Investment Company Act, if the portion of our assets that consists of investments in ZEC exceeds the 40% limit prescribed in the Investment Company Act, which would subject us to significant additional regulatory requirements that could have a material adverse effect on our business and operations and may also require us to change the manner in which we conduct our business.

We intend to monitor our assets and income in order to conduct our business activities in a manner such that we do not fall within the definition of "investment company" under the Investment Company Act or would qualify under one of the exemptions or exclusions provided by the Investment Company Act and corresponding SEC rules. If ZEC is determined to be a security for purposes of the federal securities laws, we would evaluate taking steps to reduce our holdings of ZEC as a percentage of our total assets. These steps may include, among others, selling ZEC that we might otherwise hold for the long term and deploying our cash in assets that are not considered to be investment securities under the Investment Company Act, in which case we may be forced to sell our ZEC at unattractive prices. We may also seek to acquire additional assets that are not considered to be investment securities under the Investment Company Act and we may need to incur debt, issue additional equity or enter into other financing arrangements that are not otherwise attractive to our business. Any of these actions could have a material adverse effect on our results of operations and financial condition. Moreover, we can make no assurance that we would successfully be able to take the necessary steps to avoid meeting the definition of "investment company" under the Investment Company Act and becoming subject to its requirements. If ZEC is determined to constitute a security for purposes of the federal securities laws and if we are not able to come within an available exemption or exclusion under the Investment Company Act, then we would have to register as an investment company and require us to change the manner in which we conduct our business. In addition, such a determination could adversely affect the market price of ZEC and in turn adversely affect the market price of our common stock, or subject us to risk of enforcement proceedings and lawsuits, which could result in potential injunctions, cease-and-desist orders, fines and penalties. Such developments would adversely affect our business, results of operations, financial condition, and prospects.

We may be deemed to be a "commodity pool" under CEA and CFTC Rules as a result of our commodity interest trading, which could have a material adverse effect on our business, financial condition and results of operations.

The CEA and CFTC Rules define a "commodity pool" as any investment trust, syndicate, or similar form of enterprise operated for the purpose of trading in "commodity interests," such as swaps, futures and options on an underlying commodity (including any digital asset that constitutes a commodity). The CFTC has previously interpreted "for the purpose of trading" as being triggered where only one swap is executed. The legal and regulatory landscape of CFTC commodity pool regulation is currently unclear as applied to digital asset treasury companies. Accordingly, (i) no person is registered with the CFTC as a commodity pool operator ("CPO") or a commodity trading adviser ("CTA") with respect to our company and (ii) our stockholders will not have the regulatory protections provided to investors in a commodity pool operated or advised by a registered CPO or CTA, as applicable.

If our company were determined to be a "commodity pool," including as a result of any future change in legislation, regulation or interpretation, we may be subject to additional regulatory requirements which may be burdensome or costly or that could make it impractical or impossible for us to continue our business as currently contemplated. For example, a commodity pool must generally be operated as a separately cognizable entity from its CPO and any person acting as a CPO or CTA with respect to a commodity pool must be registered with the CFTC and as a member of the National Futures Association (the "NFA"). Absent an applicable exemption, a registered CPO or CTA must generally provide investors with a "disclosure document" in compliance with the CFTC Rules and the requirements of the NFA, and must comply with a range of ongoing reporting and recordkeeping requirements on registered and certain exempt commodity pool operators. Registration can be time-consuming, expensive and restrictive, and compliance with these additional regulatory requirements could result in substantial, non-recurring expenses, adversely affecting an investment in our securities. If we determine not to comply with such regulations, we may be forced to cease or modify certain of our operations, which could negatively impact our investors.

We are not subject to legal and regulatory obligations that apply to investment companies such as mutual funds and ETPs, or to obligations applicable to investment advisers.

Mutual funds, ETPs and their directors and management are subject to extensive regulation as "investment companies" and "investment advisers" under U.S. federal and state law; this regulation is intended for the benefit and protection of investors. We do not currently comply with and do not intend to voluntarily comply with these laws and regulations. Consequently, our stockholders do not have the regulatory protections provided to stockholders in registered and regulated investment companies, which, for example, require investment companies to have a certain percentage of disinterested directors and regulate the relationship between the investment company and certain of its affiliates.

This means, among other things, that the execution of or changes to our ZEC treasury strategy, our use of leverage, the manner in which our ZEC is custodied, our ability to engage in transactions with affiliated parties and our operating and investment activities generally are not subject to the extensive legal and regulatory requirements and prohibitions that apply to investment companies and investment advisers. Consequently, our Board has broad discretion over the investment, leverage and cash management policies it authorizes, whether in respect of our ZEC holdings or other activities we may pursue and has the power to change our current policies, including our strategy of acquiring and holding ZEC.

Changes in regulatory interpretations could require us to register as a money services business or money transmitter, leading to increased compliance costs or operational shutdowns.

The regulatory regime for digital assets in the U.S. and elsewhere is uncertain. We may be unable to effectively react to proposed legislation and regulation of digital assets, which could adversely affect our business.

The Financial Crimes Enforcement Network, a division of the U.S. Treasury Department ("FinCEN"), regulates providers of certain services with respect to "convertible virtual currency," including ZEC. Businesses engaged in the transfer of convertible virtual currencies are subject to registration and licensure requirements at the U.S. federal level and also under U.S. state laws.

If regulatory changes or interpretations require us to register as a money services business with FinCEN under the U.S. Bank Secrecy Act, or as a money transmitter under state laws, we may be subject to extensive regulatory requirements, resulting in significant compliance costs and operational burdens. In such a case, we may incur extraordinary expenses to meet these requirements or, alternatively, may determine that continued operations are not viable. If we decide to cease certain operations in response to new regulatory obligations, such actions could occur at a time that is unfavorable to investors.

Multiple states have implemented or proposed regulatory frameworks for digital asset businesses. Compliance with such state-specific regulations may increase costs or impact our business operations. Further, if we or our service providers are unable to comply with evolving federal or state regulations, we may be forced to dissolve or liquidate certain operations, which could materially impact our investors.

The availability of spot ETPs for digital assets may adversely affect the demand for our common stock, which could result in a decrease in the market price of our listed securities.

Although Bitcoin and other digital assets such as ZEC have experienced a surge of investor attention since Bitcoin was invented in 2008, until recently investors in the United States had limited means to gain direct exposure to digital assets through traditional investment channels, and instead generally were only able to hold digital assets through "hosted" wallets provided by digital asset service providers or through "unhosted" wallets that expose the investor to risks associated with loss or hacking of their private keys. Given the relative novelty of digital assets, general lack of familiarity with the processes needed to hold digital assets directly, as well as the potential reluctance of financial planners and advisers to recommend direct digital asset holdings to their retail customers because of the manner in which such holdings are custodied, some investors have sought exposure to digital assets through investment vehicles that issue shares representing fractional undivided interests in their underlying digital asset holdings.

On January 10, 2024, the SEC approved the listing and trading of spot Bitcoin ETPs, the shares of which can be sold in public offerings and are traded on U.S. national securities exchanges. The SEC has also approved spot ETPs for Ethereum and other digital assets. The listing and trading of spot ETPs for digital assets offers investors another alternative to gain exposure to digital assets, which could result in a decline in the price of our listed securities relative to the value of our digital assets.

Although we are an operating company, and we believe we offer a different value proposition than an investment vehicle such as a spot digital asset ETP, investors may nevertheless view our securities as an alternative to an investment in an ETP, and choose to purchase shares of an ETP instead of our securities. They may do so for a variety of reasons, including if they believe that ETPs offer a "pure play" exposure to digital assets that is generally not subject to federal income tax at the entity level as we are, or the other risk factors applicable to an operating business, such as ours. Additionally, unlike spot digital asset ETPs, we (i) do not seek for our common stock to track the value of the underlying digital assets we hold before payment of expenses and liabilities, (ii) may not benefit from various exemptions and relief under the Securities Exchange Act of 1934, as amended, including Regulation M, and other securities laws, which enable ETPs to continuously align the value of their shares to the price of the underlying assets they hold through share creation and redemption, (iii) are a Delaware corporation rather than a statutory trust, and do not operate pursuant to a trust agreement that would require us to pursue one or more stated investment objectives, and (iv) are not required to provide daily transparency as to our digital asset holdings or our net asset value. Based on how we are viewed in the market relative to ETPs, and other vehicles which offer economic exposure to digital assets, such as futures ETPs, leveraged futures ETPs and similar vehicles offered on international exchanges, any premium or discount in our common stock relative to the value of our digital asset holdings may increase or decrease in different market conditions.

As a result of the foregoing factors, availability of spot ETPs for ZEC and other digital assets could decrease demand for our common stock, which could have a material adverse effect on the market price of our listed securities.

Although we currently are not considered to be a "controlled company" under Nasdaq corporate governance rules, we may in the future become a controlled company due to the concentration of voting power among Winklevoss Capital and their affiliates.

A "controlled company" pursuant to the Nasdaq corporate governance rules is a company of which more than 50% of the voting power is held by an individual, group, or another company. Winklevoss Capital beneficially owns 19.9% of our outstanding shares of common stock, which excludes an additional 71,647,916 shares of Common Stock issuable upon exercise of Pre-Funded Warrants and 57,182,378 shares of Common Stock issuable upon exercise of the Common Warrants. Although we currently are not considered to be a "controlled company" under the Nasdaq corporate governance rules, we may in the future become a controlled company if such shares are issued. In the event that Winklevoss Capital acquires more than 50% of the voting power of the Company, we may in the future be able to rely on the "controlled company" exemptions under the Nasdaq corporate governance rules due to this concentration of voting power and the ability of Winklevoss Capital and its affiliates to act as a group. If we were a controlled company, we would be eligible, and could elect, not to comply with certain of the Nasdaq corporate governance standards. Such standards include the requirement that a majority of our directors are independent directors, subject to certain phase-in periods, and the requirement that our compensation, nominating and governance committee consist entirely of independent directors. In such a case, if the interests of our stockholders differ from Winklevoss Capital, including as a result of Winklevoss Capital's affiliation with Gemini, our stockholders would not have the same protection afforded to stockholders of companies that are subject to all of the Nasdaq corporate governance standards, and the ability of our independent directors to influence our business policies and corporate matters may be reduced.

Risks Related to Leap

We have a history of losses, have no source of product revenue, and may never become profitable.

Investment in the biotechnology research and development business conducted by Leap is highly speculative because it entails substantial upfront capital expenditures and significant risk that our lead product candidate, sirexatamab, or any other products will fail to gain regulatory approval or become commercially viable. We do not currently have any products approved by regulatory authorities for marketing and have not generated any revenue from product sales. We have incurred significant research, development and other expenses related to our ongoing operations.

We have not generated any product revenues, and we have no commercial products. Our ability to generate revenue from product sales and achieve profitability with respect to our biotechnology research and development operations conducted by Leap will depend upon our ability to successfully gain regulatory approval and commercialize sirexatamab, FL-501, or other product candidates that we may in-license or acquire in the future. Even if we are able to successfully achieve regulatory approval, we do not know when we will generate revenue from product sales, if at all. Our ability to generate revenue from product sales from any product candidates also depends on a number of additional factors, including but not limited to, our ability to:

- initiate and successfully complete development activities, including enrollment of study participants and completion of the necessary clinical trials;

- complete and submit new drug applications ("NDAs"), or biologics license applications ("BLAs") to the FDA and obtain regulatory approval for indications for which there is a commercial market;

- complete and submit applications to, and obtain regulatory approval from, foreign regulatory authorities;

- make or have made commercial quantities of our products at acceptable cost levels;

- develop a commercial organization capable of manufacturing, sales, marketing and distribution for any products we intend to sell ourselves in the markets in which we choose to commercialize on our own; and

- obtain adequate pricing, coverage and reimbursement from third parties, including government and private payors.

In addition, because of the numerous risks and uncertainties associated with product development, including that our product candidates may not advance through development or achieve the endpoints of applicable clinical trials, we are unable to predict the timing or amount of increased expenses, or when or if we will be able to achieve or maintain profitability. Our failure to become and remain profitable would depress the value of our company and could impair our ability to expand our business, maintain our research and development efforts, diversify our product offerings, or even continue operations.

We will require additional capital to fund our operations which may not be available on acceptable terms, or at all. Failure to obtain financing when needed may force us to delay, limit or terminate our product development efforts or other operations which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our operations have consumed substantial amounts of cash since inception. We will need to spend substantial amounts to advance the development of sirexatamab and FL-501 and launch and commercialize our product candidates, if we receive regulatory approval. We will require additional capital for further development and potential commercialization. If we are unable to raise capital when needed or on attractive terms, we could be forced to reduce or eliminate our research and development programs.

Raising additional capital may cause dilution to our existing stockholders, restrict our operations or require us to relinquish rights to our product candidates.

Until Leap can generate substantial revenue from product sales, if ever, Leap expects to seek additional capital through a combination of private and public equity offerings, debt financings, strategic collaborations and alliances, licensing arrangements, and mergers with other companies. To the extent that we raise additional capital through the sale or issuance of equity or convertible debt securities, the ownership interests of existing stockholders will be diluted, and the terms may include liquidation or other preferences that adversely affect the rights of existing stockholders. If we are unable to raise additional funds through equity or debt financing when needed, we may be required to terminate our product development efforts, or to grant rights to develop and market our product candidates that we would otherwise prefer to develop and market ourselves, or to sell ourselves or engage in some other strategic transaction at an unfavorable price and on other unfavorable terms, or to discontinue our drug development business and operations entirely. If we raise additional funds through strategic collaborations and alliances, licensing arrangements, or mergers with third parties, we may have to relinquish valuable rights to our product candidates in particular countries, or grant licenses on terms that are not favorable to us.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process.

The results of preclinical studies, preliminary study results, and early clinical trials of our product candidates may not be predictive of the results of later-stage clinical trials or the ultimately completed trials. For instance, while we have early clinical trial results for our clinical studies of sirexatamab, additional clinical trials will be needed for the registration of sirexatamab. The ultimate study results of our future trials may be different than the ones we have seen to date.

Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. Preclinical studies may also reveal unfavorable product candidate characteristics, including safety concerns. In some instances, there can be significant variability in safety or efficacy results between different clinical trials of the same product candidate due to numerous factors, including changes in trial procedures set forth in protocols, the impact of an active comparator arm, differences in the size and type of patient populations, changes in and adherence to clinical trial protocols, changes in medical prescribing practices, and the rate of dropout among clinical trial participants.

Our future clinical trial results may not be successful. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials, notwithstanding promising results in earlier trials. Moreover, should there be a flaw in a clinical trial, it may not become apparent until the clinical trial is well advanced. Further, because we currently plan to develop our product candidates for use in combination with other oncology products, the design, implementation, and interpretation of the clinical trials necessary for marketing approval may be more complex than if we were developing our product candidates alone.

The regulatory approval processes of the FDA and comparable foreign authorities are lengthy, time consuming and inherently unpredictable, especially for an early-stage company such as ours. If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals, we may not be able to commercialize our product candidates as expected, and our ability to generate revenue could be materially impaired.

The time required to obtain approval for a new therapeutic from the FDA and comparable foreign authorities is unpredictable but typically takes many years following the commencement of clinical trials and depends upon numerous factors, including the substantial discretion of such regulatory authorities.

In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. Any such change may require us to amend our clinical trial protocols, conduct additional studies that require regulatory or IRB approval, or otherwise cause delays in the approval or rejection of an application. We have not obtained regulatory approval for any product candidate and it is possible that none of our existing product candidates or any product candidates we may seek to develop in the future will ever obtain regulatory approval. Both sirexatamab and FL-501 will require additional preclinical and clinical development, as well as additional manufacturing development before we will be able to submit a marketing application to the FDA. Moreover, should the FDA determine that a companion diagnostic device is required for use of our product candidates or should we decide to pursue the development of a companion diagnostic device for the use of our product candidates, further development work would be required for such a device, including, possibly the approval of an Investigational Device Exemption for the study of such a device from the FDA, compliance with the FDA's device regulations, and either FDA clearance or approval of the device for commercial use. Such development would require additional time and expense and be subject to the risk of FDA non-approval or clearance of the diagnostic. Any delay in obtaining or failure to obtain required approvals could materially adversely affect our ability or the ability of any of our future collaborators to generate revenue from the particular product candidate, which could result in significant harm to our financial position and adversely impact our stock price.

Our product candidates and the activities associated with their development and commercialization, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, marketing, promotion, sale, and distribution, are subject to comprehensive regulation by the FDA and other regulatory agencies in the United States and by the European Medicines Agency ("EMA"), and similar regulatory authorities outside the United States and Europe. Failure to obtain marketing approval for a product candidate will prevent us from commercializing that product candidate. We have no experience in filing and supporting the applications necessary to gain marketing approvals and expect to rely on CROs and consultants to assist us in this process. Securing marketing approval requires the submission of extensive preclinical and clinical data and supporting information to regulatory authorities for each therapeutic indication to establish the product candidate's safety, purity, and potency for that indication. Securing marketing approval also requires the submission of information about the product manufacturing process to, and inspection of manufacturing facilities and clinical trial sites by, the relevant regulatory authorities.

Regulatory authorities have substantial discretion in the approval process and may refuse to accept any application. In addition, varying interpretations of the data obtained from preclinical and clinical testing could delay, limit or prevent marketing approval of a product candidate. The number and types of preclinical studies and clinical trials that will be required for regulatory approval also varies depending on the product candidate, the disease or condition that the product candidate is designed to address, and the regulations applicable to any particular product candidate.

Approval policies, regulations or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions, which may cause delays or limitations in the approval of or the decision not to approve an application. It is possible that neither of our product candidates, sirexatamab and FL-501, nor any product candidates we may seek to develop in the future will ever obtain the appropriate regulatory approvals necessary for us or any future collaborators to commence product sales.

Finally, even if we were to obtain approval, regulatory authorities may approve any of our product candidates for fewer or more limited indications or uses than we request, may require significant safety warnings, including black box warnings, contraindications, and precautions, may grant approval contingent on the performance of costly post-marketing clinical trials, surveillance, or other requirements, including risk evaluation and mitigation strategies ("REMS"), to monitor the safety or efficacy of the product, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of these scenarios could compromise the commercial prospects for our product candidates.

If we experience delays in obtaining approval, if we fail to obtain approval of a product candidate or if the label for a product candidate does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate, the commercial prospects for such product candidate may be harmed and our ability to generate revenues from that product candidate could be materially impaired.

The therapeutic safety and efficacy of sirexatamab is unproven, and we may not be able to successfully develop and commercialize any of our products.

Our clinical stage product, sirexatamab is a novel monoclonal antibody and its potential benefit as a therapeutic cancer drug is unproven. Our ability to generate revenues from product sales, which we do not expect will occur in the short term, if ever, will depend on successful development and commercialization after approval, if achieved, which is subject to many potential risks. Sirexatamab may interact with human biological systems in unforeseen, ineffective or harmful ways. If our products are associated with undesirable side effects or have characteristics that are unexpected, we may need to abandon development or limit development to certain uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective. Many compounds that initially showed promise in early stage testing for treating cancer have later been found to be ineffective in later stage studies or cause side effects that prevented further development of the compound. As a result of these and other risks described herein that are inherent in the development of novel therapeutic agents, we may never successfully develop, enter into or maintain third party licensing or collaboration transactions with respect to, or successfully commercialize sirexatamab, in which case we will not achieve profitability and the value of our stock may materially decline.

We face substantial competition from much larger competitors, which may result in others discovering, developing or commercializing products before, or more successfully than, we do.

The development and commercialization of new drug products is highly competitive, especially in the oncology space in which we operate. We face competition with respect to sirexatamab and FL-501 and will likely face competition with respect to any other product candidates that we may seek to develop in the future, from major pharmaceutical companies and biotechnology companies worldwide. There are several companies that are marketing drugs and testing product candidates in the same cancer indications as we are. Some of these competitive products and therapies are based on scientific mechanisms of action that are the same as or similar to our approaches for DKN-01 and FL-501. For example, Novartis, Merck, Pfizer, and Amgen have previously been developing anti-DKK1 monoclonal antibodies. In addition, Pfizer, CatalYm, NGM Biosciences, among other companies, are all currently developing or have developed antibodies targeting GDF-15.

More established companies may have a competitive advantage over us due to their greater size, cash flows, and institutional experience. Compared to us, many of our competitors may have significantly greater financial, technical, and human resources. Due to the significant resources required for the development of our product candidates, we must decide which product candidates to pursue and advance and the resources to allocate to each. Our decisions concerning the allocation of research, development, collaboration, management, and financial resources toward particular product candidates may not lead to the development of any viable commercial product and may divert resources away from better opportunities. As a result of these factors, our competitors may obtain regulatory approval of their products before we are able to, which may limit our ability to develop or commercialize sirexatamab and FL-501. Our competitors may also develop drugs that are safer, more effective, more widely used, and/or cheaper than ours, and may also be more successful than us in manufacturing and marketing their products. These advantages could render our product candidates non-competitive before we can recover the expenses of development and commercialization.

We may acquire other assets, form collaborations or make investments in other companies or technologies, that could harm our operating results, dilute our stockholders' ownership, or cause us to incur significant expense.

As part of our business strategy for Leap, we intend to pursue acquisitions of assets, including preclinical or clinical stage product candidates, or enter into strategic alliances and collaborations to expand our existing programs and operations, such as we did with the merger with Flame Biosciences. We may not realize the anticipated benefits of any such transaction, any of which could have a detrimental effect on our financial condition, results of operations and cash flows. We may not be able to consistently find suitable acquisition candidates, and we may not be able to integrate these acquisitions successfully into our existing business. Any integration of an acquired company or assets may also disrupt our ongoing operations, expose us to additional liabilities, require the hiring of additional personnel and the implementation of additional internal systems and infrastructure, and require intensive management resources.

To finance any acquisitions or collaborations, we may choose to issue shares of our common stock as consideration. Any such issuance of shares would dilute the ownership of our stockholders. If the price of our common stock is low or volatile, we may not be able to acquire other assets or companies or fund a transaction using our stock as consideration. Alternatively, it may be necessary for us to raise additional funds for acquisitions through public or private financings. Additional funds may not be available on terms that are favorable to us, or at all.

We rely, and expect to continue to rely, on third parties to conduct, supervise, and monitor our preclinical studies and clinical trials. If these third parties do not carry out their contractual duties or do not perform satisfactorily, including failing to meet deadlines for the completion of such trials or failing to comply with regulatory requirements, our business could be substantially harmed.

We rely on CROs to conduct, supervise, and monitor our preclinical and clinical trials for our product candidates. We expect to continue to rely on third parties, such as CROs, clinical data management organizations, medical institutions, and clinical investigators, to conduct our preclinical studies and clinical trials. While we have agreements governing their activities, we have limited influence over their actual performance and control only certain aspects of their activities. The failure of these third parties to successfully carry out their contractual duties or meet expected deadlines could substantially harm our business, because we may be delayed in completing or unable to complete the clinical trials required to support future approval of our product candidates, and we may not obtain marketing approval for or commercialize our product candidates in a timely manner or at all. Moreover, these agreements might terminate for a variety of reasons, including a failure to perform by such third parties. If we need to enter into alternative arrangements, our product development activities could be delayed, which could adversely affect our business.

Our reliance on these third parties for development activities reduces our control over these activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with applicable protocols, legal, regulatory, and scientific standards, and our reliance on CROs does not relieve us of our regulatory responsibilities. For example, we will remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and applicable protocols for that trial and for ensuring that our preclinical trials are conducted in accordance with Good Laboratory Practice Standards ("GLPs"), as appropriate. Moreover, the FDA and comparable foreign regulatory authorities require us to comply with Good Clinical Practices, commonly referred to as GCPs, for conducting, recording, and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity, and confidentiality of trial participants are protected. Regulatory authorities enforce these requirements through periodic inspections of trial sponsors, clinical investigators, and trial sites. If we or any of our CROs fail to comply with applicable GCPs or other regulatory requirements, we or our CROs may be subject to enforcement or other legal actions, 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.

If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs or to do so on commercially reasonable terms. Switching or adding additional CROs involves additional 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 could occur, which could compromise our ability to meet our desired development timelines. Although we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects, and results of operations.

If the contract manufacturers upon whom we rely fail to produce our product candidates or components in the volumes that we require on a timely basis, or to comply with stringent regulations applicable to biopharmaceutical manufacturers, we may face delays in the development and commercialization of, or be unable to meet demand for, our product candidates and may lose potential revenues.

We do not manufacture any of our product candidates, and we do not currently plan to develop any capacity to do so. We utilize third-party contract manufacturing organizations ("CMOs"), to manufacture the clinical trial material of sirexatamab and expect to do so for commercial products, if approved. We do not have any long-term commitments from our CMOs for clinical trial material or guaranteed prices for our product candidates. Any delays in obtaining adequate supplies with respect to our product candidates will delay the development or commercialization of our product candidates.

Our product candidates compete with other products and product candidates for access to contract manufacturing facilities. There are a limited number of CMOs that operate under cGMP regulations and that are both capable of manufacturing for us and willing to do so. If our existing CMOs, or any new third party CMOs that we engage in the future to manufacture our product candidates for our clinical trials, should cease to continue to do so for any reason, we likely would experience delays in obtaining sufficient quantities of our product candidates for us to advance our clinical trials while we identify and qualify replacement suppliers. We may not succeed in our efforts to establish sufficient manufacturing relationships or other alternative arrangements to meet our needs for any of our existing or future product candidates. If for any reason we are unable to obtain adequate supplies of our product candidates, it will be more difficult for us to conduct clinical trials, develop our product candidates and operate our business.

Any problems or delays we experience in preparing for commercial-scale manufacturing of a product candidate or component may result in a delay in FDA approval of the product candidate or may impair our ability to manufacture commercial quantities or such quantities at an acceptable cost, which could result in the delay, prevention, or impairment of clinical development and commercialization of our product candidates and could adversely affect our business.

The manufacture of pharmaceutical products requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Manufacturers of therapeutics often encounter difficulties in production, particularly in scaling up initial production, including difficulties with production costs and yields, quality control, (including stability of the product candidate and quality assurance testing), shortages of qualified personnel, and compliance with strictly enforced federal, state, and foreign regulations. Our CMOs may not perform as agreed or may have a failure of a manufacturing campaign. Any changes or deviations in a manufacturing process may result in the failure of the product to meet the necessary specifications. If our CMOs were to encounter any of these difficulties, our ability to provide product candidates to patients in our clinical trials and for commercial use, if approved, could be jeopardized. Reliance on third-party CMOs entails exposure to risks to which we would not be subject if we manufactured the product candidate ourselves.

In addition, all CMOs of our product candidates and therapeutic substances must comply with cGMP requirements enforced by the FDA that are applicable to both finished products and their active components used both for clinical and commercial supply, through its facilities inspection program. Our CMOs must be approved by the FDA pursuant to inspections that will be conducted after we submit our marketing applications to the agency. Our CMOs will also be subject to continuing FDA and other regulatory authority inspections should we receive marketing approval. Further, we, in cooperation with our CMOs, must supply all necessary chemistry, manufacturing, and control documentation in support of a BLA on a timely basis. The cGMP requirements include quality control, quality assurance, and the maintenance of records and documentation. Manufacturers of our product candidates and therapeutic substances may be unable to comply with our specifications, these cGMP requirements and with other FDA, state, and foreign regulatory requirements. Poor control of production processes can lead to the introduction of adventitious agents or other contaminants, or to inadvertent changes in the properties or stability of product candidates that may not be detectable in final product testing. If our CMOs cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or other regulatory authorities, they may not be able to secure or maintain regulatory approval for their manufacturing facilities. Any such deviations may also require remedial measures that may be costly and/or time-consuming for us or a third party to implement and that may include the temporary or permanent suspension of a clinical trial or commercial sales or the temporary or permanent closure of a facility. Any such remedial measures imposed upon us or third parties with whom we contract could materially harm our business.

While we are ultimately responsible for the manufacture of our product candidates and therapeutic substances, other than through our contractual arrangements, we have little control over our CMOs' compliance with these regulations and standards. If the FDA or a comparable 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 could significantly impact our ability to develop, obtain regulatory approval for or market our product candidates, if approved. A failure to comply with these requirements may also result in regulatory enforcement actions against our CMOs or us, including fines and civil and criminal penalties. If the safety of any quantities supplied is compromised due to our CMOs' failure to adhere to applicable laws or for other reasons, we may not be able to obtain regulatory approval for or successfully commercialize our product candidates.

Any failure or refusal to supply sufficient quantities of our product candidates could delay, prevent or impair our clinical development or commercialization efforts. Any change in our CMOs could be costly because the commercial terms of any new arrangements could be less favorable than our existing arrangements and because the expenses relating to the transfer of necessary technology and processes could be significant, as there are significant regulatory requirements which must be met prior to receiving FDA approval for the transfer of a manufacturing process for a therapeutic antibody product to a new manufacturing facility.

We also rely on third parties to store and distribute our product candidates for the clinical trials that we conduct. Any performance failure on the part of our distributors could delay clinical development of our product candidates, which could produce additional losses.

If we are unable to protect our intellectual property rights or if our intellectual property rights are inadequate to protect our technology and product candidates, our competitive position could be harmed.

Our commercial success will depend in large part on our ability to obtain and maintain patent and other intellectual property protection in the U.S. and other countries with respect to our proprietary technology and products. We rely on patent, trade secret, copyright and trademark laws, and confidentiality, licensing and other agreements with employees and third parties, all of which offer only limited protection. We have sought and continue to seek to protect our proprietary position by filing and prosecuting patent applications in the U.S. and abroad related to our novel technologies and products that are important to our business.

The patent positions of biotechnology and pharmaceutical companies generally are highly uncertain, involve complex legal and factual questions and have in recent years been the subject of much litigation. As a result, the scope, validity, enforceability, and commercial value of our patents, including those patent rights licensed to us by third parties, are highly uncertain. The steps we or our licensors have taken to protect our proprietary rights may not be adequate to preclude misappropriation of our proprietary information or infringement of our intellectual property rights, both inside and outside the U.S. Further, the examination process may require us or our licensors to narrow the claims for our pending patent applications and those of our licensors, which may limit the scope of patent protection that may be obtained if these applications issue. The rights already granted under any of our currently issued patents or those licensed to us and those that may be granted under future issued patents may not provide us with the proprietary protection or competitive advantages we are seeking. If we or our licensors are unable to obtain and maintain patent protection for our technology and products, or if the scope of the patent protection obtained is not sufficient, our competitors could develop and commercialize technology and products similar or superior to ours, and our ability to successfully commercialize our technology and products may be adversely affected. It is also possible that we or our licensors will fail to identify patentable aspects of inventions made in the course of our development and commercialization activities before it is too late to obtain patent protection for them.

With respect to patent rights, we do not know whether any of our pending patent applications will result in the issuance of patents that protect our technology or products, or if any of our or our licensors' issued patents will effectively prevent others from commercializing competitive technologies and products. Patents in the field of therapeutic monoclonal antibodies are frequently limited in scope based on the sequence of amino acids that form particular parts of the antibody. A portion of our intellectual property portfolio is limited by amino acid sequences found in our product candidates. Other competing companies may have therapeutic antibodies to the same target as our product candidates, but have a different amino acid sequence and, as a result, may not be determined to infringe our patents which are limited by amino acid sequence(s). Even for those patents which are defined by the target of a therapeutic antibody and not limited by an amino acid sequence, we cannot be certain that we will be able to successfully enforce those patents against our competitors with antibodies to these targets.

Our pending applications cannot be enforced against third parties practicing the technology claimed in such applications unless and until a patent issues from such applications. Because the issuance of a patent is not conclusive as to its inventorship, scope, validity, or enforceability, issued patents that we own or have licensed from third parties may be challenged in the courts, administrative agencies or patent offices in the U.S. and abroad. Such challenges may result in the loss of patent protection, the narrowing of claims in such patents or the invalidity or unenforceability of such patents, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection for our technology and products. Protecting against the unauthorized use of our or our licensors' patented technology, trademarks and other intellectual property rights is expensive, difficult and may in some cases not be possible. In some cases, it may be difficult or impossible to detect third-party infringement or misappropriation of our intellectual property rights, even in relation to issued patent claims, and proving any such infringement may be even more difficult.

Risks Related to our Common Stock

Our share price has been low and volatile. If our share price continues to be low and volatile, we could be subject to securities class action litigation and our stockholders could incur substantial losses.

The market price of shares of our common stock could be subject to wide fluctuations in response to many risk factors listed in this section, and others beyond our control, including:

- public perception and market reaction to companies with a digital asset treasury strategy;
- the price of ZEC and issues related to Zcash developers, users, infrastructure, service providers, and ecosystem;
- the results of clinical trials or development activities of our programs, or any future programs we may acquire;
- actual or anticipated fluctuations in our financial condition and operating results;
- failure to meet or exceed financial estimates and projections of the investment community or that we provide to the public;
- issuance of new or updated research or reports by securities analysts;

- fluctuations in the valuation of companies perceived by investors to be comparable to us;
- additions or departures of key management or other personnel;
- disputes or other developments related to proprietary rights, including patents, litigation matters, and our ability to obtain patent protection for our technologies;
- announcement or expectation of additional debt or equity financing efforts;
- sales of our common stock by us, our insiders or our other stockholders; and
- general economic and market conditions.

These and other market and industry factors may cause the market price and demand for our common stock to fluctuate substantially, regardless of our actual operating performance, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In addition, the stock market in general, and Nasdaq in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. In the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If in the future any of our stockholders brought a lawsuit against us, we could incur significant legal expenses, settlement costs or damage awards that are not covered by, or exceed the limits of, our available directors' and officers' liability insurance, which could adversely impact our financial condition, results of operations or cash flows. Such a lawsuit could also divert the time and attention of our management.

We are a "smaller reporting company," and we take advantage of reduced disclosure and governance requirements applicable to smaller reporting companies, which could result in our common stock being less attractive to investors.

We qualify as a "smaller reporting company" which will allow us to take advantage of scaled disclosure requirements. We cannot predict if investors will find our common stock less attractive because we will rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock, our stock price may be more volatile and it may be difficult for us to raise additional capital as and when we need it. If we are unable to raise additional capital as and when we need it, our financial condition and results of operations may be materially and adversely affected.

If we fail to maintain an effective system of disclosure controls and internal controls over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be adversely affected.

Each year we are required to evaluate our internal controls systems in order to allow management to report on our internal controls as required by Section 404 of the Sarbanes-Oxley Act. As a result, we continue to incur additional expenses and expend our management's time to comply with these regulations. We currently do not have an internal audit group, and we will need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge. During the preparation of our financial statements for the quarter and fiscal year ended December 31, 2025, we identified a material weakness in internal control over financial reporting in connection with our accounting for certain complex and unusual transactions, as further described under Part II, Item 9A. of this Annual Report. If we are not able to comply with the requirements of Section 404, if we are not able to adequately remediate the previously identified material weakness, or if we or our independent registered public accounting firm identify additional deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, the market price of our common stock could decline and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities, which would require additional financial and management resources.

Sales of a substantial number of shares of our common stock in the public market by our stockholders could cause our stock price to fall.

In October 2025, we completed the private placement of: (i) 15,212,311 shares of common stock, (ii) pre-funded warrants to purchase up to an aggregate of 80,768,504 shares of common stock and (iii) common warrants to purchase up to an aggregate of 71,985,605 shares of common stock. During the fourth quarter of 2025, we sold an additional 27,151,211 shares of common stock pursuant to our ATM program (as described herein). Future sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could depress the market price of our common stock and could impair our

ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that future sales may have on the prevailing market price of our common stock. Substantial sales of common stock by our stockholders could have a material adverse effect on the trading price of our common stock.

Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation, if any, will be your sole source of gain.

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which you purchased them.

Our failure to maintain compliance with Nasdaq's continued listing requirements could result in the delisting of our Common Stock.

Our common stock is listed on The Nasdaq Stock Market. In order to maintain that listing, we must satisfy minimum financial and other requirements including, without limitation, a requirement that our closing bid price be at least $1.00 per share. On March 4, 2026, we received a letter from Nasdaq stating that the we were not in compliance with Nasdaq Listing Rule 5550(a)(2) (the "Closing Bid Price Rule") because our common stock failed to maintain a minimum closing bid price of $1.00 per share for 30 consecutive business days. This letter provides an initial 180 calendar day period, or until August 31, 2026, in which to regain compliance. If we do not regain compliance by August 31, 2026, we may be eligible for an additional 180-day grace period.

We will continue to monitor the closing bid price of our common stock and intend to continue to take definitive steps in an effort to evidence compliance with the Closing Bid Price Rule, including by implementing a reverse stock split, if necessary. Our stockholders previously adopted a Charter amendment that permits our Board, in its discretion, to effect a reverse stock split of our common stock in a ratio to be determined, within a range of 1 to 5 (1:5) up to 1 to 20 (1:20), in order to regain compliance with Nasdaq's $1.00 closing bid price requirement. The Board may choose whether or not to effect a reverse stock split at any time prior to December 15, 2026, without further stockholder approval.

If we were to implement a reverse stock split to facilitate compliance with the Closing Bid Price Rule and maintenance of our Nasdaq listing, the announcement and implementation of the reverse stock split could negatively affect the price of our common stock. We cannot assure you that the prices for shares of the common stock after a reverse stock split would increase proportionately to prices for shares of our common stock immediately before a reverse stock split. Furthermore, even if the market price of our common stock did rise following a reverse stock split, we cannot assure you that the market price of our common stock immediately after a reverse stock split would be maintained for any period of time, or that we may not again be subject to delisting for failure to meet the $1.00 closing bid price requirement. There is also the possibility that liquidity may be adversely affected by the reduced number of shares which would be issued and outstanding when a reverse stock split is effected, particularly if the price per share of our common stock were to begin a declining trend after the reverse stock split is effected. Accordingly, our total market capitalization after a reverse stock split may be lower than the market capitalization before such reverse stock split.

If we do not regain compliance with the Closing Bid Price Rule or we fail to continue to meet all other applicable continued listing requirements for The Nasdaq Stock Market, our common stock may be delisted, which would adversely affect the market liquidity of our common stock and our ability to obtain financing to fund our operations.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 1C. Cybersecurity.

Risk Management and Strategy

We recognize the critical importance of developing, implementing, and maintaining robust cybersecurity measures to maintain the security, confidentiality, integrity, and availability of our business systems and confidential information, including personal information and intellectual property. Our cybersecurity program includes systems and processes for assessing, identifying and managing material risks from cybersecurity threats and include maintenance and monitoring of information security policies aligned with Information Technology controls; user and employee awareness of cyber policies and practices; information systems

configuration management; infrastructure security systems; and cyber threat operations with continuous monitoring and threat hunting. This program includes processes to oversee and identify material risks from cybersecurity threats associated with our use of third party service providers. We also engage a range of third party experts in connection with various security implementation, and maintenance activities related to our cybersecurity program.

Our cybersecurity program is integrated into our overall risk management systems, business continuity and incident response plan. As part of our overall risk management program, we maintain an insurance portfolio with comprehensive cyber coverage. Our Director of Information Technology consults with third - party security advisors and provides input to each of these programs to ensure that material risks from cybersecurity threats are appropriately assessed, identified, and managed.

As of the date of this report, there have been no cybersecurity threats that have materially affected or are reasonably likely to materially affect our business, operations, or financial condition.

Governance

While our audit committee has oversight responsibility for risk management generally, the Director of Information Technology is specifically responsible for overseeing our cybersecurity program to ensure that cybersecurity risks are identified, assessed, managed, and monitored. Our Director of Information Technology provides periodic updates to senior management in this regard and covers the state of our cybersecurity program to information asset protection, core security and endpoint security, and cyber threat operations. These updates include descriptions of cybersecurity incidents of interest, including those associated with our third - party service providers. The board of directors will be informed promptly of material risks from cybersecurity threats.

We strive to create a culture of cybersecurity resilience and awareness and believe that cybersecurity is the responsibility of every employee and contractor. At the same time, primary responsibility for assessing, monitoring, and managing our cybersecurity risks lies with our Director of Information Technology.

Item 2. Properties.

We have leased our principal offices in Cambridge, Massachusetts covering approximately 7,667 square feet of space. In November 2018, we entered into a lease through April 30, 2022. On May 16, 2022, we entered into a Third Amendment to Lease and extended the lease through July 31, 2024. On January 3, 2024, we entered into a Fourth Amendment to Lease and extended the lease through July 31, 2025. On July 1, 2025 we entered into a Fifth Amendment to Lease (“Fifth Amendment”), extending the 47 Thorndike Street Lease as a tenancy-at will. The term of the Lease expires on the last day of any month identified by notice by the Company or the landlord to the other, not less than sixty (60) days in advance.

Item 3. Legal Proceedings.

From time to time we may become involved in legal proceedings or be subject to claims that arise in the ordinary course of business. As of the date of this report, we are not currently a party to any material legal proceedings.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our common stock, par value $0.001 per share, has been publicly traded on the Nasdaq Capital Market since January 24, 2017. Prior to November 12, 2025, our common stock traded under the symbol "LPTX" and since November 12, 2025, our common stock has traded under the symbol "CYPH", in connection with our corporate name change to Cypherpunk Technologies Inc.

Holders of Record

As of March 11, 2026, there were approximately 49 holders of record of our common stock. The actual number of stockholders is greater than this number of record holders, and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers and other nominees. This number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

Dividends

We have never declared or paid cash dividends on our common stock, and we do not expect to pay any cash dividends on our common stock in the foreseeable future. We currently intend to retain our future earnings, if any, to fund the development and growth of our business, including our investments in Zcash. Payment of future dividends, if any, on our common stock will be at the discretion of our board of directors after taking into account various factors, including our financial condition, operating results, anticipated cash needs, and plans for expansion.

Securities Authorized for Issuance Under Equity Compensation Plans

Information regarding our equity compensation plans and our securities authorized for issuance thereunder is set forth herein under Part III, Item 12 below.

Recent Sales of Unregistered Securities

All unregistered sales of equity securities made by us during the period covered by this report were previously disclosed in the the Company's Current Report on Form 8-K filed with the SEC on October 9, 2025.

Purchases of Equity Securities

We did not purchase any of our registered equity securities during the fourth quarter of the fiscal year covered by this Annual Report on Form 10-K.

Item 6. Reserved.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes appearing elsewhere in this Annual Report on Form 10 -K. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors. We discuss factors that we believe could cause or contribute to these differences below and elsewhere in this report, including those set forth under Item 1A. "Risk Factors" and under "Cautionary Note Regarding Forward-Looking Statements" in this Annual Report.

Overview

We are a privacy technology company implementing a digital asset treasury strategy anchored by Zcash and, through our subsidiary Leap, are developing novel therapies for patients with cancer.

We have historically devoted substantially all of our resources to development efforts relating to our product candidates, including manufacturing and conducting clinical trials of our product candidates, providing general and administrative support for these operations and protecting our intellectual property. We do not have any products approved for sale and have not generated any revenue from product sales. We have funded our operations primarily through proceeds from our sales of common stock and preferred stock and proceeds from the issuance of notes payable.

During the year ended December 31, 2025, we initiated a strategy to deploy a portion of our capital raised that is not required to provide working capital for our ongoing operations to accumulate digital assets. Zcash is a protocol and blockchain network of connected devices all over the world, working together to validate transactions and maintain the Zcash ledger. ZEC is the monetary unit, or coin, of Zcash. Zcash allows for greater privacy, providing users with options for fully shielded transactions in which the sender, recipient, and amount are encrypted.

We renamed our company "Cypherpunk Technologies Inc." to reflect the strategic focus on acquiring ZEC, participating in the development of Zcash, and the values of privacy and liberty. Our ongoing research and development operations are conducted under a wholly-owned subsidiary named "Leap Therapeutics, Inc."

We have incurred net operating losses every year since our inception in 2011. During the year ended December 31, 2025, we had a net operating loss of $41.1 million. During the year ended December 31, 2024, our net operating loss was $70.1 million. As of December 31, 2025, we had an accumulated deficit of approximately $462.5 million. Our net losses have resulted primarily from costs incurred in connection with our research and development programs and from general and administrative costs associated with our operations. We expect to continue to incur significant expenses and have operating losses for at least the next several years as we:

- add operational, financial and management information systems and personnel, including personnel to support our digital asset treasury, privacy technology, and product development efforts;
- continue the development of our product candidates, sirexatamab and FL-501; and
- operate as a public company.

We do not expect to generate revenue from therapeutic drug product sales unless and until we successfully complete development and obtain marketing approval for one or more of our product candidates, which we expect will take a number of years and is subject to significant uncertainty. Accordingly, we will need to raise additional capital prior to the commercialization of sirexatamab or any other product candidate. Until such time, if ever, as we can generate substantial revenue from product sales, we expect to finance our operating activities through a combination of equity offerings, debt financings, government or other third-party funding, commercialization, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all. Our failure to raise capital or enter into such other arrangements as and when needed would have a negative impact on our financial condition and our ability to develop our product candidates, and could force us to significantly limit or reduce the scope of our business, operations and activities.

As of December 31, 2025, we had cash and cash equivalents of $14.0 million. We believe that our cash and cash equivalents as of December 31, 2025 will enable us to fund our operating expenses and capital expenditure requirements for at least 12 months from the filing of this Annual Report on Form 10-K. See "—Liquidity and Capital Resources."

Financial Overview

Research and Development Expenses

Our research and development activities have included conducting nonclinical studies and clinical trials, manufacturing development efforts and activities related to regulatory filings for our product candidates, primarily sirexatamab. We recognize research and development expenses as they are incurred. Our research and development expenses consist primarily of:

- salaries and related overhead expenses for personnel in research and development functions, including costs related to stock-based compensation;

- fees paid to consultants and CROs for our nonclinical and clinical trials, and other related clinical trial fees, including, but not limited to, laboratory work, clinical trial database management, clinical trial material management and statistical compilation and analysis;

- costs related to acquiring and manufacturing clinical trial material; and

- costs related to compliance with regulatory requirements.

We plan to increase our research and development expenses for the foreseeable future as we continue the development of sirexatamab and any other product candidates, subject to the availability of additional funding.

Our direct research and development expenses are tracked on a program-by-program basis and consist primarily of internal and external costs, such as employee costs, including salaries and stock-based compensation, other internal costs, fees paid to consultants, central laboratories, contractors and CROs in connection with our clinical and preclinical trial development activities. We use internal resources to manage our clinical and preclinical trial development activities and perform data analysis for such activities.

We participate, through our subsidiary in Australia, in the Australian government's R&D Incentive program, such that a percentage of our eligible research and development expenses are reimbursed by the Australian government as a refundable tax offset and such incentives are reflected as other income. This percentage was 43.5% for both the years ended December 31, 2025 and 2024.

The table below summarizes our research and development expenses incurred by development program and the R&D incentive income for the years ended December 31, 2025 and 2024:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Direct research and development by program:		
DKN-01 program	$ 24,945	$ 56,748
TRX518 program	—	9
FL-301 program	—	31
FL-302 program	—	76
FL-501 program	725	347
Total research and development expenses	$ 25,670	$ 57,211

The successful development of our clinical product candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing or costs of the efforts that will be necessary to complete the remainder of the development of any of our product candidates or the period, if any, in which material net cash inflows from these product candidates may commence. This is due to the numerous risks and uncertainties associated with developing drugs, including the uncertainty of:

- the scope, rate of progress and expense of our ongoing, as well as any additional, clinical trials and other research and development activities;

- future clinical trial results; and

- the timing and receipt of any regulatory approvals.

A change in the outcome of any of these variables with respect to the development of a product candidate could result in a significant change in the costs and timing associated with the development of that product candidate. For example, if the FDA or another regulatory authority were to require us to conduct clinical trials beyond those that we currently anticipate will be required for the completion of clinical development of a product candidate, or if we experience significant delays in enrollment in any of our clinical trials, we could be required to expend significant additional financial resources and time on the completion of clinical development.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related costs, including stock-based compensation, for personnel in executive, finance and administrative functions. General and administrative expenses also include direct and allocated facility-related costs as well as professional fees for legal, patent, consulting, accounting and audit services.

We anticipate that our general and administrative expenses will increase in the future as we increase our headcount to support our continued research activities and development of our product candidates. We also anticipate that we will incur increased accounting, audit, legal, regulatory, compliance, director and officer insurance costs as well as investor and public relations expenses associated with being a public company.

Interest income

Interest income consists primarily of interest income earned on cash and cash equivalents.

Research and development incentive income

Research and development incentive income includes payments under the R&D Incentive program from the government of Australia. The R&D Incentive is one of the key elements of the Australian government's support for Australia's innovation system. It was developed to assist businesses in recovering some of the costs of undertaking research and development. The research and development tax incentive provides a tax offset to eligible companies that engage in research and development activities.

Companies engaged in research and development may be eligible for either:

- a refundable tax offset at a rate of 18.5% above the company's tax rate for entities with income of less than A$20 million per annum, or
- a non-refundable tax offset for all other entities which is a progressive marginal tiered R&D intensity threshold. Increasing rates of benefit apply for incremental research and development expenditure by intensity:
  - 0 to 2% intensity: an 8.5% premium to the company's tax rate
  - Greater than 2% intensity: a 16.5% premium to the company's tax rate;

We recognize as other income the amount we expect to be reimbursed for qualified expenses.

Foreign currency translation adjustment

Foreign currency translation adjustment consists of gains (losses) due to the revaluation of foreign currency transactions attributable to changes in foreign currency exchange rates associated with our Australian subsidiary.

Income taxes

Since our inception, we have not recorded any U.S. federal or state income tax benefits for the net losses we have incurred in each year, due to our uncertainty of realizing a benefit from those items. As of December 31, 2025, we had federal and state net operating loss ("NOL") carryforwards of $85.1 million and $86.9 million, respectively. The federal NOL's are indefinitely lived and state NOL's begin to expire in 2032.

Under Internal Revenue Code Section 382, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes to offset its post-change income may be limited. We have completed a study to assess whether an ownership change occurred or whether there were multiple ownership changes since we became a "loss corporation" as defined in Section 382. We experienced multiple ownership changes occurring in 2019, 2020, 2023, and 2025. The ownership changes have and will continue to subject our pre-ownership change NOL carryforwards to an annual limitation, which will significantly restrict our ability to use them to offset taxable income in periods following the ownership changes. In general, the annual use limitation equals the aggregate value of our stock at the time of the ownership change multiplied by a specified tax-exempt interest rate. As a result of the latest ownership change, we are limited to an $0.9 million annual limitation on our ability to utilize our NOL's and R&D credits recognized prior to October 8, 2025. Due to this limitation, approximately $3.5 million of federal R&D tax credits will expire unutilized. As a result, we have reduced our deferred tax assets related to the federal R&D credits which are offset by the corresponding decrease in the valuation allowance.

As of December 31, 2025, we also had federal and state R&D tax credits of $0.1 million and $0.5 million, respectively, which begin to expire in 2043 and 2038, respectively, for federal and state tax purposes.

There is no provision for income taxes in the United States because we have historically incurred operating losses and maintain a full valuation allowance against our deferred tax assets in these jurisdictions. A provision for income taxes was recorded in Australia based on the results of our foreign subsidiary.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which we have prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported expenses during the reporting periods. We evaluate these estimates and judgments on an ongoing basis. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Our actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are more fully described in Note 2 to our consolidated financial statements appearing elsewhere in this report, we believe that the following accounting policies are the most critical for fully understanding and evaluating our financial condition and results of operations.

Research and Development Expenses

As part of the process of preparing consolidated financial statements, we are required to account for research and development expenses. This process involves communicating with our applicable personnel and service providers to identify services that have been performed on our behalf and the level of service performed and the associated cost incurred for the service. The majority of our service providers invoice us monthly for services performed. Examples of research and development expenses include:

- fees paid to CROs for management of our clinical trial activities;
- fees paid to investigative sites in connection with clinical trials;
- fees paid to contract manufacturers in connection with the production of clinical trial supplies; and
- professional services and fees.

We base our expenses related to clinical trials on the services received and efforts expended pursuant to contracts with multiple research institutions and CROs that conduct and manage clinical trials on our behalf. The financial terms of these agreements are subject to negotiation, vary from contract to contract and may result in uneven payment flows. Payments under some of these contracts depend on factors such as the successful enrollment of patients and the completion of clinical trial milestones.

Digital Assets

We hold digital assets in the form of Zcash with Gemini, a third-party custodian ("Gemini"). The contractual arrangement represents our enforceable contractual right to receive digital assets from the custodian on demand and is accounted for as a hybrid instrument under ASC 815, *Derivatives and Hedging* ("ASC 815"). The host contract represents a non-interest bearing receivable collectible on demand and is recorded at the transaction price, representing the fair value of the digital assets at the time of acquisition.

The hybrid instrument contains an embedded derivative that is required to be bifurcated because the embedded exposure to changes in the fair value of the underlying digital assets is not clearly and closely related to the economic characteristics of the host receivable. The embedded derivative is subsequently measured at the fair value each reporting period, with changes in fair value recorded as an unrealized gain (loss) on change in fair value of embedded derivative in the Consolidated Statement of Operations.

The embedded derivative component is measured at fair value at each reporting date, using observable prices in the principal market in accordance with ASC 815-15 and ASC 820, Fair Value Measurement ("ASC 820"). Where quoted prices are directly available in active markets, the embedded derivatives are classified as Level 1 within the fair value hierarchy; if observable market prices are not available, we would utilize other relevant inputs and valuation techniques, which may result in Level 2 or Level 3 classification.

We have exercised judgment in determining the principal market, fair value hierarchy, and bifurcation of embedded derivatives. There is diversity in industry practice regarding the measurement and recognition of digital assets. We continually evaluate the principal market and the reliability of inputs to ensure that fair value measurements reflect current market conditions.

Stock-Based Compensation

We have issued stock options to purchase our common stock and restricted stock units ("RSUs"). We account for stock based compensation in accordance with ASC 718, Compensation—Stock Compensation. ASC 718 establishes accounting for stock-based awards exchanged for employee and non-employee services. Under the fair value recognition provisions of ASC 718, stock-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service or vesting period. Determining the appropriate fair value model and calculating the fair value of stock-based payment awards require the use of highly subjective assumptions, including the expected life of the stock-based payment awards and stock price volatility.

We estimate the grant date fair value of stock options and the related compensation expense, using the Black-Scholes option valuation model. This option valuation model requires the input of subjective assumptions including: (1) expected life (estimated period of time outstanding) of the options granted, (2) volatility, (3) risk-free rate and (4) dividends. In general, the assumptions used in calculating the fair value of stock-based payment awards represent management's best estimates, but the estimates involve inherent uncertainties and the application of management judgment. As a result, if factors change and we use different assumptions, our stock-based compensation expense could be materially different in the future.

We expense the fair value of employee RSUs over the associated employee service period on a straight-line basis. Stock-based compensation expense is determined based on the fair value of the award at the grant date and is adjusted each period to reflect actual forfeitures.

Results of Operations

Comparison of the Years Ended December 31, 2025 and 2024

The following tables summarize our results of operations for the years ended December 31, 2025 and 2024:

	Year Ended December 31,		
	2025	2024	Change
	(in thousands)		
Operating expenses:			
Research and development	$ 25,670	$ 57,211	$ (31,541)
General and administrative	10,870	12,846	(1,976)
Restructuring charges	4,527	—	4,527
Total operating expenses	41,067	70,057	(33,517)
Loss from operations	(41,067)	(70,057)	33,517
Interest income	916	3,129	(2,213)
Interest expense	(24)	—	(24)
Australian research and development incentives	(157)	—	(157)
Change in fair value of embedded derivative	50,404	—	50,404
Foreign currency gain (loss)	5	(42)	47
Income (loss) before income taxes	10,077	(66,970)	77,047
Provision for income taxes	(5,255)	(585)	(4,670)
Net income (loss)	4,822	(67,555)	72,377
Dividend attributable to down round feature of warrants	—	(234)	234
Net income (loss) attributable to common stockholders	$ 4,822	$ (67,789)	$ 72,611

Research and Development Expenses

	Year Ended December 31,		Increase
	2025	2024	(Decrease)
	(in thousands)		
Direct research and development by program:			
DKN-01 program	$ 24,945	$ 56,748	$ (31,803)
TRX518 program	—	9	(9)
FL-301 program	—	31	(31)
FL-302 program	—	76	(76)
FL-501 program	725	347	378
Total research and development expenses	$ 25,670	$ 57,211	$ (31,541)

Research and development expenses were $25.7 million for the year ended December 31, 2025, compared to $57.2 million for the year ended December 31, 2024. The decrease of $31.5 million in research and development expenses during the year ended December 31, 2025 as compared to the same period in 2024, was primarily due to a decrease of $13.8 million in clinical trial costs and a decrease of $6.8 million in manufacturing costs, due to the completion of our clinical trials during the year ended December 31, 2025. There was also a decrease of $8.4 million in payroll and other related expenses due to a decrease in headcount of our R&D full-time employees due to a reduction in force, a decrease of $1.8 million in stock based compensation expense as there were no stock options granted during the year ended December 31, 2025 to R&D employees and a decrease of $0.7 million in consulting fees related to research and development activities.

General and Administrative Expenses

General and administrative expenses were $10.9 million for the year ended December 31, 2025, compared to $12.8 million for the year ended December 31, 2024. The decrease of $1.9 million in general and administrative expenses during the year ended December 31, 2025 as compared to the same period in 2024, was primarily due to a $2.6 million decrease in payroll and other related expenses due to a decrease in incentive based compensation expense for our general and administrative employees and a decrease in headcount of our general and administrative employees due to a reduction in force. This decrease was partially offset by an increase of $0.6

million in stock based compensation expense due to RSUs granted to general and administrative employees during the year ended December 31, 2025, and an increase of $0.1 million in professional fees.

Interest Income

We recorded interest income of $0.9 million and $3.1 million, respectively, during the years ended December 31, 2025 and 2024. The decrease during the year ended December 31, 2025 as compared to the same period in 2024 was due to a lower average cash and cash equivalents balance.

Australian Research and Development Incentives

During the year ended December 31, 2025, we expensed $0.2 million of previously recognized R&D incentive income related to 2023 eligible R&D expenses, due to a reduction to the amount we expect to be refunded, which we determined in connection with the completion of our Australian tax return for that year. During the year ended December 31, 2024, we did not record any R&D incentive income.

Unrealized Gain on Change in Fair Value of Embedded Derivative

During the year ended December 31, 2025, we recorded a $50.4 million unrealized gain on the change in fair value of embedded derivative.

Foreign Currency Gain (Loss)

We recorded an immaterial amount of foreign currency gains (losses) for the years ended December 31, 2025 and 2024. The change in foreign currency losses is due to the changes in the Australian dollar exchange rate related to activities of the Australian entity.

Liquidity and Capital Resources

Since our inception, we have been engaged in organizational activities, including raising capital, and research and development activities, and in October 2025, we implemented our digital asset treasury strategy. We have not yet achieved profitable operations or generated positive cash flows from operations, and we do not yet have a product that has been approved by the Food and Drug Administration (the "FDA"). There is no assurance that profitable operations from our privacy technology/digital asset treasury strategy or our biotechnology operations, if achieved, could be sustained on a continuing basis. Further, our future operations are dependent on the success of efforts to raise additional capital, the success of our privacy technology/digital asset treasury strategy, our biotechnology research and commercialization efforts, regulatory approval, and, ultimately, the market acceptance of our products.

In accordance with Accounting Standards Codification ("ASC") 205-40, Going Concern, we have evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about our ability to continue as a going concern within one year after the date that the consolidated financial statements are issued. As of December 31, 2025, we had cash and cash equivalents of $14.0 million and ZEC treasury holdings categorized as a digital asset receivable valued at $147.4 million. Additionally, we had an accumulated deficit of $462.5 million at December 31, 2025, and during the year ended December 31, 2025, we incurred net operating losses of $41.1 million. We expect to continue to generate operating losses in the foreseeable future. We believe that our cash and cash equivalents of $14.0 million as of December 31, 2025, will be sufficient to fund our operating expenses for at least the next 12 months from the issuance of this Annual Report on Form 10-K.

In addition, to support our future operations, we will seek additional funding through public or private, equity or debt financings and, for our biotechnology operations, we will seek funding or development program cost-sharing through collaboration agreements or licenses with larger pharmaceutical or biotechnology companies. If we do not obtain additional funding or development program cost-sharing, we could be forced to eliminate certain programs, reduce or eliminate discretionary operating expenses, and delay company expansion, which could adversely affect our business prospects. The inability to obtain funding, as and when needed, could have a negative impact on our financial condition and our ability to pursue our business strategies.

Cash Flows

The following table summarizes our sources and uses of cash for each of the periods presented:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Cash used in operating activities	$ (43,902)	$ (60,299)
Cash used in investing activities	(97,000)	—
Cash provided by financing activities	107,649	37,184
Effect of exchange rate changes on cash and cash equivalents	39	(279)
Net decrease in cash and cash equivalents	$ (33,214)	$ (23,394)

Operating activities.

Net cash used in operating activities for the year ended December 31, 2025 was primarily related to a noncash unrealized gain on the change in fair value of embedded derivative of $50.4 million, and changes in working capital, including a decrease of $10.4 million in accounts payable and accrued expenses and a $0.2 million decrease in lease liabilities. These changes were partially offset by net income of $4.8 million, and changes in working capital, including a decrease in research and development incentive receivable of $0.1 million, a decrease of $0.1 million in other assets and a decrease of $0.1 million in prepaid expense and other assets. There was also noncash stock-based compensation expense of $4.9 million, a change in deferred income taxes of $5.1 million and change in a right-of-use asset of $0.2 million.

Net cash used in operating activities for the year ended December 31, 2024 was primarily related to our net loss of $67.6 million and net changes in working capital, including a decrease in lease liabilities of $0.4 million. These changes were partially offset by an increase in accounts payable and accrued expenses of $0.9 million, an increase in income tax payable of $0.6 million, a decrease of $0.1 million in prepaid expenses and other assets, a decrease of $0.2 million in other assets, noncash stock-based compensation expense of $5.5 million and change in a right-of-use asset of $0.4 million.

Investing Activities.

Net cash used in investing activities for the year ended December 31, 2025 was related to cash used to purchase ZEC. There were no investing activities during the year ended December 31, 2024.

Financing Activities.

Net cash provided by financing activities during the year ended December 31, 2025, consisted of $57.2 million in net proceeds from the October 2025 Private Placement and $51.5 million in net proceeds through issuance of common stock through ATM sales, partially offset by payment of $0.6 million of deferred offering costs and $0.4 million of principal payments of insurance financing.

Net cash used in financing activities for the year ended December 31, 2024 consisted of $40.0 million in gross proceeds from the April 2024 Private Placement and $0.1 million of proceeds upon the exercise of stock options and warrants, partially offset by $2.9 million of offering costs paid.

Capital Requirements

We expect our expenses to increase substantially in connection with our ongoing activities.

Our expenses will also increase as we:

- pursue our privacy technology and digital asset treasury strategy;
- pursue the development of our most advanced product candidate, sirexatamab, and our preclinical product candidate, FL-501; and

- expand our operational, financial and management systems and increase personnel, including personnel to support our digital asset treasury, privacy technology, and development efforts and our operations as a public company.

Additional funding may not be available at the time needed on commercially reasonable terms, if at all.

Contractual Obligations and Contingent Liabilities

On May 16, 2022, we entered into a third amendment to the 47 Thorndike Street Lease, the ("Third Amendment"). Under the Third Amendment, we extended the term of the 47 Thorndike Street Lease through July 31, 2024. Under the Third Amendment, we paid the monthly base rent amount of $37,000 contemplated by the 47 Thorndike Street Lease through January 31, 2023, with an increase that commenced on February 1, 2023 adjusting the monthly base rent amount to approximately $37,696 through January 31, 2024, and then another increase commencing on February 1, 2024 adjusting the monthly base rent amount to $38,335 for the period of February 2024 through July 31, 2024.

On January 3, 2024, we entered into a fourth amendment to the 47 Thorndike Street Lease, the ("Fourth Amendment"). Under the Fourth Amendment, we extended the term of the 47 Thorndike Street Lease through July 31, 2025. Under the Fourth Amendment, we will continue to pay the current monthly base rent amount of $38,335 contemplated by the 47 Thorndike Street Lease through July 31, 2024, with an increase commencing on August 1, 2024 adjusting the monthly base rent amount to approximately $38,974 through July 31, 2025.

On July 1, 2025 we entered into a Fifth Amendment to Lease ("Fifth Amendment") with Landlord, extending the 47 Thorndike Street Lease as a tenancy-at will (as amended, the "Lease"). The term of the Lease expires on the last day of any month identified by notice by the Company or Landlord to the other, not less than sixty (60) days in advance. As of December 31, 2025, the monthly base rent is $19,168.

This description of our contractual obligations does not include potential future milestones or royalties that we may be required to make under license and collaboration agreements due to the uncertainty of events requiring payment under these agreements.

We enter into contracts in the normal course of business with clinical research organizations for clinical and preclinical research studies, external manufacturers for product for use in our clinical trials, and other research supplies and other services as part of our operations. These contracts generally provide for termination on notice, and therefore are cancelable contracts and not included as contractual commitments.

Recently Issued Accounting Pronouncements

We have reviewed all recently issued standards and have determined that, other than as disclosed in Note 2 to our consolidated financial statements included in this Annual Report on Form 10-K, such standards will not have a material impact on our financial statements or do not otherwise apply to our operations.

Item 7A. Quantitative and Qualitative Disclosures about Market Risks

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in the price of ZEC, interest rates, and foreign exchange rates.

ZEC Price Risk

We are exposed to risk in the price of ZEC, a digital asset that is a material portion of the assets on our balance sheet. The price of ZEC has been subject to dramatic price fluctuations and is highly volatile. In the twelve months ended December 31, 2025, ZEC has traded between approximately $26.14 and $736.51. Any increase or decrease in the fair value of ZEC will require us to recognize unrealized gains or losses, which could be material to our financial results for the applicable reporting period, which may create significant volatility in our reported earnings. Any decrease in reported earnings or increased volatility of such earnings could have a material adverse effect on the market price of our securities. As ZEC will constitute a substantial part of our balance sheet, if we are unable to generate revenue or secure equity or debt financing in a timely manner, on favorable terms, or at all, we may be required to sell ZEC to satisfy these obligations. Any such sale of ZEC may have a material adverse effect on our operating results, financial condition and future prospects, and could impair our ability to secure additional equity or debt financing in the future.

Interest Rate Risk

We are exposed to interest rate risk in the ordinary course of our business. Our cash and cash equivalents are held in highly liquid, readily available checking and money market accounts. As a result, these amounts are not materially affected by changes in interest rates and we do not believe that a 10% change in interest rate would materially impact these amounts.

Foreign Currency Exchange Risk

All of our employees and the majority of our major operations are currently located in the United States. We contract for manufacturing operations outside the United States through contract manufacturing organizations. The functional currency of our foreign subsidiary in Australia is the Australian dollar, and the R&D Tax Incentive payment is received from the Australian government in Australian dollars, although the majority of the Australian subsidiary's contracts are denominated in U.S. dollars. We have also engaged in contracts with contractors or other vendors in a currency other than the U.S. dollar, including the British pound. As a result, we are subject to foreign currency risks with respect to the Australian dollar and the British pound which could have the effect of increasing our expenses or reducing the amounts collected under the R&D Tax Incentive from the amounts recorded at the time of the transaction.

Item 8. Financial Statements and Supplementary Data.

Our financial statements required by this Item, together with the report of our independent registered public accounting firm, appear on pages F-1 through F-30 of this Annual Report on Form 10-K and are incorporated herein by reference.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities and Exchange Act of 1934 is (1) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and (2) accumulated and communicated to our management, including our President and Chief Executive Officer, who is also serving as our Chief Financial Officer and therefore currently serves as both our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As of December 31, 2025, our management, with the participation of our Chief Executive Officer, who is also serving as our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as amended). Our management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. As a result of the identified material weakness described below, our principal executive officer and principal financial and accounting officer has concluded based upon the evaluation described above that, as of December 31, 2025, our disclosure controls and procedures were not effective at the reasonable assurance level.

Management's Report on Internal Control over Financial Reporting

This Company's management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act). Internal control over financial reporting is a process designed under the supervision and with the participation of our management, including the individuals serving as our principal executive officer and principal financial officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Management conducted an assessment of the effectiveness of the Company's internal control over financial reporting based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control—Integrated Framework (2013 Framework). Based on this assessment, including the existence of the material weakness discussed herein, our management concluded that, as of December 31, 2025, our internal control over financial reporting was not effective based on those criteria.

Material Weakness in Internal Control over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In connection with our first quarter of activity in implementing our new digital asset treasury strategy during the three months ended December 31, 2025, management identified a material weakness in our internal control over financial reporting relating to our failure to maintain effective controls over the accounting for certain complex and unusual transactions. Specifically, the material weakness relates to the operating effectiveness of controls that had been designed and implemented to account for complex and unusual transactions.

We engage external accounting and tax experts to assist with these complex matters. Although our internal controls were sufficiently designed and implemented for complex and unusual transactions, they did not operate effectively.

This control deficiency resulted in errors which were not detected by management's existing controls. This material weakness did not result in any material misstatements to our consolidated financial statements or any changes to previously filed financial statements.

Remediation Efforts

To remediate this material weakness, our management, under the oversight of the Audit Committee of the Board, has begun and will continue to implement the following remediation plans:

1. Enhanced Oversight: Management is developing and adopting formal procedures to verify the inputs, assumptions, and methodologies used by external specialists with regard to future complex and unusual transactions.

2. Training: Management is providing for specialized training to our existing finance staff regarding the oversight of third-party service providers and specialists regarding any future complex and unusual transactions.

Attestation Report on Internal Control Over Financial Reporting

This Annual Report does not include an attestation report of our independent registered public accounting firm due to our status as a smaller reporting company and non-accelerated filer.

Changes in Internal Control Over Financial Reporting

In connection with the October 2025 Private Placement and our initiation of a digital asset treasury strategy, we implemented digital asset treasury processes and controls during the quarter ended December 31, 2025. There were no other changes to our internal control over financial reporting that occurred during the quarter ended December 31, 2025 covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

Item 9C. Disclosures Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The Company has adopted an insider trading policy that governs the purchase, sale, and/or other transactions of our securities by our directors, officers and employees. A copy of our insider trading policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K for the fiscal year ended December 31, 2025. In addition, with regard to the Company's trading in its own securities, it is the Company's policy to comply with the federal securities laws and the applicable exchange listing requirements.

The remaining information required by this Item is set forth in our Proxy Statement for the 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2025, and is incorporated into this Annual Report on Form 10-K by reference.

Item 11. Executive Compensation.

The information required by this Item is set forth in our Proxy Statement for the 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2025, and is incorporated into this Annual Report on Form 10-K by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item is set forth in our Proxy Statement for the 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2025, and is incorporated into this Annual Report on Form 10-K by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item is set forth in our Proxy Statement for the 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2025, and is incorporated into this Annual Report on Form 10-K by reference.

Item 14. Principal Accountant Fees and Services.

The information required by this Item is set forth in our Proxy Statement for the 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2025, and is incorporated into this Annual Report on Form 10-K by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a)(1) Financial Statements

The financial statements listed below are filed as part of this Annual Report on Form 10-K.

(a)(2) Financial Statement Schedules

All financial schedules have been omitted because the required information is either presented in the Consolidated Financial Statements or the Notes thereto or is not applicable or required.

(a)(3) Exhibits

The exhibits required by Item 601 of Regulation S-K and Item 15(b) of this Annual Report on Form 10-K are listed in the Exhibit Index immediately preceding the exhibits and are incorporated herein by reference.

EXHIBIT INDEX

Exhibit No.	Description
2.1	Merger Agreement, dated January 17, 2023, by and among Leap Therapeutics, Inc., Fire Merger Sub, Inc., Flame Biosciences LLC, Flame Biosciences, Inc., and the Stockholder Representative named therein (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed with the SEC on January 23, 2023).
3.1	Fourth Amended and Restated Certificate of Incorporation of Leap Therapeutics, Inc. (incorporated by reference to Exhibit 3.3 to the Company's Current Report on Form 8-K, as filed on September 10, 2020).
3.2	Certificate of Designation of Special Voting Stock of Leap Therapeutics, Inc. filed with the Secretary of State of the State of Delaware on [January 7, 2020] (incorporated by reference to Exhibit 3.3 to the Company's Current Report on Form 8-K filed on January 7, 2020).
3.3	Certificate of Designation of Preferences, Rights and Limitations of Series X Non-Voting Convertible Preferred Stock filed with the Secretary of State of the State of Delaware on January 17, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on January 23, 2023).
3.4	Certificate of Amendment to the Certificate of Designation of Special Voting Stock of Leap Therapeutics, Inc. filed with the Secretary of State of the State of Delaware on March 16, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8 - K filed on March 16, 2023).
3.5	Certificate of Amendment to Fourth Amended and Restated Certificate of Incorporation of Leap Therapeutics, Inc. dated June 20, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, as filed on November 13, 2023).
3.6	Certificate of Elimination of the Series X Non - Voting Convertible Preferred Stock of Leap Therapeutics, Inc. dated August 29, 2023 (incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10 - Q for the quarter ended September 30, 2023, as filed on November 13, 2023).
3.7	Certificate of Amendment to Fourth Amended and Restated Certificate of Incorporation of Cypherpunk Technologies Inc. (f/k/a Leap Therapeutics, Inc.) dated November 12, 2025 (incorporated by reference to Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, as filed on November 12, 2025).
3.8	Certificate of Amendment to Fourth Amended and Restated Certificate of Incorporation of Cypherpunk Technologies Inc. dated December 15, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on December 16, 2025).
3.9	Amended and Restated Bylaws of Cypherpunk Technologies Inc. (effective as of November 12, 2025) (incorporated by reference to Exhibit 3.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, as filed on November 12, 2025).
4.1	Form of Common Stock Certificate of the Registrant (incorporated by reference to Exhibit 4.1 to Amendment No. 2 to the Company's registration statement on Form S-4, as filed on November 16, 2016).
4.2	Form of Series A Coverage Warrant (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K, as filed on January 7, 2020).
4.3	Form of Series B Coverage Warrant (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, as filed on January 7, 2020).
4.4	Amendment No. 2 to Warrant, by and among Macrocure, the Registrant and certain warrant holders, dated as of January 23, 2017 (incorporated by reference to Exhibit 4.4 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as filed on March 31, 2017).
4.5	Form of Pre-Funded Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K as filed on April 11, 2024).
4.6	Form of Common Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K as filed on October 9, 2025).
4.7	Form of Pre-Funded Warrant (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K as filed on October 9, 2025).
4.8	Waiver and Modification Agreement, dated November 19, 2025, by and between Cypherpunk Technologies Inc. and Winklevoss Treasury Investments, LLC (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K as filed on November 20, 2025).
4.9*	Description of the Registrant's Securities registered pursuant to Section 12 of the Securities Exchange Act of 1934.

10.1#	Exclusive Option and License Agreement dated as of January 3, 2020, by and between the Company and BeiGene, Ltd. (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, as filed on May 14, 2020).
10.2#	License Agreement, between Eli Lilly and Company and Dekkun Corporation, effective as of January 3, 2011 (incorporated by reference to Exhibit 10.4 to the Company's registration statement on Form S-4, as filed on September 26, 2016).
10.3	Royalty Agreement, between Leap Therapeutics, Inc. and Leap Shareholder Royalty Vehicle, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, as filed on January 26, 2017).
10.4	Letter Agreement, between Leap Shareholder Royalty Vehicle, Inc. and certain Leap stockholders (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, as filed on January 26, 2017).
10.5	Form of Purchase Agreement, dated as of November 14, 2017, by and among Leap Therapeutics, Inc. and the purchasers identified on the schedule thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, as filed on November 17, 2017).
10.6	Securities Purchase Agreement, dated January 3, 2020, by and among the Company and the institutional investors named therein (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, as filed on January 7, 2020).
10.7	Registration Rights Agreement dated as of January 3, 2020, by and between the Company and the persons listed on the attached Schedule A thereto (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, as filed on January 7, 2020).
10.8	Registration Rights Agreement dated as of January 3, 2020, by and between the Company and the persons listed on the attached Schedule A thereto (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K, as filed on January 7, 2020).
10.9	Form of Indemnification Agreement (filed as Exhibit 10.10 to Amendment No. 1 to the Registrant's registration statement on Form S-4, as filed on November 2, 2016).
10.10^	Macrocure 2013 Share Incentive Plan (filed as Exhibit 10.4 to the Company's registration statement on Form S-8, as filed on January 27, 2017).
10.11^	Amendment No. 1 to Macrocure 2013 Share Incentive Plan (filed as Exhibit 10.5 to the Company's registration statement on Form S-8, as filed on January 27, 2017).
10.12^	Summary Translation of Macrocure 2008 Stock Option Plan stockholders (filed as Exhibit 10.3 to the Registrant's registration statement on Form S-8, as filed on January 27, 2017).
10.13^	Employment Agreement, by and between the Company and Douglas E. Onsi, dated as of April 10, 2020 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K/A, as filed on April 15, 2020).
10.14^	Executive Employment Agreement and accompanying Employee Proprietary Information, Inventions, Non-Competition and Non-Solicitation Agreement, by and between Leap and Christopher K. Mirabelli, dated as of August 29, 2016 (incorporated by reference to Exhibit 10.7 to the Company's registration statement on Form S-4, as filed on September 26, 2016).
10.15^	Executive Employment Agreement and accompanying Employee Proprietary Information, Inventions, Non-Competition and Non-Solicitation Agreement, by and between Leap and Augustine Lawlor, dated as of August 29, 2016 (incorporated by reference to Exhibit 10.9 to the Company's registration statement on Form S-4, as filed on September 26, 2016).
10.16^	Employment Agreement, by and between the Company and Cynthia Sirard, dated as of April 10, 2020 (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as filed on March 12, 2021).
10.17^	Employment Agreement, by and between the Company and John Mark O' Mahony, dated as of April 10, 2020 (incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, as filed on March 12, 2021).
10.18^	Amended and Restated 2012 Equity Incentive Plan of the Registrant (incorporated by reference to Exhibit 10.1 to the Company's registration statement on Form S-8, as filed on January 27, 2017).
10.19^	Form of Stock Option Grant Notice and Stock Option Agreement under the Registrant's Amended and Restated 2012 Equity Incentive Plan, as amended (incorporated by reference to Exhibit 10.2 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as filed on March 31, 2017).
10.20^	2016 Equity Incentive Plan of Leap Therapeutics, Inc. (incorporated by reference to Exhibit 10.2 to the Company's registration statement on Form S-8, as filed on January 27, 2017).
10.21^	Form of Stock Option Grant Notice and Stock Option Agreement under Leap's 2016 Equity Incentive Plan, as amended (incorporated by reference to Exhibit 10.3 to the Company's registration statement on Form S-4, as filed on November 2, 2016).

10.22^	First Amendment to the 2016 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's registration statement on Form S-8, as filed on June 11, 2019).
10.23	Lease, dated November 13, 2018, by and between the Company and Bulfinch Square Limited Partnership (incorporated by reference to Exhibit 1.1 to the Company's Current Report on Form 8-K, as filed on November 19, 2018).
10.24	First Amendment to Lease by and between Bulfinch Square Limited Partnership and Leap Therapeutics, Inc., dated as of August 17, 2021 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, as filed on November 12, 2021).
10.25	Second Amendment to Lease by and between Bulfinch Square Limited Partnership and Leap Therapeutics, Inc. dated as of October 1, 2021 (incorporated by reference to Exhibit 10.27 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed on March 24, 2023).
10.26	Third Amendment to Lease by and between Bulfinch Square Limited Partnership and Leap Therapeutics, Inc. dated as of May 16, 2022 (incorporated by reference to Exhibit 10.1 to the Company Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, as filed on August 12, 2022).
10.27	Fourth Amendment to Lease by and between Bulfinch Square Limited Partnership and Leap Therapeutics, Inc. dated as of January 3, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024).
10.28	Fifth Amendment to Lease by and between Bulfinch Square Limited Partnership and Leap Therapeutics, Inc. dated as of July 1, 2025 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025).
10.29	Registration Rights Agreement, dated January 17, 2023, by and among the Company and the Holders (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed with the SEC on January 23, 2023).
10.30^	Leap Therapeutics, Inc. 2022 Equity Incentive Plan (incorporated by reference to Exhibit 99.1 to the Company's registration statement on Form S-8, as filed on August 17, 2022).
10.31^	Amendment No. 1 to Leap Therapeutics, Inc. 2022 Equity Incentive Plan (incorporated by reference to Exhibit 10.33 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as filed on March 18, 2024)
10.32	Continuing Clinical Collaboration Letter Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8 - K, filed with the SEC on March 16, 2023.
10.33^	Second Amendment to Executive Employment Agreement, by and between the Company and Dr. Cynthia Sirard, dated April 3, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8 - K, filed with the SEC on April 7, 2023).
10.34#	Collaboration Agreement, dated August 10, 2020, by and between Adimab, LLC and Flame Biosciences, Inc. (incorporated by reference to Exhibit 10.2 to the Company Quarterly Report on Form 10 - Q for the quarter ended March 31, 2023).
10.35^	Second Amendment to Executive Employment Agreement, dated April 3, 2023, by and between the Company and John Mark O'Mahony (incorporated by reference to Exhibit 10.5 to the Company Quarterly Report on Form 10 - Q for the quarter ended March 31, 2023).
10.36^	Executive Employment Agreement, by and between the Company and Jason S. Baum. (incorporated by reference to Exhibit 10.6 to the Company Quarterly Report on Form 10 - Q for the quarter ended March 31, 2023).
10.37^	First Amendment to Executive Employment Agreement, dated April 3, 2023, by and between the Company and Jason S. Baum. (incorporated by reference to Exhibit 10.7 to the Company Quarterly Report on Form 10 - Q for the quarter ended March 31, 2023).
10.38	Form of Securities Purchase Agreement by and among the Company and the purchasers named therein (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8 - K as filed on April 11, 2024).
10.39	First Amended and Restated Collaboration Agreement, dated April 2, 2024, by and between Adimab, LLC and Leap Therapeutics, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024).
10.40	Form of Securities Purchase Agreement (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed on October 9, 2025).
10.41	Form of Registration Rights Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K as filed on October 9, 2025).
10.42	Lead Investor Agreement (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K as filed on October 9, 2025).
10.43	Consulting Agreement, dated November 11, 2025, by and between the Company and CoinXit Ltd. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed on November 12, 2025).

10.44^	Restricted Stock Unit Grant Agreement, dated December 23, 2025, by and between the Company and CoinXit Ltd. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed on December 30, 2025).
10.45^	Executive Employment Agreement, dated November 11, 2025, by and between the Company and William McEvoy (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K as filed on November 12, 2025).
10.46^	Form of Director Restricted Stock Unit Agreement pursuant to the 2016 Equity Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K as filed on November 12, 2025).
10.47^	Form of Director Restricted Stock Unit Agreement pursuant to the 2022 Equity Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K as filed on November 12, 2025).
10.48^	Form of Employee Restricted Stock Unit Agreement pursuant to the 2016 Equity Incentive Plan (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K as filed on November 12, 2025).
10.49^	Form of Employee Restricted Stock Unit Agreement pursuant to the 2022 Equity Incentive Plan (incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K as filed on November 12, 2025).
10.50^	2025 Cypherpunk Technologies Inc. Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed on December 16, 2025).
19.1	Insider Trading Policy (incorporated by reference to Exhibit 19.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed on March 26, 2025)
21.1*	Subsidiaries of Cypherpunk Technologies Inc.
23.1*	Consent of EisnerAmper LLP related to Cypherpunk Technologies Inc. financial statements.
31.1*	Certification of Principal Executive and Principal Financial Officer Required Under Rule 13a- 14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1*+	Principal Executive and Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97.1	Leap Therapeutics, Inc. Compensation Clawback Policy (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as filed on March 18, 2024)
101*	The following materials from Cypherpunk Technologies Inc.'s Annual Report on Form 10-K for the year ended December 31, 2025, formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Balance Sheets at December 31, 2025 and 2024, (ii) Consolidated Statements of Operations for the year ended December 31, 2025 and December 31, 2024, (iii) Consolidated Statements of Shareholders' Equity at December 31, 2025 and December 31, 2024 (iv) Consolidated Statements of Cash Flows for the year ended December 31, 2025 and December 31, 2024, and (v) Notes to Consolidated Financial Statements, tagged as blocks of text.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Exhibits filed herewith

^ Indicates management contract or compensation plan

Portions of this exhibit have been redacted in compliance with Regulation S-K Item 601(b)(10).

+ This exhibit shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of the Section, nor shall it be deemed incorporated by reference in any filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any filing.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CYPHERPUNK TECHNOLOGIES INC.

March 16, 2026

By: /s/ DOUGLAS E. ONSI
Name: Douglas E. Onsi
Title: *President, Chief Executive Officer and Chief Financial Officer*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

NAME	TITLE	DATE
/s/ DOUGLAS E. ONSI Douglas E. Onsi	Chief Executive Officer, President, Chief Financial Officer and Director (Principal Executive Officer and Principal Financial Officer)	March 16, 2026
/s/ KHING OEI Khing Oei	Chairman of the Board of Directors	March 16, 2026
/s/ JAMES CAVANAUGH James Cavanaugh	Director	March 16, 2026
 Thomas Dietz	Director	March 16, 2026
/s/ WILLIAM LI William Li	Director	March 16, 2026
/s/ JOSEPH LOSCALZO Joseph Loscalzo	Director	March 16, 2026
/s/ PATRICIA MARTIN Patricia Martin	Director	March 16, 2026
/s/ NISSIM MASHIACH Nissim Mashiach	Director	March 16, 2026
/s/ CHRISTIAN RICHARD Christian Richard	Director	March 16, 2026
/s/ RICHARD L. SCHILSKY Richard L Schilsky	Director	March 16, 2026
/s/ CHRISTOPHER K. MIRABELLI Christopher K. Mirabelli	Director	March 16, 2026
/s/ WILLIAM MCEVOY William McEvoy	Director	March 16, 2026

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Cypherpunk Technologies Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Cypherpunk Technologies Inc. (formerly Leap Therapeutics, Inc.) and Subsidiaries (the "Company") as of December 31, 2025 and 2024, and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025 and 2024, and the consolidated results of their operations and their cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of Control and Accounting for Digital Assets Held by a Custodian

As discussed in Note 2 – Digital Assets Receivable to the consolidated financial statements, as of December 31, 2025, the Company held a material balance of digital assets acquired as part of a newly implemented digital asset treasury strategy. These digital assets are held by a third-party custodian, which is a related party of the Company. Management exercised significant judgment in determining whether the Company controls the digital assets for financial reporting purposes and the appropriate accounting and presentation through evaluating the terms of the custodial agreement, assessing the Company's contractual rights to the assets, and interpreting and applying the authoritative accounting guidance and the impact of the assets being held in commingled or omnibus wallets.

We identified the assessment of control over the digital assets and the appropriate accounting and presentation as a critical audit matter because it involved complex judgment, significant management assumptions and extensive audit effort and because the conclusions directly affect the recognition, presentation and disclosure of a material balance in the consolidated financial statements.

Addressing the critical audit matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the financial statements. Our audit procedures related to this matter included:

- Obtaining an understanding of and evaluating the design and implementation of controls over the digital assets process for accounting purposes.
- Evaluating management's application of authoritative accounting guidance, including considerations regarding control of the digital assets and contemplation of the related-party nature of the custodial arrangement in accordance with U.S. GAAP.
- Inspecting the custodial agreement to assess the Company's contractual rights, including its ability to transfer, withdraw or otherwise direct the use of the digital assets.
- Assessing whether any contractual restrictions or protective rights held by the custodian substantively limit the Company's control over the digital assets.
- Obtaining direct confirmation from the custodian regarding, ownership attribution and the Company's rights to the assets held.
- Evaluating the implications of the assets being held in commingled or omnibus wallets, including reviewing the custodian's SOC1 Type II report to understand relevant controls over customer account balances.
- Assessing the adequacy of the Company's financial statement disclosures related to digital assets, custodial arrangements and related-party relationships.

/s/ EisnerAmper LLP

We have served as the Company's auditor since 2014.

EISNERAMPER LLP
Philadelphia, Pennsylvania
March 16, 2026

CYPHERPUNK TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	December 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 14,035	$ 47,249
Digital assets receivable	147,404	—
Research and development incentive receivable	602	704
Prepaid expenses and other current assets	40	86
Total current assets	162,081	48,039
Right of use assets, net	38	262
Deferred costs	401	—
Deposits	662	823
Total assets	$ 163,182	$ 49,124
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,981	$ 4,743
Accrued expenses	2,067	8,536
Income tax payable	472	531
Lease liability	38	266
Total current liabilities	4,558	14,076
Non-current liabilities:		
Deferred tax liability	5,118	—
Total liabilities	9,676	14,076
Stockholders' equity:		
Preferred stock, $0.001 par value; 10,000,000 shares authorized; 0 shares issued and outstanding as of December 31, 2025 and 2024, respectively	—	—
Common stock, $0.001 par value; 490,000,000 and 240,000,000 shares authorized; 83,851,051 and 38,329,894 shares issued and outstanding as of December 31, 2025 and 2024, respectively	84	38
Stock subscription receivable	(150)	—
Additional paid-in capital	616,216	502,501
Accumulated other comprehensive loss	(95)	(120)
Accumulated deficit	(462,549)	(467,371)
Total stockholders' equity	153,506	35,048
Total liabilities and stockholders' equity	$ 163,182	$ 49,124

See notes to consolidated financial statements

CYPHERPUNK TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share amounts)

	Year Ended December 31,	
	2025	2024
Operating expenses:		
Research and development	$ 25,670	$ 57,211
General and administrative	10,870	12,846
Restructuring charges	4,527	—
Total operating expenses	41,067	70,057
Loss from operations	(41,067)	(70,057)
Interest income	916	3,129
Interest expense	(24)	—
Australian research and development incentives	(157)	—
Change in fair value of embedded derivative	50,404	—
Foreign currency gain (loss)	5	(42)
Income (loss) before income taxes	10,077	(66,970)
Provision for income taxes	(5,255)	(585)
Net income (loss)	4,822	(67,555)
Dividend attributable to down round feature of warrants	—	(234)
Net income (loss) attributable to common stockholders	$ 4,822	$ (67,789)
Net income (loss) per share		
Basic	$ 0.07	$ (1.81)
Diluted	$ 0.07	$ (1.81)
Weighted average common shares outstanding		
Basic	66,140,346	37,550,677
Diluted	70,672,358	37,550,677

See notes to consolidated financial statements

CYPHERPUNK TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In thousands)

	Year Ended December 31,	
	2025	2024
Net income (loss)	$ 4,822	$ (67,555)
Other comprehensive income (loss):		
Foreign currency translation adjustments	25	(226)
Comprehensive income (loss)	$ 4,847	$ (67,781)

See notes to consolidated financial statements

CYPHERPUNK TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2024

(In thousands, except share amounts)

	Stockholders Equity					
	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balances at December 31, 2023	25,565,414	$ 26	$ 459,591	$ 106	$ (399,582)	$ 60,141
Issuance of common stock upon vest of restricted stock units	27,500	—	—	—	—	—
Issuance of common stock upon exercise of stock options	34,698	—	92	—	—	92
Issuance of common stock upon exercise of warrants	41,289	—	41	—	—	41
April 2024 Private Placement (net of issuance costs of $2,948)	12,660,993	12	37,039	—	—	37,051
Dividend attributable to the down round feature of 2017 Warrants	—	—	234	—	(234)	—
Foreign currency translation adjustment	—	—	—	(226)	—	(226)
Stock-based compensation	—	—	5,504	—	—	5,504
Net loss	—	—	—	—	(67,555)	(67,555)
Balances at December 31, 2024	38,329,894	$ 38	$ 502,501	$ (120)	$ (467,371)	$ 35,048

See notes to consolidated financial statements

CYPHERPUNK TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2025

(In thousands, except share amounts)

	Common Stock		Stock Subscription	Additional Paid-in	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Receivable	Capital	Loss	Deficit	Equity
Balances at December 31, 2024	38,329,894	$ 38	$ —	$ 502,501	$ (120)	$ (467,371)	$ 35,048
October 2025 Private Placement (net of issuance costs of $1,718)	15,212,311	15	—	57,155	—	—	57,170
Issuance of common stock through ATM sales	27,151,211	27	—	51,791	—	—	51,818
ATM issuance costs	—	—	—	(143)	—	—	(143)
Issuance of common stock upon exercise of stock options	6,667	—	—	16	—	—	16
Issuance of common stock upon exercise of prefunded warrants	2,921,041	3	—	(3)	—	—	—
Issuance of common stock upon vesting of restricted stock units	229,927	1	—	—	—	—	1
Stock subscription receivable from the issuance of common stock through ATM sales	—	—	(150)	—	—	—	(150)
Foreign currency translation adjustment	—	—	—	—	25	—	25
Stock-based compensation	—	—	—	4,899	—	—	4,899
Net income	—	—	—	—	—	4,822	4,822
Balances at December 31, 2025	83,851,051	$ 84	$ (150)	$ 616,216	$ (95)	$ (462,549)	$ 153,506

See notes to consolidated financial statements

CYPHERPUNK TECHNOLOGIES INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Year Ended December 31,	
	2025	2024
Cash flows from operating activities:		
Net income (loss)	$ 4,822	$ (67,555)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	—	5
Non-cash operating lease expense	224	415
Deferred income taxes	5,118	—
Stock-based compensation expense	4,899	5,504
Change in fair value of embedded derivative	(50,404)	—
Foreign currency (gain) loss	(5)	42
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	1,019	100
Research and development incentive receivable	149	—
Accounts payable and accrued expenses	(10,421)	902
Income tax payable	(95)	562
Lease liability	(228)	(417)
Other assets	1,020	143
Net cash used in operating activities	(43,902)	(60,299)
Cash flows from investing activities:		
Purchases of digital assets	(97,000)	—
Net cash used in investing activities	(97,000)	—
Cash flows from financing activities:		
Proceeds from October 2025 Private Placement, net of issuance costs	57,170	—
Proceeds through issuance of common stock through ATM sales, net of fees	51,525	—
Proceeds from April 2024 Private Placement	—	39,999
Payment of deferred offering costs	(622)	(2,948)
Priciple payments of insurance financing	(440)	—
Proceeds from the exercise of warrants	—	41
Proceeds from the exercise of stock options	16	92
Net cash provided by financing activities	107,649	37,184
Effect of exchange rate changes on cash and cash equivalents	39	(279)
Net decrease in cash and cash equivalents	(33,214)	(23,394)
Cash and cash equivalents at beginning of year	47,249	70,643
Cash and cash equivalents at end of year	$ 14,035	$ 47,249
Supplemental disclosure of non-cash financing activities:		
Remeasurement of right-of-use asset and lease liability	$ —	$ 420
Dividend attributable to the down round feature of 2017 Warrants	$ —	$ 234
Prepayment of insurance through third-party financing	$ 440	$ —
Deferred offering costs included in accounts payable	$ 638	$ —
Issuance of common stock in exchange for stock subscription receivable	$ 150	$ —

See notes to consolidated financial statements

CYPHERPUNK TECHNOLOGIES INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in thousands, except share and per share amounts)

1. Nature of Business, Basis of Presentation and Liquidity

Nature of Business

Cypherpunk Technologies Inc. (formerly Leap Therapeutics, Inc.) ("the Company") was incorporated in the state of Delaware on January 3, 2011. Wholly owned subsidiaries of the Company as of December 31, 2025 include HealthCare Pharmaceuticals Pty Ltd. ("HCP Australia"), Leap Securities Corp., Flame Biosciences LLC and Leap Therapeutics, Inc.

Historically, the Company has been a biopharmaceutical company developing biomarker-targeted antibody therapies designed to treat patients with cancer. The Company's clinical stage program is sirexatamab (DKN-01), a monoclonal antibody that inhibits Dickkopf-related protein 1, or DKK1. The Company also has a preclinical antibody program, FL-501, that is designed to treat cachexia-related indications.

The Company has historically devoted substantially all of its resources to development efforts relating to its product candidates, including manufacturing and conducting clinical trials of its product candidates, providing general and administrative support for these operations and protecting its intellectual property. The Company does not have any products approved for sale and has not generated any revenue from product sales. The Company has funded its operations primarily through proceeds from its sales of common stock and preferred stock and proceeds from the issuance of notes payable.

In October 2025, the Company announced a $58,888 private placement, led by Winklevoss Capital, and the intent to initiate a digital asset treasury strategy. Immediately following the Closing Date, the Company initiated a strategy to deploy a portion of its capital raised that is not required to provide working capital for its ongoing operations to accumulate digital assets, focused on Zcash. Zcash is a protocol and blockchain network of connected devices all over the world, working together to validate transactions and maintain the Zcash ledger. ZEC is the monetary unit, or coin, of Zcash. Zcash allows for greater privacy, providing users with options for fully shielded transactions in which the sender, recipient, and amount are encrypted.

On November 12, 2025, the Company changed its name from "Leap Therapeutics, Inc." to "Cypherpunk Technologies Inc." and changed its trading symbol from "LPTX" to "CYPH". The Company was renamed to Cypherpunk Technologies Inc. to reflect the strategic focus on acquiring ZEC, participating in the development of Zcash, and the values of privacy and liberty. The Company's ongoing research and development operations is being conducted under a new wholly-owned subsidiary named "Leap Therapeutics, Inc.", which was incorporated in November 2025.

Basis of Presentation

The accompanying consolidated financial statements of the Company include the accounts of its wholly owned subsidiaries and have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Liquidity

Since inception, the Company has been engaged in organizational activities, including raising capital, and research and development activities, and in October 2025, the Company implemented its digital asset treasury strategy. The Company has not yet achieved profitable operations, nor has it ever generated positive cash flows from operations, and the Company does not have a product that has been approved by the Food and Drug Administration (the "FDA"). There is no assurance that profitable operations from the Company's privacy technology/digital asset treasury strategy or biotechnology research and development operations, if achieved, could be sustained on a continuing basis. Further, the Company's future operations are dependent on the success of the Company's efforts to raise additional capital, the success of the privacy technology/digital asset treasury strategy, its biotechnology research and commercialization efforts, regulatory approval, and, ultimately, the market acceptance of the Company's products.

In accordance with Accounting Standards Codification ("ASC") 205-40, Going Concern, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued. As of December 31, 2025, the Company had cash and cash equivalents of $14,035. Additionally, the Company had an accumulated deficit of $462,549 at December 31, 2025, and during the year ended December 31, 2025, the Company incurred net operating losses of $41,067. The Company expects to continue to generate operating losses for the foreseeable future.

The Company believes that its cash and cash equivalents of $14,035 as of December 31, 2025 will be sufficient to fund its operating expenses for at least 12 months from the issuance of these financial statements.

In addition, to support its future operations and recently announced digital asset treasury strategy, the Company will likely seek additional funding through public or private equity financings or government programs, and, for its biotechnology operations, will likely seek funding or development program cost-sharing through collaboration agreements or licenses with larger pharmaceutical or biotechnology companies. The inability to obtain funding, as and when needed, could have a negative impact on the Company's financial condition and ability to pursue its business strategies.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions are eliminated upon consolidation.

Use of Estimates

The presentation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. Cash equivalents consisted of overnight investments and money market funds.

Digital Assets Receivable

As part of its digital asset strategy, the Company holds digital assets in the form of Zcash with Gemini Space Sciences LLC, a third-party custodian ("Gemini"). The Company does not control the digital assets for accounting purposes, and the contractual arrangement represents the Company's enforceable contractual right to receive digital assets from the custodian on demand and is accounted for as a hybrid instrument under ASC 815, *Derivatives and Hedging* ("ASC 815"). The host contract represents a non-interest bearing receivable collectible on demand and is recorded at the transaction price, representing the fair value of the digital assets at the time of acquisition, and was $97,000 as of December 31, 2025.

The hybrid instrument contains an embedded derivative that is required to be bifurcated because the embedded exposure to changes in the fair value of the underlying digital assets is not clearly and closely related to the economic characteristics of the host receivable. The embedded derivative is subsequently measured at the fair value each reporting period, with changes in fair value recorded as an unrealized gain (loss) on change in fair value of embedded derivative in the Consolidated Statement of Operations. During the year ended December 31, 2025, the Company recorded an unrealized gain on change in fair value of embedded derivative of $50,404.

As digital assets receivable is collectible on demand, it's classified as a current asset on the Company's consolidated balance sheet. As of December 31, 2025, the Company had digital assets receivable of $147,404.

Research and Development Expense

Research and development costs are expensed as incurred. Research and development expenses include personnel costs associated with research and development activities, including noncash share-based compensation and costs for third-party contractors to perform research, conduct clinical trials and manufacture drug supplies and materials. The Company accrues for costs incurred by external service providers, including contract research organizations and clinical investigators, based on its estimates of service performed and costs incurred. These estimates include the level of services performed by the third parties, patient enrollment in clinical trials, administrative costs incurred by the third parties, and other indicators of the services completed. Based on the timing of amounts invoiced by service providers, the Company may also record payments made to those providers as prepaid expenses that will be recognized as expense in future periods as the related services are rendered.

Research and development incentive income and receivable

The Company recognizes other income from Australian research and development incentives when there is reasonable assurance that the income will be received, the relevant expenditure has been incurred, and the consideration can be reliably measured. The research and development incentive is one of the key elements of the Australian Government's support for Australia's innovation system and is supported by legislative law primarily in the form of the Australian Income Tax Assessment Act 1997 as long as eligibility criteria are met.

Management has assessed the Company's research and development activities and expenditures to determine which activities and expenditures are likely to be eligible under the research and development incentive regime described above. At each period end management estimates the refundable tax offset available to the Company based on available information at the time. This estimate is also reviewed by external tax advisors on an annual basis.

Under the program, a percentage of eligible research and development expenses incurred by the Company through its subsidiary in Australia is reimbursed. This percentage was 43.5% for the years ended December 31, 2025 and 2024.

The research and development incentive receivable represents an amount due in connection with the above program. The Company has recorded a research and development incentive receivable of $602 and $704 as of December 31, 2025 and 2024, respectively, in the consolidated balance sheets. The Company did not record any income from Australian research and development incentives during the year ended December 31, 2024. During the year ended December 31, 2025, the Company recorded expense of $157 from Australian research and development incentives.

The following table shows the change in the research and development incentive receivable from January 1, 2024 to December 31, 2025:

Balance at January 1, 2024	$ 771
Foreign currency translation	(67)
Balance at December 31, 2024	704
Australian research and development incentives	(157)
Foreign currency translation	55
Balance at December 31, 2025	$ 602

Concentration of Credit Risk

Financial instruments which potentially subject the Company to credit risk consist principally of cash and cash equivalents. All cash and cash equivalents are held in United States or Australian financial institutions and money market funds. At times, the Company may maintain cash balances in excess of the federally insured amount of $250 per depositor, per insured bank, for each account ownership category. Although the Company currently believes that the financial institutions with whom it does business will be able to fulfill their commitments to the Company, there is no assurance that those institutions will be able to continue to do so. The Company has not experienced any credit losses associated with its balances in such accounts for the years ended December 31, 2025 and 2024.

As of December 31, 2025, the Company also had digital assets receivable of $147,404, representing approximately 90% of the Company's total assets. The Company's digital assets are maintained with a single third-party, Gemini (see Note 15)**.** These digital assets are recorded as digital assets receivable on the consolidated balance sheet. Because custody is concentrated with a single counterparty, the Company is exposed to credit risk, liquidity risk, operational risk, and counterparty performance risk.

Digital assets held with Gemini are not insured by the Federal Deposit Insurance Corporation ("FDIC"), the Securities Investor Protection Corporation ("SIPC"), or any other governmental insurance program**,** and recovery of such assets in the event of Gemini's insolvency or failure may be uncertain. The Company monitors Gemini's financial condition and operational controls on an ongoing basis; however, there can be no assurance that the Company would be able to recover some or all of its digital assets if Gemini were unable to fulfill its obligations, experiences financial difficulty, or becomes subject to regulatory, cybersecurity, or operational disruptions.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under the asset and liability method, deferred income taxes are recognized for differences between the financial reporting and tax bases of assets and liabilities at enacted statutory tax rates in effect for the years in which the differences are expected to reverse. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company follows accounting guidance concerning provisions for uncertainty in income tax positions. This guidance clarifies the accounting for income taxes by prescribing a minimum probability threshold that an uncertain tax position must meet before a financial statement benefit is recognized. The minimum threshold is defined as a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority, of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement.

The Company recognizes accrued interest and penalties associated with uncertain tax position as part of the income tax provision. There were no uncertain tax positions or income tax related interest and penalties recorded for the years ended December 31, 2025 and 2024. The income tax returns of the Company for the year ended December 31, 2020 and subsequent years are subject to examination by the Internal Revenue Service and other taxing authorities, generally for three years after the return is filed.

Restructuring Charges

On June 23, 2025, the Company's Board of Directors approved a series of measures to conserve cash and reduce operating costs, including (i) the completion of the DeFianCe clinical trial and the wind-down of the Company's research and development activities, including the Company's sirexatamab and FL-501 development programs, and (ii) a reduction in force that impacted approximately 75% of the Company's workforce. The reduction in force was conducted in two phases (i) first, on June 30, 2025, that impacted the Company's Chief Operating Officer, Chief Scientific Officer and Chief Manufacturing Officer and (ii) second, on July 31, 2025 that impacted the Chief Medical Officer of the Company. As a result of this workforce reduction, during the year ended December 31, 2025, the Company incurred $4,527 of charges recorded within restructuring charges in the consolidated statements of operations. The Company does not expect to incur any further material charges related to this workforce reduction. The charges consist primarily of one-time employee severance and benefit costs and stock-based compensation expense related to acceleration of vesting. As of December 31, 2025, $1,461 is accrued within accrued expenses for employee severance benefits.

Foreign Currency Translation

The financial statements of the Company's foreign subsidiary are measured using the local currency as the functional currency. Assets and liabilities of this subsidiary are translated into U.S. dollars at exchange rates as of the consolidated balance sheet date. Equity is translated at historical exchange rates. Revenues and expenses are translated into U.S. dollars at average rates of exchange in effect during the year. The resulting cumulative translation adjustments have been recorded as a separate component of stockholders' equity. Foreign currency transaction gains and losses are included in the results of operations.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation expense is recognized using the straight-line method over the estimated useful life of each asset. Computer equipment is depreciated over three years. Laboratory equipment, office equipment and furniture and fixtures are depreciated over five years. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful life of the asset. Upon retirement or sale, the cost of assets disposed of and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in loss from operations. Expenditures for repairs and maintenance are charged to expense as incurred.

Impairment of Long-Lived Assets

Long-lived assets consist of property and equipment. Long-lived assets to be held and used are tested for recoverability whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Factors that the Company considers in deciding when to perform an impairment review include significant underperformance of the business in relation to expectations, significant negative industry or economic trends and significant changes or planned changes in the use of the assets. If an impairment review is performed to evaluate a long-lived asset group for recoverability, the Company compares forecasts of undiscounted cash flows expected to result from the use and eventual disposition of the long-lived asset group to its carrying value. An impairment loss would be recognized when estimated undiscounted future cash flows expected to result from the use of an asset group are less than its carrying amount. The impairment loss would be based on the excess of the carrying value of the impaired asset group over its fair value. The Company did not record any impairment losses on long-lived assets during 2025 and 2024.

Deferred Costs

The Company capitalizes certain legal, professional, accounting and other third-party fees that are directly associated with in-process equity financings as deferred costs until such financings are consummated. After consummation of the equity financing, these costs are recorded in stockholders' equity as a reduction of additional paid-in capital generated as a result of the offering.

As of December 31, 2025, there was $401 of deferred offering costs. The Company did not have any deferred costs as of December 31, 2024.

Deposits

Deposits as of December 31, 2025 and 2024 included $662 and $823, respectively, of deposits made by the Company with certain service providers that are to be applied to future payments due under the service agreements or returned to the Company if not utilized.

Warrants

The Company will recognize on a prospective basis the value of the effect of the down round feature in the warrants to purchase shares of common stock that were issued in a private placement in November 2017 (the "2017 Warrants") when it is triggered (i.e., when the exercise price is adjusted downward). This value is measured as the difference between (1) the financial instrument's fair value (without the down round feature) using the pre-trigger exercise price and (2) the financial instrument's fair value (with the down round feature) using the reduced exercise price. The value of the effect of the down round feature will be treated as a dividend and a reduction to income available to common stockholders in the basic EPS calculation. In connection with the private placement of common stock and prefunded warrants completed in April 2024 (the "April 2024 Private Placement"), when the 2017 Warrants were repriced from $10.55 to $2.82 as a result of a down round, the Company recorded a dividend of $234 during the year ended December 31, 2024. The 2017 Warrants expired in November 2024.

Fair Value of Financial Instruments

Certain assets and liabilities are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

During the years presented, the Company has not changed the manner in which it values assets and liabilities that are measured at fair value using Level 3 inputs. The Company recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period. There were no transfers within the hierarchy during the years ended December 31, 2025 and 2024.

A summary of the assets and liabilities carried at fair value in accordance with the hierarchy defined above is as follows (in thousands):

	Total	Level 1	Level 2	Level 3
December 31, 2025				
Assets:				
Cash equivalents	$ 10,777	$ 10,777	$ —	$ —
Digital assets receivable	$ 147,404	$ 147,404	$ —	
Total assets	$ 158,181	$ 158,181	$ —	$ —
December 31, 2024				
Assets:				
Cash equivalents	$ 23,299	$ 23,299	$ —	$ —
Total assets	$ 23,299	$ 23,299	$ —	$ —

Cash equivalents of $10,777 and $23,299 as of December 31, 2025 and 2024, respectively, consisted of overnight investments and money market funds and are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices in active markets.

The fair value of the embedded derivative associated with Digital assets receivable is measured using the ask (best sell price) as of 11.00 p.m. Eastern Standard Time on the last day of the reporting period for Zcash in active markets in which the Company transacts. As the Digital assets receivable is collectible on demand, its fair value is directly based on observable market prices for the underlying digital asset without adjustment for credit risk, duration, or other entity-specific assumptions. Accordingly, the embedded derivative is classified within Level 1 of the fair value hierarchy under ASC 820, as its fair value is determined using quoted prices for identical assets in active markets.

The carrying value of the research and development incentive receivable, accounts payable and accrued expenses approximate their fair value due to the short-term nature of these assets and liabilities.

Leases

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present. All leases with a term greater than one year are recognized on the balance sheet as right-of-use assets, lease liabilities and, if applicable, long-term lease liabilities. The Company has elected not to recognize leases on the balance sheet with terms of one year or less. Operating lease liabilities and their corresponding right-of-use assets are recorded based on the present value of lease payments over the expected remaining lease term. The Company has determined that the rate implicit in the lease is not determinable and the Company does not have borrowings with similar terms and collateral. Therefore, the Company considered a variety of factors, including observable debt yields from comparable companies and the volatility in the debt market for securities with similar terms, in determining that 8% was reasonable to use as the incremental borrowing rate for purposes of the calculation of lease liabilities.

In accordance with the guidance in ASC 842 “Leases”, components of a lease should be split into three categories: lease components (e.g. land, building, etc.), non-lease components (e.g. common area maintenance, maintenance, consumables, etc.), and non-components (e.g. property taxes, insurance, etc.). Then the fixed and in-substance fixed contract consideration (including any related to non-components) must be allocated based on fair values to the lease components and non-lease components.

Although separation of lease and non-lease components is required, certain practical expedients are available. Entities may elect the practical expedient to not separate lease and non-lease components. Rather, they would account for each lease component and the related non-lease component together as a single component. The Company has elected to account for the lease and non-lease components of each of its operating leases as a single lease component and allocate all of the contract consideration to the lease component only. The lease component results in an operating right-of-use asset being recorded on the consolidated balance sheets and amortized such that lease expense is recorded on a straight line basis over the term of the lease.

Segment Information

The Company’s chief operating decision maker (“CODM”), the Chief Executive Officer, manages the Company’s business activities as a single operating and reportable segment at the consolidated level. Accordingly, the Company’s CODM uses consolidated net income (loss) to measure segment income (loss), allocate resources and assess performance. Further, the CODM reviews and utilizes functional expenses (research and development and general and administrative) at the consolidated level to manage the Company’s operations. Other segment items included in consolidated net income (loss) are interest income and foreign currency gain (loss), which are reflected in the consolidated statements of operations and comprehensive income (loss).

Patent Costs

All patent related costs incurred in connection with filing and prosecuting patent applications are expensed as incurred due to the uncertainty about the recovery of the expenditure. Amounts incurred are classified as general and administrative expenses.

Stock-Based Compensation

The Company measures stock options and restricted stock units (“RSUs”) granted to employees, consultants and nonemployees based on the fair value on the date of the grant and recognizes compensation expense of those awards over the requisite service period, which is generally the vesting period of the respective award. Generally, the Company issues stock options and RSUs with only service-based vesting conditions and records the expense for these awards using the straight-line method.

Stock-based compensation is classified in the accompanying consolidated statements of operations based on the function to which the related services are provided.

The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option-pricing model. The expected volatility is based on the historical volatility of the Company. The expected term of the Company’s stock options granted to employees has been determined utilizing the “simplified” method for awards that qualify as “plain-vanilla” options. The expected term of stock options granted to nonemployees is equal to the contractual term of the option award. The risk-free interest rate is determined by reference to the U.S. Treasury yield curve in effect at the time of grant of the award for time periods approximately equal to the expected term of the award. Expected dividend yield of zero is based on the fact that the Company has never paid cash dividends on common stock and does not expect to pay any cash dividends in the foreseeable future.

The Company expenses the grant date fair value of employee RSUs over the associated employee service period on a straight-line basis. Stock-based compensation expense is determined based on the fair value of the award at the grant date and is adjusted each period to reflect actual forfeitures.

Net Income (Loss) per Share

Basic net income (loss) per share is computed using the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share is computed using the weighted average number of common shares outstanding during the period and, if dilutive, the weighted average number of potential shares of common stock, including the assumed exercise of stock options and warrants.

Subsequent Events

The Company considers events or transactions that occur after the balance sheet date but prior to the issuance of the financial statements to provide additional evidence for certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated as required.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") or other standard setting bodies that the Company adopts as of the specified date.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses ("ASU 2024-03"), and in January 2025, the FASB issued Accounting Standards Update No. 2025-01, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date ("ASU 2025-01"). ASU 2024-03 requires additional disclosure of the nature of expenses included in the income statement as well as disclosures about specific types of expenses included in the expense captions presented in the income statement. ASU 2024-03, as clarified by ASU 2025-01, will be effective for annual reporting periods beginning after December 15, 2026 on a prospective basis. Both early adoption and retrospective application are permitted. The Company is currently evaluating the impact that the adoption of these standards will have on its consolidated financial statements and disclosures.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-08, Intangibles—Goodwill and Other—Crypto Assets (Subtopic 350-60), which requires certain crypto assets to be measured at fair value with changes recognized in net income and mandates additional disclosures. The Company adopted ASU 2023-08 effective January 1, 2025, but it had no impact on the financial statements during the year ended December 31, 2025.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which focuses on the rate reconciliation and income taxes paid. ASU No. 2023-09 requires a public business entity ("PBE") to disclose, on an annual basis, a tabular rate reconciliation using both percentages and currency amounts, broken out into specified categories with certain reconciling items further broken out by nature and jurisdiction to the extent those items exceed a specified threshold. In addition, all entities are required to disclose income taxes paid, net of refunds received disaggregated by federal, state/local, and foreign and by jurisdiction if the amount is at least 5% of total income tax payments, net of refunds received. For PBEs, the new standard is effective for annual periods beginning after December 15, 2024. An entity may apply the amendments in this ASU prospectively by providing the revised disclosures for the period ending December 31, 2025 and continuing to provide the pre-ASU disclosures for the prior periods or may apply the amendments retrospectively by providing the revised disclosures for all period presented. As of January 1, 2025, the Company adopted this new ASU, and it only impacts the Company's income tax disclosures (see Note 11) with no impact to its operations, cash flows, or financial condition.

3. Digital Assets Receivable

As part of its digital asset treasury strategy, the Company acquired 290,062.67 ZEC tokens at a weighted average cost of $334.41 per token, for an aggregate purchase price of $97,000 during the year ended December 31, 2025. The acquired digital assets are held with Gemini, a third-party exchange and custodian, and the arrangement is accounted for as a hybrid instrument consisting of (i) a host contract representing the right to receive digital assets on demand, and (ii) an embedded derivative indexed to changes in the fair value of the underlying digital assets.

Digital assets receivable is initially recorded at the transaction price and the embedded derivative is subsequently measured at the fair value of the underlying digital assets to be received. Changes in fair value of the embedded derivative are recognized as unrealized gains (losses) on the change in fair value of embedded derivative in the consolidated statement of operations. The carrying value of the host contract and the embedded derivative as of December 31, 2025, was $97,000, and $50,404, respectively, which are presented together as digital assets receivable on the accompanying consolidated balance sheet.

The balance of digital assets receivable was $147,404 as of December 31, 2025. The Company recorded an unrealized gain on embedded derivative of $50,404 during the year ended December 31, 2025.

4. Stock Subscription Receivable

During the year ended December 31, 2025, the Company entered into a Controlled Equity Offering Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. ("Cantor"), pursuant to which the Company may offer and sell shares of its common stock, par value $0.001 per share, having an aggregate offering price of up to $200,000 from time to time to or through Cantor, acting as principal and/or sales agent. See Note 9.

In connection with the Sales Agreement, the Company issued 122,000 shares of its common stock on December 31, 2025, for net proceeds of $150. As the Company did not receive the proceeds until January 2026, it recorded a stock subscription receivable of $150 in its consolidated balance sheet as of December 31, 2025.

5. Property and equipment, net

Property and equipment, net consisted of the following:

	December 31,	
	2025	2024
Computer office equipment	$ 51	$ 51
Leasehold improvements	69	69
Lab equipment	76	76
Furniture and fixtures	30	30
	226	226
Less: accumulated depreciation	(226)	(221)
Property and equipment, net	$ —	$ 5

Depreciation expense was $5 for the year ended December 31, 2024. The Company did not record depreciation expense during the year ended December 31, 2025.

6. Accrued Expenses

Accrued expenses consist of the following:

	December 31,	
	2025	2024
Clinical trials	$ 98	$ 4,798
Professional fees	203	274
Payroll and related expenses	305	3,464
Severance	1,461	—
Accrued expenses	$ 2,067	$ 8,536

7. Leases

The Company has an operating lease for real estate in the United States and does not have any finance leases. The Company's leases may contain options to renew and extend lease terms and options to terminate leases early. Reflected in the right-of-use asset and lease liability on the Company's consolidated balance sheets are the periods provided by renewal and extension options that the Company is reasonably certain to exercise, as well as the periods provided by termination options that the Company is reasonably certain to not exercise.

The Company's existing lease agreement for the premises located at 47 Thorndike Street (the "47 Thorndike Street Lease") was set to expire on July 31, 2025. On July 1, 2025 the Company entered into a Fifth Amendment to Lease ("Fifth Amendment") with Landlord, extending the 47 Thorndike Street Lease as a tenancy-at will (as amended, the "Lease"). The term of the Lease expires on the later of August 31, 2025 or the last day of any month identified by notice by the Company or Landlord to the other, not less than sixty (60) days in advance. The Lease includes variable lease and non-lease components that are not included in the right-of-use asset and lease liability and are reflected as an expense in the period incurred. Such payments primarily include common area maintenance charges.

In calculating the present value of future lease payments, the Company utilized its incremental borrowing rate based on the lease term. The Company has an existing net lease in which the non-lease components (e.g. common area maintenance, maintenance, consumables, etc.) are paid separately from rent based on actual costs incurred and therefore are not included in the right-of-use asset and lease liability and are reflected as an expense in the period incurred. During the year ended December 31, 2024, the Company extended the term of its operating lease to July 31,2025 and recorded an additional right-of-use asset and lease liability of $420 and during the year ended December 31, 2025, the Company extended the term of its operating lease as a tenancy-at-will, with the term expiring on the later of August 31, 2025 or the last day of any month identified by notice by the Company or Landlord to the other, not less than sixty (60) days in advance, and recorded an additional right of-of-use asset and lease liability of $38. As of December 31, 2025, a right-of-use asset of $38 and lease liability of $38 are reflected on the consolidated balance sheet. The Company recorded rent expense of $372 and $461, respectively, during the years ended December 31, 2025 and 2024. Cash paid for amounts included in the measurement of lease liabilities was $349 and $463, respectively, during the years ended December 31, 2025 and 2024.

Future lease payments under non-cancelable operating leases as of December 31, 2025 are $38.

8. Warrants

As of December 31, 2025, outstanding warrants to purchase common stock, all of which are classified as equity warrants, consisted of the following:

	December 31, 2025		
Description	Number of Common Shares Issuable	Exercise Price	Expiration Date
January 23, 2017 Warrants	5,450	$ 0.10	Upon M&A Event
2019 Warrants	690,813	$ 19.50	February 2026
March 2020 Coverage Warrants	1,921,854	$ 21.10	Jan - March 2027
October 2025 Pre-funded Warrants	80,768,504	$ 0.001	No Expiry
October 2025 Common Warrants	75,985,605	$ 0.5335	October 2032
	159,372,226		

2017 Warrants

The 2017 Warrants contained full ratchet anti-dilution protection provisions. The Company recognized on a prospective basis the value of the effect of the down round feature in the warrant when it was triggered (i.e., when the exercise price was adjusted downward). This value was measured as the difference between (1) the financial instrument's fair value (without the down round feature) using the pre-trigger exercise price and (2) the financial instrument's fair value (with the down round feature) using the reduced exercise price. The value of the effect of the down round feature was treated as a dividend and a reduction to income available to common stockholders in the basic EPS calculation. In connection with the April 2024 Private Placement, when the 2017 Warrants were repriced from $10.55 to $2.82, the Company recorded a dividend of $234 during the year ended December 31, 2024. The 2017 Warrants expired in November 2024.

March 2020 Pre-funded Warrants

During the year ended December 31, 2025, 824,718 March 2020 Pre-funded Warrants were cashless exercised, resulting in the issuance of 809,558 common shares of the Company's common stock.

September 2021 Pre-funded Warrants

During the year ended December 31, 2025, 591,603 September 2021 Pre-funded warrants were cashless exercised, resulting in the issuance of 590,424 common shares of the Company's common stock.

April 2024 Pre-funded Warrants

During the year ended December 31, 2025, 1,523,404 April 2024 Pre-funded Warrants were cashless exercised, resulting in the issuance of 1,521,059 common shares of the Company's common stock.

January 2023 Common Stock Warrants

In January 2023, pursuant to the Flame Merger, the warrants held by the Flame Warrant Holders became exercisable for 6,530 shares of the Company's common stock (the "January 2023 Common Stock Warrants"). The January 2023 Common Stock Warrants had an exercise price of $6.78 per share and expired in February 2025.

January 2023 Series X Preferred Stock Warrants

In January 2023, pursuant to the Flame Merger, the warrants held by the Flame Warrant Holders also became exercisable for 443 shares of Series X Preferred Stock (the "January 2023 Series X Preferred Stock Warrants"). Following Stockholder Approval, each share of Series X Preferred Stock converted into 100 shares of common stock during the three months ended June 30, 2023. The January 2023 Series X Preferred Stock Warrants had an exercise price of $6.78 per share and expired in February 2025.

October 2025 Pre-funded Warrants

In connection with the October 2025 Private Placement, the Company issued pre-funded warrants (the "October 2025 Pre-Funded Warrants") to purchase up to an aggregate of 80,768,504 shares of the Company's common stock. The October 2025 Pre-Funded Warrants have an exercise price of $0.001 per share, each exercisable for one share of the Company's common stock. The exercise price and the number of shares of Common Stock issuable upon exercise of each pre-funded warrant is subject to appropriate adjustment in the event of certain stock dividends, stock splits, stock combinations, or similar events affecting the common stock. The October 2025 Pre-Funded Warrants qualify for equity classification.

October 2025 Common Stock Warrants

In connection with the October 2025 Private Placement, the Company issued common warrants (the "October 2025 Common Warrants") to purchase up to an aggregate of 75,985,605 shares of Company common stock, each exercisable for one share of common stock at an exercise price of $0.5335 per common warrant share. The October 2025 Common Warrants are exercisable in cash or by means of a cashless exercise. They expire on the tenth anniversary of their date of issuance and qualify for equity classification. The exercise price and the number of shares of common stock issuable upon exercise of each common warrant is subject to appropriate adjustment in the event of certain stock dividends, stock splits, stock combinations, or similar events affecting the common stock.

Parcrest International ("Parcrest") served as the Company's placement agent in connection with the October 2025 Private Placement. The Company agreed to pay Parcrest $1,500, as follows: (a) $1,000 in cash and (b) October 2025 Common Warrants to purchase up to 4,000,000 shares of the Company's common stock at an exercise price of $0.5335 per share (the "Placement Agent Warrants"). Parcrest has agreed that it shall not sell, transfer, assign, pledge, or otherwise dispose of any of the Placement Agent Warrants or the warrant shares underlying the Placement Agent Warrants for a period of six months following their issuance date, except with the prior written consent of both the Company and the Lead Investor (as defined below in Note 9).

9. Common Stock

Each share of common stock entitles the holder to one vote on all matters submitted to a vote of the Company's stockholders. Common stockholders are entitled to receive dividends, as may be declared by the board of directors, if any, subject to the preferential dividend rights of the preferred stockholders. Through December 31, 2025, no dividends have been declared for shares of common stock.

Private Placement - April 2024

On April 15, 2024, the Company completed a private placement whereby the Company issued 12,660,993 shares of its common stock at a purchase price of $2.82 per share, and 1,523,404 prefunded warrants at a purchase price of $2.819 per share (which is equal to the price per share less the $0.001 exercise price per warrant share). The aggregate net proceeds received by the Company from the offering was $37,051, net of $2,948 of underwriting discounts and commissions and offering expenses payable by the Company.

Private Placement – October 2025

Securities Purchase Agreement

On October 6, 2025, the Company entered into a Securities Purchase Agreement with Winklevoss Treasury Investments, LLC ("Winklevoss Capital") as Lead Investor (the "Lead Investor") and the other investors named therein, for the private placement of (i) 15,212,311 shares of Company common stock, par value $0.001 per share, at an offering price of $0.52064 per share (the "October 2025 Shares"), (ii) pre-funded warrants (the "October 2025 Pre-Funded Warrants") to purchase up to an aggregate of 80,768,504 shares of the Company's common stock at an offering price of $0.51964 per Pre-Funded Warrant, each exercisable for one share of common stock at the exercise price of $0.001 per Pre-Funded Warrant Share and (iii) common warrants (the "October 2025 Common Warrants") to purchase up to an aggregate of 71,985,605 shares of Company common stock, each exercisable for one share of common stock at an exercise price of $0.5335 per common warrant share. The shares of common stock, together with the common warrants, had an aggregate purchase price of $0.61439 per unit, and the pre-funded warrants, together with the common warrants had an aggregate purchase price of $0.61339 per unit. The October 2025 Private Placement closed on October 8, 2025. The aggregate gross proceeds received by the Company from the offering was $58,888 and after fees and offering expenses payable by the Company the net proceeds were $57,170.

Lead Investor Agreement

In connection with the Securities Purchase Agreement, the Company entered into a Lead Investor Agreement, dated October 6, 2025 (the "Lead Investor Agreement") with Winklevoss Capital to secure its commitment as Lead Investor in the October 2025 Private Placement. Winklevoss Capital beneficially owns 19.9% of the common stock of the Company, excluding certain shares of common stock that may in the future become exercisable under the October 2025 Pre-Funded Warrants and October 2025 Common Warrants. Pursuant to the Lead Investor Agreement, as of the Closing Date, the Board of Directors of the Company (the "Board") increased the size of the Board to twelve members. On November 11, 2025, the Board appointed each of Mr. Khing Oei and Mr. William McEvoy as a director of the Board, with Mr. Oei appointed as a Class II director and to serve in such capacity until the 2028 annual meeting of stockholders, and with Mr. McEvoy appointed as a Class III director and to serve in such capacity until the 2026 annual meeting of stockholders, or until the earlier of such director's death, resignation or removal. Mr. Oei was also elected to serve as non-executive Chairman of the Board, effective as of November 11, 2025. Concurrently with Mr. Oei's appointment, Christopher Mirabelli, PhD, stepped down from his role as Chairman, while remaining a member of the Board.

Issuance of Common Stock under Sales Agreement — November 2025

During the year ended December 31, 2025, the Company entered into a Sales Agreement with Cantor, pursuant to which the Company may offer and sell shares of its common stock, par value $0.001 per share, having an aggregate offering price of up to $200,000 from time to time to or through Cantor, acting as principal and/or sales agent.

Subject to the terms and conditions of the Sales Agreement, Cantor will use its commercially reasonable efforts consistent with its normal trading and sales practices, applicable state and federal law, rules and regulations, and the rules of the Nasdaq Capital Market to sell the Shares pursuant to the Offering from time to time, based upon the Company's instructions, including any price, time or size limits specified by the Company. The Company has provided Cantor with customary indemnification and contribution rights in favor of Cantor, and Cantor earns a commission of 1.5% of the gross proceeds from each sale of the Shares pursuant to the Sales Agreement.

The Company has no obligation to sell any of the Shares and may at any time suspend offers under the Sales Agreement. The Company and Cantor may each terminate the Sales Agreement at any time upon ten business days prior notice.

During the year ended December 31, 2025, the Company issued 27,151,211 shares of its common stock under the Sales Agreement, for net proceeds of $51,818, net of commissions of $789. Deferred offering costs in connection with the Sales Agreement were $544, of which $143 were amortized during the year ended December 31, 2025.

10. Stock-Based Compensation

Equity Incentive Plans

On January 20, 2017, the Company's stockholders approved the 2016 Equity Incentive Plan (the "2016 Plan"). Beginning on January 1, 2018, the number of shares of common stock authorized for issuance pursuant to the 2016 Plan was increased each January 1 by an amount equal to four percent (4%) of the Company's outstanding common stock as of the end of the immediately preceding calendar year or such other amount as determined by the compensation committee of the Company's board of directors.

On June 16, 2022, the Company's stockholders approved the 2022 Equity Incentive Plan (the "2022 Plan"), which provided for a total of 750,000 new shares of the Company's common stock to be granted. In addition, on June 16, 2023, and July 2, 2024, stockholders approved new shares of the Company's common stock to be added to the 2022 Plan for future issuance of 2,250,000 and 2,000,000, respectively.

On December 15, 2025, the Company held a special meeting of stockholders (the "Special Meeting"). The Company's stockholders voted to approve the adoption of the Company's 2025 Equity Incentive Plan (the "2025 Plan") at the Special Meeting, and the 2025 Plan became immediately effective upon such approval. The 2025 Plan, among other matters, provides for a total of 31,454,785 shares of the Company's common stock, $0.001 par value per share that can be covered by grants, as may be adjusted from time to time on the terms described therein. Also in connection with the Special Meeting, the Company increased it's authorized shares from 250,000,000 shares to 500,000,000 shares (490,000,000 shares are designated as Common Stock).

As of December 31, 2025, there were 9,344,326 shares available for grant under the Company's Equity Incentive Plans.

A summary of stock option activity under the Company's Equity Incentive Plans is as follows:

	Options	Weighted Average Exercise Price Per Share	Weighted Average Remaining Life in Years	Aggregate Intrinsic Value
Outstanding at December 31, 2023	3,384,366	$ 13.97	8.40	
Granted	3,460,000	$ 2.57		
Exercised	(34,698)	$ 2.68		
Forfeited	(392,924)	$ 4.98		
Outstanding at December 31, 2024	6,416,744	$ 8.43	8.43	
Granted	1,000,000	$ 1.18		
Exercised	(6,667)	$ 2.40		
Forfeited	(3,652,839)	$ 7.45		
Outstanding at December 31, 2025	3,757,238	$ 7.46	7.28	$ —
Options exercisable at December 31, 2025	2,417,888	$ 10.76	6.01	
Options vested and expected to vest at December 31, 2025	3,757,238	$ 7.46	7.28	$ —

The grant date fair value of the options granted during the years ended December 31, 2025 and 2024 was estimated at the date of grant using the Black-Scholes option valuation model. The expected life was estimated using the "simplified" method as defined by the SEC's Staff Accounting Bulletin 107, Share-Based Payment. The expected volatility was based on the historical volatility of the Company. The risk-free interest rate was based on the continuous rates provided by the U.S.

Treasury with a term approximating the expected life of the option. The expected dividend yield was 0% because the Company does not expect to pay any dividends for the foreseeable future. The Company elected the straight-line attribution method in recognizing the grant date fair value of options issued over the requisite service periods of the awards, which are generally the vesting periods.

The weighted average grant date fair value for the stock options granted during the years ended December 31, 2025 and 2024 was $1.00 and $2.04 per share, respectively.

The assumptions that the Company used to determine the grant-date fair value of stock options granted to employees and directors during the years ended December 31, 2025 and 2024 were as follows, presented on a weighted average basis:

	Year Ended December 31,	
	2025	2024
Expected volatility	103.46 %	93.92 %
Weighted average risk-free interest rate	3.90 %	3.82 %
Expected dividend yield	0.00 %	0.00 %
Expected term (in years)	7.00	6.46

Stock options generally vest over a three or four year period, as determined by the compensation committee of the board of directors at the time of grant. The options expire ten years from the grant date. As of December 31, 2025, there was approximately $1,650 of unrecognized compensation cost related to non-vested stock options, which is expected to be recognized over a remaining weighted-average period of approximately 1.67 years.

Restricted Stock Units

During the year ended December 31, 2025, the Company granted 20,799,921 RSUs to employees with a weighted average grant date fair value of $0.98 per share. The Company did not grant any RSUs during the year ended December 31, 2024.

The following table presents RSU activity under the Company's Equity Incentive Plans as of December 31, 2025:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2023	262,500	$ 19.97
Vested	(27,500)	$ 25.70
Cancelled	(15,000)	$ 17.80
Outstanding at December 31, 2024	220,000	$ 19.40
Vested	(303,000)	$ 14.21
Granted	20,799,921	$ 0.98
Cancelled	(2,411,700)	$ 0.44
Outstanding at December 31, 2025	18,305,221	$ 1.05

As of December 31, 2025, there were 18,305,221 shares outstanding covered by RSUs that were vested and expected to vest with a weighted average grant date fair value of $1.05 per share and an aggregate grant date fair value of $19,220. As of December 31, 2025, there was approximately $17,610 of unrecognized compensation costs related to RSUs granted to employees, which are expected to be recognized as expense over a remaining weighted average period of 2.77 years.

The Company recognized stock-based compensation expense related to the issuance of stock option awards and RSUs to employees and non-employees in the consolidated statements of operations during the years ended December 31, 2025 and 2024 as follows:

Stock Based Compensation Expense

	Year Ended December 31,	
	2025	2024
Research and development	$ 1,031	$ 2,855
General and administrative	3,868	2,649
Total	$ 4,899	$ 5,504

11. Income Taxes

The provision for income taxes for the year ended December 31, 2025 is due to unrealized gains and losses on investments in the U.S. and based on the results of the Company's foreign subsidiary in Australia. The provision for income taxes for the year ended December 31, 2024 was based on the results of the Company's foreign subsidiary in Australia.

Income (loss) before income taxes consisted of the following:

	Year Ended December 31,	
	2025	2024
U.S.	$ 9,639	$ (69,475)
Foreign	438	2,505
Income (loss) before income taxes	$ 10,077	$ (66,970)

A summary of the Company's current and deferred expense for income tax is as follows:

	Year Ended December 31,	
	2025	2024
Current expense:		
Federal	$ —	$ —
State	—	—
Foreign	137	585
Total current expense:	$ 137	$ 585
Deferred expense:		
Federal	$ 2,117	$ —
State	3,001	—
Foreign	—	—
Total deferred expense	$ 5,118	$ —
Total income tax expense	$ 5,255	$ 585

A reconciliation of the Company's statutory income tax rate to the Company's effective income tax rate is as follows:

	Year Ended December 31, 2025		Year Ended December 31, 2024	
	Amount	Percent	Amount	Percent
Pretax Income (Loss)	$ 10,077		$ (66,970)	
US Federal Statutory Tax Rate	2,116	21.0 %	(14,064)	21.0 %
State taxes, net of federal benefit	3,001	29.8 %	—	0.0 %
Foreign Tax Effects:				
Australia				
Other	(3)	0.0 %	131	(0.2)%
Change in valuation allowance	11	0.1 %	(71)	0.1 %
Research and development credits	38	0.4 %	—	0.0 %
Tax Credits:				
Research and development credits	(631)	(6.3)%	(1,558)	2.3 %
Change in valuation allowance	638	6.3 %	15,358	(22.9)%
Nontaxable or Nondeductible Items:				
Other	17	0.2 %	409	(0.6)%
Share based compensation	3,124	31.0 %	380	(0.6)%
Other Adjustments:				
Sec. 382 tax attribute adjustments	(3,056)	(30.4)%	—	0.0 %
Total	**$ 5,255**	**52.1 %**	**$ 585**	**(0.9)%**

The impact of state and local income taxes, net of federal income tax benefit, relates entirely to the Company's naked credit, discussed below, and is attributable to Massachusetts.

The components of the Company's deferred tax assets and liabilities are as follows (in thousands):

	Year Ended December 31, 2025	2024
Deferred tax assets:		
Federal net operating loss carryforwards	$ 17,866	$ 8,865
State net operating loss carryforwards	5,253	2,741
Research and development (R&D) tax credits	579	3,488
Capitalized R&D expenses	32,309	23,554
Start-up costs	9,583	10,386
Stock based compensation	3,962	6,696
Accrued expenses	70	911
License fees	—	505
Other	405	403
Total deferred tax assets before valuation allowance	70,027	57,549
Valuation allowance	(61,559)	(57,549)
Total deferred tax assets after valuation allowance	8,468	—
Deferred tax liabilities:		
Unrealized gain on digital asset receivable	(13,586)	—
Total deferred tax liabilities	(13,586)	—
Net deferred tax assets (liabilities)	$ (5,118)	$ —

The Company's net deferred tax liability of $5,118 is what is commonly referred to as a "naked credit" or "hanging credit". A naked credit exists when a Company is subject to a valuation allowance and maintains a deferred tax liability that cannot be considered as a source of future taxable income for valuation allowance purposes, either because its reversal is indefinite in nature or otherwise. The result of a naked credit is a deferred tax liability that remains on the balance sheet. In future years, if the naked credit

can be offset by deferred tax assets, the reversal will be recorded as a benefit through the profit and loss statement. The Company will continue to assess and evaluate strategies that will enable the deferred tax asset, or portion thereof, to be utilized, and will reduce the valuation allowance appropriately at such time when the "more likely than not" criteria is satisfied. The Company notes that the balance currently recorded is in relation to unrealized gains on the Company's cryptocurrency investments.

As of December 31, 2025, the Company had federal and state net operating loss ("NOL") carryforwards of approximately $85,074 and $86,922 respectively. The Company's federal NOL's can be carried forward indefinitely and the state NOL's begin to expire in 2032.

Under Internal Revenue Code Section 382, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes to offset its post-change income may be limited. The Company has completed a study to assess whether an ownership change occurred or whether there had been multiple ownership changes since the Company became a "loss corporation" as defined in Section 382. The Company experienced multiple ownership changes occurring in 2019, 2020, 2023, and 2025. The ownership changes have and will continue to subject the Company's pre-ownership change NOL carryforwards to an annual limitation, which will significantly restrict its ability to use them to offset taxable income in periods following the ownership changes. In general, the annual use limitation equals the aggregate value of the Company's stock at the time of the ownership change multiplied by a specified tax-exempt interest rate. The latest ownership change in 2025, results in an annual limitation of $858,217. The Company determined it will not be able to utilize its pre 2025 change federal R&D credits before expiration and consequently, has written these off. As a result, during the year ended December 31, 2025, the Company has reduced its deferred tax assets related to the federal R&D credits which is offset by a corresponding decrease in the valuation allowance.

In addition, As of December 31, 2025, the Company has federal and state R&D tax credits of approximately $145 and $549, respectively, that begin to expire in 2043 and 2038, respectively, for federal and state tax purposes.

As of December 31, 2025 and 2024, the Company has provided a valuation allowance against its net deferred tax assets, as realization of any associated tax benefit in the future is not more likely than not. The valuation allowance increased by $4,010 and decreased by $19,307 during the years ended December 31, 2025 and 2024, respectively.

The One Big Beautiful Bill Act ("OBBBA") was passed and became effective for the Company during 2025. The legislation includes, among other provisions, permanent full expensing for certain business assets, changes to the interest deduction limitation under Section 163(j), amendments to international tax provisions including the global intangible low-taxed income ("GILTI") and foreign-derived intangible income ("FDII") regimes, the permanent extension of the controlled foreign corporation ("CFC") look-through rule, as well as modifications to the treatment of research and development expenditures mentioned above.

Congress modified the treatment for research and development expenditures by adding new Section 174A, which applies for tax years beginning after December 31, 2024. Section 174A permits the immediate deduction of domestic R&D expenditures or, at the taxpayer's election, capitalization and amortization over a period of at least five years beginning when the related benefits are first realized. Foreign R&D expenditures continue to be capitalized and amortized over 15 years. Transition provisions allow taxpayers either to continue amortizing amounts capitalized under the TCJA rules or to deduct remaining unamortized domestic R&D expenditures in the first tax year beginning after December 31, 2024. The Company has elected to continue amortizing previously capitalized domestic R&D expenditures over the remaining amortization period permitted under OBBBA.

The Company follows the authoritative guidance on accounting for and disclosure of uncertainty in tax positions, which requires the Company to determine whether a tax position of the Company is more likely than not to be sustained upon examination, including resolution of any related appeals of litigation processes, based on the technical merits of the position. For tax positions meeting the more likely than not threshold, the tax amount recognized in the financial statements is reduced by the largest benefit that has a greater than 50% likelihood of being realized upon the ultimate settlement with the relevant taxing authority. As of December 31, 2025, the Company has not recorded any uncertain tax positions.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business the Company is subject to examination by federal and state jurisdictions, where applicable. There are currently no pending tax examinations. The earliest tax years that may be subject to examination by jurisdiction are 2020 for both federal and state purposes. The Company's policy is to record interest and penalties related to income taxes as part of the tax provision. There were no interest and penalties pertaining to uncertain tax positions for the years ended December 31, 2025 or 2024.

The Company does not provide for U.S. Federal, state, and applicable foreign income and withholding taxes on the financial reporting basis over the tax basis of its foreign subsidiary investment because the Company does has the intentions and ability to indefinitely reinvest the undistributed earnings of its foreign subsidiaries. As a result, deferred taxes have not been recorded for the outside basis differences in its foreign subsidiary as of December 31, 2025 to the extent such differences are expected to result in future taxable income upon repatriation. The Company reviews its ability and intentions to indefinitely reinvest its foreign earnings at each balance sheet.

The Company paid $237 of income taxes related to profits in Australia during the year ended December 31, 2025.

12. Net Income (Loss) Per Share

Basic and diluted net income (loss) per share for the years ended December 31, 2025 and 2024 was calculated as follows:

	Year Ended December 31,	
	2025	2024
Numerator:		
Net income (loss)	$ 4,822	$ (67,555)
Dividend attributable to down round feature of warrants	—	(234)
Net income (loss) attributable to common stockholders for basic and diluted income (loss) per share	$ 4,822	$ (67,789)
Denominator:		
Weighted average number of common shares outstanding - basic	66,140,346	37,550,677
Weighted average effect of potentially dilutive securities:		
Effect of potentially dilutive common stock warrants	4,407,074	—
Effect of potentially dilutive restricted stock units	124,938	—
Weighted average common shares outstanding — diluted	70,672,358	37,550,677
Net income (loss) per share attributable to common stockholders:		
Basic	$ 0.07	$ (1.81)
Diluted	$ 0.07	$ (1.81)

Included within weighted average common shares outstanding for the years ended December 31, 2025 and 2024, are 80,773,954, and 2,945,175 common shares issuable upon the exercise of the pre-funded warrants and penny warrants, as the warrants are exercisable at any time for nominal consideration, and as such, the shares are considered outstanding for the purpose of calculating basic and diluted net income (loss) per share attributable to common stockholders.

The Company's potentially dilutive securities include RSUs, stock options and warrants. The following table includes the potential common shares of common stock, presented based on amounts outstanding at each period end, that were excluded from the computation of diluted net income (loss) per share attributable to common stockholders for the periods indicated because including them would have had an anti-dilutive effect:

	Year Ended December 31,	
	2025	2024
Restricted stock units to purchase common stock	14,048,733	220,000
Options to purchase common stock	3,757,238	6,416,744
Warrants to purchase common stock	2,612,667	3,336,146
	20,418,638	9,972,890

13. Commitments and Contingencies

Insurance Financing Agreement—In March 2025, the Company entered into an insurance premium financing and security agreement with Aon Premium Finance, LLC. Under the agreement, the Company financed $440 of insurance premiums at a 8.74% fixed annual interest rate. Payments of approximately $42 are due monthly through February 2026. As of December 31, 2025, the outstanding principal of the loan had been paid in full.

License and Service Agreements—On January 3, 2011, the Company entered into a license agreement with Eli Lilly and Company ("Lilly"), to grant a license to the Company for certain intellectual property rights relating to pharmaceutically active compounds that may be useful in the treatment of bone healing, cancer and, potentially, other medical conditions. As defined in the license agreement, the Company would be required to pay royalties to Lilly based upon a percentage in the low single digits of net sales of developed products, if and when achieved. However, there can be no assurance that clinical or commercialization success of developed products will occur, and no royalties have been paid or accrued through December 31, 2025.

Collaboration Agreement--On August 10, 2020, the Company entered into a collaboration agreement with Adimab, LLC (the "Adimab Agreement"), pursuant to which Adimab will conduct research programs to develop monoclonal antibodies to certain targets identified by the Company and provide it with an option to acquire exclusive rights to such antibodies. Upon payment of an option fee, on a product-by-product basis, Adimab will grant the Company a world-wide, exclusive license for, or assign ownership to the Company of, certain intellectual property rights and grant the Company a non-exclusive license with respect to the Adimab platform technology. As defined in the Adimab Agreement, after exercising an option and making the option payment, the Company would be required to pay Adimab milestones upon the completion of clinical development and regulatory milestones, along with a royalty in the low-single digits of net sales of each product, if and when achieved. However, there can be no assurance that clinical, or commercialization success will occur, and no royalties have been paid or accrued through December 31, 2025.

Legal Proceedings—At each reporting date, the Company evaluates whether a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. The Company expenses as incurred the costs related to its legal proceedings. As of the date of this report, the Company is not currently a party to any material legal proceedings.

Indemnification Agreements—In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, business partners and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties. In addition, the Company has entered into indemnification agreements with members of its board of directors that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnifications. The Company is not aware of any claims under indemnification arrangements, and it has not accrued any liabilities related to such obligations in its consolidated financial statements as of December 31, 2025 and 2024.

14. Defined Contribution Plan

The Company has a 401(k) defined contribution plan (the "401(k) Plan") for substantially all of its employees. Eligible employees may make pretax contributions to the 401(k) Plan up to statutory limits.

The Company makes matching employee contributions in cash to the 401(k) Plan at a rate of 100% of the first 3% of earnings contributed and 50% of the next 2% of earnings contributed.

Employees participating in the 401(k) Plan are fully vested in the Company matching contributions, and investments are directed by participants. The Company made matching contributions of $276 and $471 for the years ended December 31, 2025 and 2024, respectively.

15. Related Party Transactions

Gemini Space Station, LLC ("Gemini") is a digital asset trading platform and an affiliate of Winklevoss Capital. Winklevoss Capital is an investor in the Company (See Note 9.) and, as a result, Gemini is considered a related party. During the year ended December 31, 2025, the Company purchased 290,062.67 ZEC tokens at a weighted average cost of $334.41 per token, for an aggregate purchase price of $97,000 through Gemini. (See Note 3.)

16. Subsequent Events

ATM Sales

During the period from January 1, 2026 until March 11, 2026, the Company has issued 6,128,568 shares of its common stock under the Sales Agreement with Cantor, for net proceeds of $4,156.

ZEC Purchases

During the period from January 1, 2026 until March 11, 2026, the Company purchased an additional 4,680.43 ZEC tokens at an average purchase price of $427.31 through Gemini.

Change in Fair Value of Embedded Derivative

During the period from January 1, 2026 until March 11, 2026, the price of ZEC has been volatile and has seen significant declines, ranging from high prices of above $500 to low prices of below $200. A ZEC price at the end of the three month period ended March 31, 2026 that is lower than the price used for the Company's financial statements as of December 31, 2025, will result in a decrease in the fair value of the embedded derivative and increase the Company's net loss for the period. For example, if the Company were to hold the same amount of ZEC at the end of the three month period March 31, 2026 as it held as of March 11, 2026, and the price of ZEC were $200 as of March 31, 2026, then the current value of the Company's digital asset receivable would be approximately $59,000 and there would be an unrealized net loss on the change in fair value of the embedded derivative for the three month period ended March 31, 2026 of approximately $88,500. As ZEC is highly volatile, there can be no assurance that the price of ZEC may not decline further, resulting in a smaller digital asset receivable and larger unrealized net loss.

ZODL Investment

On March 9, 2026, the Company announced an investment of $5,000 in Znewco, Inc., doing business as Zcash Open Development Lab (ZODL), through a Simple Agreement for Future Equity ("SAFE") as part of an over $25,000 financing of ZODL. The Company's investment in ZODL will convert into preferred stock as part of a future transaction in which ZODL issues and sells preferred stock at a fixed valuation, or, if there is a liquidity event or dissolution event before the conversion of the SAFE, will become payable for a portion of the proceeds of such liquidity event or dissolution.

Nasdaq Closing Bid Price Deficiency Letter

On March 4, 2026, the Company received a notification letter (the "Closing Bid Price Deficiency Letter") from the Listing Qualifications staff of The Nasdaq Stock Market LLC ("Nasdaq") notifying the Company that, for the last 30 consecutive business days, the closing bid price for the Company's common stock has been below the minimum $1.00 per share required for continued listing on The Nasdaq Capital Market pursuant to Nasdaq Listing Rule 5550(a)(2) ("Rule 5550(a)(2)"). The Closing Bid Price Deficiency Letter is a notice of deficiency, not delisting, and does not currently affect the listing or trading of the Company's shares of common stock on The Nasdaq Capital Market.

Board of Directors

James Cavanaugh, PhD(2)(3)
Managing Director at HealthCare Ventures LLC

Thomas J. Dietz, Ph.D.(1)(2)
Chairman and Chief Executive Officer at Waypoint Holdings, LLC

William Li, M.D.(1)
Co-Founder, President and Medical Director at Angiogenesis Foundation

Joseph Loscalzo, M.D., Ph.D.(3)
Professor of Theory and Practice of Medicine, Professor of Medicine at Harvard Medical School; Physician-in-Chief Emeritus at Brigham & Women's Hospital

Patricia Martin(1)(3)
Operating Partner at Martin Equity, LLC

Nissim Mashiach(2)
Co-Founder at Nubiyota LLC

Christopher K. Mirabelli, Ph.D.
Managing Director at HealthCare Ventures LLC

Will McEvoy
Principal at Winklevoss Capital Management

Khing Oei
Chairman of the Board

Douglas E. Onsi
Chief Executive Officer and President Cypherpunk Technologies Inc.

Christian Richard(2)
Portfolio Manager of Healthcare at Monashee Investment Advisors

Richard Schilsky, M.D.(3)
Professor Emeritus at University of Chicago

Standing Committees of the Board of Directors

(1) Compensation Committee
(2) Audit Committee
(3) Nominating and Corporate Governance Committee

Officers

Douglas E. Onsi
Chief Executive Officer

Will McEvoy
Chief Investment Officer

Corporate Headquarters

Cypherpunk Technologies Inc.
47 Thorndike Street, Suite B1-1
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Phone: (617) 714-0360
Website: http://www.cypherpunk.com

Transfer Agent and Registrar

Continental Stock Transfer and Trust Company
1 State Street 30th Floor
New York, NY 10004-1561

Counsel

Morgan, Lewis & Bockius LLP
One Federal Street
Boston, MA 02110-1726

Independent Registered Public Accounting Firm

EisnerAmper LLP
111 Wood Avenue South
Iselin, NJ 08830

Dividends

The Company has not paid any cash dividends on its Common Stock since its inception and does not anticipate paying any such cash dividends in the foreseeable future.

Market for Common Stock

NASDAQ Capital Market
Symbol: CYPH

SEC Form 10-K and Stockholders' Inquiries

A copy of the Company's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, is available without charge. Requests for the Annual Report on Form 10-K or other stockholder inquiries should be directed to: Cypherpunk Technologies Inc., Attn: Secretary, 47 Thorndike Street, Suite B1-1, Cambridge, Massachusetts 02141 or ir@cypherpunk.com.

Annual Meeting

The Annual Meeting of Stockholders will take place on Thursday, June 18, 2026 at 11:00 a.m., Eastern Time via the internet at www.cstproxy.com/cypherpunk/2026