

REFINITIV

DELTA REPORT

10-Q

ESLA - TRADEUP ACQUISITION CORP.

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS 2226

█	CHANGES	41
█	DELETIONS	957
█	ADDITIONS	1228

UNITED STATES
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549
FORM 10-Q
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended: June ended September 30, 2023

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 001-41584
Commission File Number: 001-40608
ESTRELLA IMMUNOPHARMA, INC.
TradeUP Acquisition Corp.

(Exact name of registrant as specified in its charter)

Delaware

86-1314502

(State or other jurisdiction of
incorporation or organization)

(I.R.S. IRS
Employer
Identification
No.)

TradeUP Acquisition Corp.
437 Madison Avenue, 27th Floor
New York, NY

10022

(Address of principal executive offices)

(Zip Code)

(732) 910-96925858 Horton Street, Suite 370
Emeryville, California, 95608

(Address of principal executive offices and zip code)

(510) 318-9098

(Registrant's telephone number, including area code)

TradeUP Acquisition Corp.
437 Madison Avenue, 27th Floor,
New York, New York 10022

(Former name, former address and former fiscal year, if changed since last report)

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

Name of Each Exchange on Which

Registered:

Registered

Title of Each Class: Class	Trading Symbol(s) Symbols	
Common Stock, par value \$0.0001 per share	UPTD ESLA	The NASDAQ Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of Common Stock for at an exercise price of \$11.50 per share	UPTDW ESLAW	The NASDAQ Stock Market LLC

Units, each consisting of one share of Common Stock and one-half of one Warrant	UPTDU	The NASDAQ Nasdaq Stock Market LLC
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Securities registered pursuant to Section 12(g) of the Act: None

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 the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. Act:

Large accelerated filer
Non-accelerated filer

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

As of **July 31, 2023** **November 16, 2023**, 2,168,354 there were 35,201,232 shares of common stock of the registrant, **Common Stock**, par value \$0.0001 per share, were issued and outstanding.

ESTRELLA IMMUNOPHARMA, INC.
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CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report includes on Form 10-Q ("Form 10-Q") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements are based on the current expectations of our management and are inherently subject to uncertainties and changes in circumstances and their potential effects and speak only as of the date such statements are made. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties that include, but are not limited to, those described in "Item 1A. Risk Factors in the Company's Registration Statement on Form S-1, filed with the SEC on October 11, 2023 and the amendment thereto filed on November 13, 2023.

These and other factors could cause actual results to differ materially from those expected and projected. All statements, other than statements of historical fact included in this Form 10-Q including, without limitation, statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" regarding the Company's financial position, business strategy and the plans and objectives of management for future operations, are forward-looking statements. Words such as "expect," "believe," "anticipate," "intend," "estimate," "seek" and variations and similar words and expressions are intended to identify such forward-looking statements. Such forward-looking statements relate to future events or future performance, but reflect management's current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in implied by the forward-looking statements. For information identifying important factors Forward-looking statements are not guarantees of performance and speak only as of the date hereof.

There can be no assurance that could cause actual results to differ materially from future developments will be those that have been anticipated in the or that we will achieve or realize these plans, intentions, or expectations.

All forward-looking statements please refer attributable to us or persons acting on our behalf are expressly qualified in their entirety by the Risk Factors section of the Company's final prospectus for its initial public offering filed with the U.S. Securities and Exchange Commission (the "SEC"), the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (under heading "Risk Factors" and in other parts of that report) and in the Company's final prospectus for its business combination filed on July 11, 2023. The Company's securities filings can be accessed on the EDGAR section of the SEC's website at www.sec.gov. Except as expressly required by applicable securities law, the Company disclaims any intention or foregoing cautionary statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

In addition, statements of belief and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date they are made, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and you are cautioned not to unduly rely upon these statements.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS STATEMENTS.

TRADEUP ACQUISITION CORP.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

	As of September 30, 2023 <hr/> (Unaudited)	As of June 30, 2023
Current Assets		
Current assets:		
Cash	\$ 22,137,995	\$ 2,479,146
Prepaid expenses	138,767	-
Cash held in trust account	5,072,945	-
Extension note receivable	-	273,066
Total current assets	<hr/> 27,349,707	<hr/> 2,752,212
Other Assets		
Deferred transaction costs	<hr/> -	<hr/> 276,187
Total Assets	<hr/> <hr/> \$ 27,349,707	<hr/> <hr/> \$ 3,028,399
Liabilities, Preferred Stock and Stockholders' Equity (Deficit)		
Current liabilities:		
Accounts payable - related party	\$ 9,337,644	\$ 9,333,146
Other payables and accrued liabilities	2,501,560	398,781
Stock redemption payable	5,072,945	-
Promissory note	300,000	-
Accrued liability - related party	24,000	22,000
Franchise tax payables	3,685	4,297
Income tax payables	40,719	-
Total current liabilities	<hr/> 17,280,553	<hr/> 9,758,224
Non-current liabilities:		
Other liability	<hr/> -	<hr/> 12,725
Total non-current liabilities	<hr/> -	<hr/> 12,725
Total Liabilities	<hr/> <hr/> 17,280,553	<hr/> <hr/> 9,770,949
Commitments and Contingencies (Note 8)		
Preferred Stock*		
Series A Preferred Stock, \$0.0001 par value, 15,000,000 shares authorized; 0 and 1,203,695 shares issued and outstanding as of September 30, 2023 and June 30, 2023, respectively	-	5,000,000
Series AA Preferred Stock, \$0.0001 par value, 105,000,000 shares authorized; 0 and 25,277,591 shares issued and outstanding as of September 30, 2023 and June 30, 2023, respectively	-	-

Stockholders' Equity (Deficit):

Common stock, \$0.0001 par value; 250,000,000 shares authorized; 35,201,232 and 978,243 shares issued and outstanding as of September 30, 2023 and June 30, 2023, respectively*	3,520	98
Additional paid-in capital	24,124,684	445,905
Accumulated deficit	(14,059,050)	(12,188,553)
Total Stockholders' Equity (Deficit)	10,069,154	(11,742,550)
Total Liabilities, Preferred Stock and Stockholders' Equity (Deficit)	\$ 27,349,707	\$ 3,028,399

	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>(Audited)</u>
Assets			
Current assets:			
Cash	\$ 34,688	\$ 40,802	
Prepaid expenses	94,675	11,625	
Total current assets	<u>129,363</u>	<u>52,427</u>	
Investments held in Trust Account	9,792,271	9,671,375	
Total Assets	\$ 9,921,634	\$ 9,723,802	
Liabilities, Temporary Equity, and Stockholders' Deficit			
Current liabilities:			
Accounts payable and accrued expenses	\$ 437,822	\$ 329,166	
Promissory notes	273,066	-	
Working capital loans - related parties	658,600	498,600	
Due to a related party	-	50,000	
Income tax payable	61,644	51,176	
Franchise tax payable	200	144,127	
Total current liabilities	<u>1,431,332</u>	<u>1,073,069</u>	
Deferred tax liability	8,370	29,472	
Deferred underwriters' marketing fees	<u>1,550,500</u>	<u>1,550,500</u>	
Total Liabilities	<u>2,990,202</u>	<u>2,653,041</u>	
Commitments and Contingencies			
Common stock subject to possible redemption, 910,220 shares at redemption value of \$10.71 and 10.25 per share as of June 30, 2023 and December 31, 2022, respectively	9,752,003	9,326,446	
Stockholders' Deficit:			
Preferred stock, \$0.0001 par value; 1,000,000 shares authorized; none issued and outstanding	-	-	
Common stock, \$0.0001 par value; 30,000,000 shares authorized; 1,419,700 shares issued and outstanding (excluding 910,220 shares subject to possible redemption as of June 30, 2023 and December 31, 2022, respectively)	142	142	
Additional paid-in capital	-	-	
Accumulated deficit	(2,820,713)	(2,255,827)	
Total Stockholders' Deficit	(2,820,571)	(2,255,685)	
Total Liabilities, Temporary Equity, and Stockholders' Deficit	\$ 9,921,634	\$ 9,723,802	

* Giving retroactive effect to reverse recapitalization effected on September 29, 2023 to reflect exchange ratio of approximately 0.2407 as described in Note 3

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Three Months Ended September 30, 2023	For the Three Months Ended September 30, 2022
Operating expenses		
Research and development	\$ 483,466	\$ 2,605,188
General and administrative	1,387,031	280,256
Total operating expenses	<u>1,870,497</u>	<u>2,885,444</u>
Loss from Operations	<u>(1,870,497)</u>	<u>(2,885,444)</u>
Income taxes provision	-	-
Net loss	<u>\$ (1,870,497)</u>	<u>\$ (2,885,444)</u>
Net loss applicable to common stock per share, basic and diluted	\$ (1.78)	\$ (34.33)
Weighted average number of outstanding common stock, basic and diluted*	<u>1,052,656</u>	<u>84,041</u>

* Giving retroactive effect to reverse recapitalization effected on September 29, 2023 to reflect exchange ratio of approximately 0.2407 as described in Note 3

The accompanying notes are an integral part of these unaudited condensed financial statements.

TRADEUP ACQUISITION CORP, ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS CHANGES IN PREFERRED
 STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)**
(Unaudited)

	For the Three Months Ended June 30, 2023	For the Three Months Ended June 30, 2022	For the Six Months Ended June 30, 2023	For the Six Months Ended June 30, 2022
Formation and operating costs	\$ 155,295	\$ 399,765	\$ 291,845	\$ 520,505
Franchise tax expenses	13,942	24,000	27,042	48,200
Loss from Operations	(169,237)	(423,765)	(318,887)	(568,705)
Other income:				
Dividend earned on investment held in Trust Account	114,310	64,179	220,100	67,867
Loss before income taxes	(54,927)	(359,586)	(98,787)	(500,838)
Income taxes provision	(21,077)	-	(40,542)	-
Net Loss	\$ (76,004)	\$ (359,586)	\$ (139,329)	\$ (500,838)
Basic and diluted weighted average shares outstanding, common stock subject to possible redemption	910,220	4,430,000	910,220	4,430,000
Basic and diluted net (loss) income per share, common stock subject to possible redemption	\$ 0.11	\$ (0.06)	\$ 0.23	\$ (0.09)
Basic and diluted weighted average shares outstanding, common stock attributable to TradeUP Acquisition Corp.	1,419,700	1,419,700	1,419,700	1,419,700
Basic and diluted net loss per share, common stock attributable to TradeUP Acquisition Corp.	\$ (0.13)	\$ (0.06)	\$ (0.24)	\$ (0.09)

	Series A Preferred Stock		Series AA Preferred Stock		Common Stock			Additional Paid-in Capital		Accumulated Deficit		Total Stockholders' Equity (Deficit)
	Shares*	Amount	Shares*	Amount	Shares*	Amount	Shares*	Amount	Deficit	Accumulated Deficit		
Balance, July 1, 2023	5,000,000	\$ 5,000,000	105,000,000	\$ -	4,063,500	\$ 407	\$ 445,596	\$ (12,188,553)	\$ (11,742,550)			
Recapitalization	(3,796,305)	-	(79,722,409)	-	(3,085,257)	(309)	309	-	-	-	-	
Balance, July 1, 2023	1,203,695	5,000,000	25,277,591	-	978,243	98	445,905	(12,188,553)	(11,742,550)			
Issuance of Series A preferred stock	2,407,389	9,750,000	-	-	-	-	-	-	-	-	-	

Conversion of series A and series AA preferred stock into common stock	(3,611,084)	(14,750,000)	(25,277,591)	-	28,888,675	2,889	14,747,111	-	14,750,000									
Vesting of early exercised stock options	-	-	-	-	2,633,082	263	12,462	-	12,725									
Stock-based compensation	-	-	-	-	-	-	1,194,653	-	1,194,653									
Issuance of common stock issued for PIPE investment	-	-	-	-	1,000,000	100	9,999,900	-	10,000,000									
Issuance of common stock upon completion of business combination	-	-	-	-	1,701,232	170	(474,147)	-	(473,977)									
Transactions cost	-	-	-	-	-	-	(1,801,200)	-	(1,801,200)									
Net loss	-	-	-	-	-	-	-	(1,870,497)	(1,870,497)									
Balance, September 30, 2023	<u>-</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>35,201,232</u>	<u>\$</u>	<u>3,520</u>	<u>\$</u>	<u>24,124,684</u>	<u>\$</u>	<u>(14,059,050)</u>	<u>\$</u>	<u>10,069,154</u>					
Balance, July 1, 2022	1,203,695	\$	5,000,000	\$	25,277,591	\$	-	\$	42,370	\$	4	\$	34,304	\$	(1,074,151)	\$	(1,039,843)	
Vesting of early exercised stock options	-	-	-	-	-	-	126,388	-	13	-	512	-	-	-	-	-	525	
Stock-based compensation	-	-	-	-	-	-	-	-	102,399	-	-	-	-	-	-	-	-	102,399
Net loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,885,444)	-	(2,885,444)	
Balance, September 30, 2022	<u>1,203,695</u>	<u>\$</u>	<u>5,000,000</u>	<u>\$</u>	<u>25,277,591</u>	<u>\$</u>	<u>-</u>	<u>\$</u>	<u>168,758</u>	<u>\$</u>	<u>17</u>	<u>\$</u>	<u>137,215</u>	<u>\$</u>	<u>(3,959,595)</u>	<u>\$</u>	<u>(3,822,363)</u>	

* Giving retroactive effect to reverse recapitalization effected on September 29, 2023 to reflect exchange ratio of approximately 0.2407 as described in Note 3

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

TRADEUP ACQUISITION CORP, ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
 (Unaudited)

For the Six Months Ended June 30, 2023

	Preferred stock		Common stock		Additional		Total	
	Shares	Amount	Shares	Amount	Paid-in Capital	Accumulated Deficit	Stockholders' Deficit	
Balance as of December 31, 2022	-	\$ -	1,419,700	\$ 142	\$ -	\$ (2,255,827)	\$ (2,255,685)	
Accretion of carrying value to redemption value	-	-	-	-	-	(209,733)	(209,733)	
Net loss	-	-	-	-	-	(63,325)	(63,325)	
Balance as of March 31, 2023	-	-	1,419,700	142	-	(2,528,885)	(2,528,743)	
Accretion of carrying value to redemption value	-	-	-	-	-	(215,824)	(215,824)	
Net loss	-	-	-	-	-	(76,004)	(76,004)	
Balance as of June 30, 2023	-	\$ -	1,419,700	\$ 142	\$ -	\$ (2,820,713)	\$ (2,820,571)	

	Preferred stock		Common stock		Additional		Total	
	Shares	Amount	Shares	Amount	Paid-in Capital	Accumulated Deficit	Stockholders' Deficit	
Balance as of December 31, 2021	-	\$ -	1,419,700	\$ 142	\$ -	\$ (1,006,334)	\$ (1,006,192)	
Net loss	-	-	-	-	-	(141,252)	(141,252)	
Balance as of March 31, 2022	-	-	1,419,700	142	-	(1,147,586)	(1,147,444)	
Net loss	-	-	-	-	-	(359,586)	(359,586)	
Balance as of June 30, 2022	-	\$ -	1,419,700	\$ 142	\$ -	\$ (1,507,172)	\$ (1,507,030)	

The accompanying notes are an integral part of these unaudited condensed financial statements.

TRADEUP ACQUISITION CORP.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	For the Six Months Ended June 30, 2023	For the Six Months Ended June 30, 2022	For the Three Months Ended September 30, 2023	For the Three Months Ended September 30, 2022
Cash Flows from Operating Activities:				
Net loss	\$ (139,329)	\$ (500,838)	\$ (1,870,497)	\$ (2,885,444)
Adjustments to reconcile net loss to net cash used in operating activities:				
Dividend earned on investment held in Trust Account	(220,100)	(67,867)		
Deferred tax expense	(21,102)	-		
Stock-based compensation			1,194,653	102,399
Changes in operating assets and liabilities:				
Prepaid expenses	(83,050)	96,625		
Accounts payable and accrued expenses	108,656	103,447		
Income tax payable	10,468	-		
Prepaid expenses - related party				833,333
Accounts payable - related party			4,498	782,206
Other payables and accrued liabilities			394,766	66,050
Operating lease liability - related party			-	430
Accrued liability - related party			2,000	-
Franchise tax payable	(143,927)	(21,954)	(612)	800
Net cash used in operating activities	<u>(488,384)</u>	<u>(390,587)</u>	<u>(275,192)</u>	<u>(1,100,226)</u>
Cash Flows from Investing Activities:				
Purchase of investment held in trust account	(273,066)	-		
Withdraw of investment held in trust account	372,270	-		
Net cash provided by investing activities	<u>99,204</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loan to UPTD as extension note receivable prior to business combination			(112,298)	-
Net cash used in investing activities			<u>(112,298)</u>	<u>-</u>
Cash Flows from Financing Activities:				
Proceeds from issuance of promissory notes	273,066	-		
Proceeds from issuance of working capital loans to a related party	110,000	-		
Net proceeds from PIPE investment			10,000,000	-
Net proceeds from issuance of Series A Preferred Stock			9,020,000	-
Net proceeds from promissory note			300,000	-
Proceeds from business combination			726,339	-
Net cash provided by financing activities	<u>383,066</u>	<u>-</u>	<u>20,046,339</u>	<u>-</u>
Net Change in Cash	<u>(6,114)</u>	<u>(390,587)</u>	<u>19,658,849</u>	<u>(1,100,226)</u>
Cash at beginning of period	<u>40,802</u>	<u>478,868</u>	<u>2,479,146</u>	<u>4,088,333</u>
Cash at end of period	<u>\$ 34,688</u>	<u>\$ 88,281</u>	<u>\$ 22,137,995</u>	<u>\$ 2,988,107</u>

Supplemental Cash Flow Information

Cash paid for income tax	\$ -	\$ -
Cash paid for interest	\$ -	\$ -
Supplemental Disclosure of Non-cash Financing Activities		
Accretion of carrying value to redemption value	\$ 425,557	\$ -
Conversion of due to a related party into a promissory note	\$ 50,000	\$ -
Deferred transaction costs included in other payables and accrued liabilities	\$ -	\$ 66,187
Conversion of Series A prefer stock into common stock	\$ 5,000,000	\$ -
Conversion of deferred underwriting commission payable into Series A preferred stock	\$ 730,000	\$ -

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
Notes To Unaudited Condensed Consolidated Financial Statements

Note 1 — Organization and Business Operation

TradeUP Acquisition Corp. (the "Company") is a blank check company incorporated as *Description of business*. Estrella Immunopharma, Inc., a Delaware corporation, on January 6, 2021. The Company was formed for is a preclinical-stage biopharmaceutical company developing T-cell therapies with the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination capacity to cure patients with one or more businesses (the "Business Combination"). The Company has selected December 31 as its fiscal year end, blood cancers and solid tumors.

As further discussed below and in Note 3, on September 29, 2023 (the "Closing Date"), Estrella Biopharma, Inc. ("Estrella") and TradeUP Acquisition Corp. ("UPTD") consummated the business combination (the "Business Combination") pursuant to the terms of June 30, 2023 the Agreement and December 31, 2022 Plan of Merger, dated as of September 30, 2022 (the "Merger Agreement"), by and among UPTD, Tradeup Merger Sub Inc., a Delaware corporation and wholly-owned subsidiary of UPTD ("Merger Sub"), and the Company. Pursuant to the terms of the Merger Agreement, Merger Sub merged with and into Estrella, with Estrella surviving as a wholly-owned subsidiary of UPTD. Upon closing of the Business Combination (the "Closing"), UPTD changed its corporate name to Estrella Immunopharma, Inc. ("New Estrella" or the "Company").

Estrella was incorporated in the State of Delaware on March 30, 2022 by Eureka Therapeutics, Inc. ("Eureka"), which was incorporated in California in February 2006 and reincorporated in Delaware in March 2018 and is the predecessor of Estrella. Estrella's fiscal year end is June 30, and the Company's fiscal year end changed from December 31 to June 30 effective as of the Closing Date.

On June 28, 2022, pursuant to a Contribution Agreement between Estrella and Eureka (the "Contribution Agreement"), Eureka contributed certain assets (the "Assets") related to T-cell therapies targeting CD19 and CD22, proteins expressed on the surface of almost all B-cell leukemias and lymphomas, in exchange for 105,000,000 shares of Estrella's Series AA Preferred Stock (the "Separation").

As part of the Separation, Estrella entered into a License Agreement (the "License Agreement") with Eureka and Eureka Therapeutics (Cayman) Ltd. ("Eureka Cayman"), an affiliate of Eureka, and a Services Agreement (the "Services Agreement") with Eureka, and Eureka contributed and assigned the Collaboration Agreement between Eureka and Imugene Limited ("Imugene") (the "Collaboration Agreement") to Estrella. The License Agreement grants the Company an exclusive license to develop CD19 and CD22 targeted T-cell therapies using Eureka's ARTEMIS® platform. Under the Services Agreement, Eureka has agreed to perform certain services for the Company in connection with the development of the Company's product candidates, EB103 and EB104. EB103, which is a T-cell therapy also called "CD19-Redirected ARTEMIS® T-Cell Therapy," utilizes Eureka's ARTEMIS® technology to target CD19. The Company is also developing EB104, a T-cell therapy also called "CD19/22 Dual-Targeting ARTEMIS® T-Cell Therapy." Like EB103, EB104 utilizes Eureka's ARTEMIS® technology to target not only CD19, but also CD22. The Collaboration Agreement establishes the partnership between the Company and Imugene related to development of solid tumor treatments using Imugene's product candidate ("CF33-CD19t") in conjunction with EB103.

The Company is in the development stage, having not yet started planned principal operations. As of September 30, 2023, the Company had not commenced any operations. For the period from January 6, 2021 (inception) through June 30, 2023 devoted substantially all of its efforts toward preparing regulatory filings (including Investigational New Drug ("IND") applications), planning preclinical studies, and building its management team. On March 2, 2023, the Company's efforts have been limited FDA cleared the IND for EB103, allowing Estrella to organizational activities as well as activities related proceed with the Phase I/II Starlight-1 Clinical Trial, which the Company expects to commence in the Initial Public Offering (as defined below) first half of 2024.

Merger and reverse recapitalization

As described above and further discussed in Note 3, the Business Combination. The Company will not generate any operating revenues until after the completion of a Business Combination at the earliest. The Company had and will continue to generate non-operating income in the form of dividend income from the proceeds derived from the Initial Public Offering (as defined below) was consummated on September 29, 2023.

The registration statement Business Combination was accounted for as a "reverse recapitalization". Under this method of accounting, UPTD was treated as the "acquired" company for financial reporting purposes. Accordingly, the Business Combination was treated as the equivalent of Estrella issuing shares for the Company's initial public offering (the "Initial Public Offering") became effective net assets of UPTD, accompanied by a recapitalization. The net assets of UPTD are stated at historical costs. No goodwill or other intangible assets are recorded.

Liquidity

The accompanying unaudited condensed consolidated financial statements have been prepared on July 14, 2021. On July 19, 2021 a basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As of September 30, 2023, the Company consummated had cash of approximately \$22.1 million, and accumulated deficit of approximately \$14.1 million. In addition, the Initial Public Offering Company had cash held in trust account of 4,000,000 units (the "Public Units"), at \$10.00 per Public Unit, generating gross proceeds approximately \$5.1 million carried over from UPTD upon consummation of \$40,000,000 the business combination, which is described in Note 4. On July 21, 2021, payable to the underwriters partially exercised the over-allotment option and purchased 430,000 units (the "Option Units", together with the Public Units, the "Units") at a price UPTD's shareholder related to redemption of \$10.00 per Option Unit, generating gross

proceeds public shares of \$4,300,000. Each Unit consists of one share of common stock, \$0.0001 par value per share (the "Common Stock"), and one-half of one redeemable warrant (the "Warrant"), each whole Warrant entitling the holder thereof to purchase one share of UPTD's Common Stock at an exercise price before business combination. For the three months ended September 30, 2023, loss from operations was approximately \$1.9 million. The Company's ability to fund its operations is dependent on the amount of \$11.50 per share cash on hand and its ability to raise debt or additional equity financing. The Units were sold at an offering price of \$10.00 per Unit, generating gross proceeds of \$44,300,000 in total. Transaction costs in connection with the Initial Public Offering Company has expended substantial funds on its research and development business, has experienced losses and negative cash flows from operations since its inception and expects losses and negative cash flows from operations to continue until its technology receives regulatory approval and the issuance Company generates sufficient revenue and sale of Option Units amounted to \$3,019,474, consisting of \$886,000 of underwriting fees, \$1,550,500 of Business Combination Fee (defined in Note 8 below) and \$582,974 of other offering costs. Following the expiration of the over-allotment option, 42,500 Founder Shares (defined below) were subsequently forfeited. Simultaneously with the closing of the Initial Public Offering, the Company consummated the sale of 295,000 shares of Common Stock (the "Private Placement Shares") at a price of \$10.00 per share in a private placement sale (the "Private Placement") to the Company's founders, or initial stockholders, include Tradeup INC. and the Company's sponsor, TradeUP Acquisition Sponsor LLC, a Delaware limited liability company (the "Sponsor"), among which, the Sponsor purchased 236,000 Private Placement Shares and Tradeup INC. purchased 59,000 Private Placement Shares, generating gross proceeds of \$2,950,000, which is described in Note 5. On July 21, 2021, the Company consummated the sale of additional 17,200 Private Placement Shares with the Sponsor and Tradeup INC. at a price of \$10.00 per Private Placement share, among which, the Sponsor purchased 13,760 Private Placement Shares and Tradeup INC. purchased 3,440 Private Placement Shares, generating total proceeds of \$172,000. Following the closing of the Initial Public Offering on July 19, 2021, the issuance and sale of Option Units on July 21, 2021 and the issuance and sale of Private Placement Shares, \$45,186,000 positive cash flow from the net proceeds of the sale of the Units and from the sale of Private Placement Shares was placed in a trust account (the "Trust Account") maintained by Wilmington Trust, National Association as a trustee. The aggregate amount of \$45,186,000 (\$10.20 per Unit) was invested in United States "government securities" within the meaning of Section 2(a)(16) of the Investment Company Act having a maturity of 185 days or less or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act which invest only in direct U.S. government treasury obligations. Pursuant to the trust agreement, the trustee is not permitted to invest in other securities or assets. By restricting the investment of the proceeds to these instruments, and by having a business plan targeted at acquiring and growing businesses for the long term (rather than on buying and selling businesses in the manner of a merchant bank or private equity fund), the Company intends to avoid being deemed an "investment company" within the meaning of the Investment Company Act. The Initial Public Offering is not intended for persons who are seeking a return on investments in government securities or investment securities. The Trust Account is intended as a holding place for funds pending the earliest to occur of either: (i) the completion of the Company's initial Business Combination; (ii) the redemption of any public shares properly tendered in connection with a stockholder vote to amend the Company's amended and restated certificate of incorporation that would affect the substance or timing of the Company's obligation to provide for the redemption of its public shares in connection with an initial Business Combination or to redeem 100% of its public shares operations, if the Company has not consummated an initial Business Combination by the Combination Deadline (as defined below); or (iii) absent an initial Business Combination by the Combination Deadline, its return of the funds held in the Trust Account to its public stockholders as part of its redemption of the public shares. The proceeds deposited in the Trust Account could become subject to the claims of the Company's creditors, if any, which could have priority over the claims of the Company's public stockholders. ever.

In order ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY

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On September 29, 2023, the Business Combination and several concurrent financing transactions were consummated, with the Company receiving net proceeds of approximately \$20.1 million, after deducting \$5.07 million payable to mitigate redeem 467,122 shares of UPTD Common Stock at \$10.86 per share in connection with the potential risks special meeting of being deemed UPTD stockholders related to have been operating as an unregistered investment company the Business Combination held on July 31, 2023, \$1.6 million for purposes UPTD's transaction expenses and \$0.7 million for repayment of working capital loans, consisting of: (i) \$9.75 million from the issuance of shares of the Investment Company Act, the Company instructed Wilmington Trust, National Association, as a trustee Company's Operating Series A Preferred Stock immediately prior to the Trust Account, to liquidate closing of the U.S. government treasury obligations and money market funds held in the Trust Account on July 14, 2023 and to hold all Business Combination (\$730,000 of which was comprised of funds in the Trust Account in cash until trust account delivered to the earlier of consummation Company at the closing of the Company's initial business combination or liquidation. Following such liquidation, Business Combination that would have otherwise been paid to US Tiger Securities, Inc. as a deferred underwriting fee in connection with UPTD's IPO); (ii) \$0.3 million from the Company will likely continue issuance of an unsecured promissory note by us to receive, minimal interest, if any, on a third party investor; (iii) \$3.06 million from the funds held in UPTD's trust account; and (iv) \$10 million from the Trust Account, which would reduce PIPE investors pursuant to the dollar amount its public stockholders would receive upon any redemption or liquidation Subscription Agreements.

On April 20, 2023, UPTD entered into the Common Stock Purchase Agreement and the White Lion RRA with White Lion. Subsequently, on April 26, 2023, UPTD and White Lion entered into an amendment to the Common Stock Purchase Agreement. Pursuant to the Common Stock Purchase Agreement, following the Closing, New Estrella will have the right, but not the obligation, to require White Lion to purchase, from time to time up to \$50,000,000 in aggregate gross purchase price of newly issued shares of Common Stock (the "Equity Line Shares"), subject to certain limitations and conditions set forth in the Common Stock Purchase Agreement as further described in Note 8.

On October 10, 2023, the Company used a portion of the Company.net proceeds from the Business Combination to pay \$8.3 million due to Eureka under the Services Agreement and approximately \$0.9 million aggregate amount due to Eureka under the License Agreement, comprised of the outstanding portion of the upfront fee as well as a milestone payment in connection with the submission of the IND application for EB103. The Company intends to devote the remaining net proceeds from the Business Combination to the preclinical and clinical development of the Company's product candidates and the public company compliance costs.

The Company's initial Business Combination must occur with one or more target businesses that together have an aggregate fair market value future operations are highly dependent on a combination of at least 80% factors, including but not necessarily limited to (1) the success of our research and development programs; (2) the timely and successful completion of any additional financing; (3) the development of competitive therapies by other biotechnology and pharmaceutical companies; (4) our ability to manage growth of the assets held in the Trust Account (excluding the Business Combination Fee organization; (5) our ability to protect our technology and taxes payable products; and, interest previously released for working capital purposes on the income earned on the Trust Account) at the time ultimately (6) regulatory approval and successful commercialization and market acceptance of the agreement to enter into the initial Business Combination. However, the Company will only complete a Business Combination if the post-transaction company owns or acquires 50% or more of the outstanding voting securities of the target or otherwise acquires an interest in the target sufficient for the post-transaction company not to be required to register as an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"). There is no assurance that the Company will be able to complete a Business Combination successfully.

The shares of Common Stock subject to redemption was recorded at a redemption value and classified as temporary equity upon the completion of the Initial Public Offering, in accordance with Accounting Standards Codification ("ASC") Topic 480 "Distinguishing Liabilities from Equity." In such case, the Company will proceed with a Business Combination if the Company has net tangible assets of at least \$5,000,001 upon such consummation of a Business Combination and, if the Company seeks stockholder approval, a majority of the issued and outstanding shares voted are voted in favor of the Business Combination. The Company initially had until January 19, 2023 to complete its initial Business Combination. On December 22, 2022, the Company held a special meeting of stockholders (the "2022 Special Meeting"), at which the stockholders approved amending the amended and restated certificate of incorporation to extend the date before which the Company must complete a Business Combination from January 19, 2023, by one month up to six times, to July 19, 2023, or such earlier date as determined by the board of directors of the Company (such monthly extension is herein referred to as the "Extension"). On July 17, 2023, the Company held a special meeting in lieu of its 2023 annual meeting of stockholders (the "2023 Special Meeting"), at which the stockholders approved amending the amended and restated certificate of incorporation to extend the date before which the Company must complete a Business Combination (the "Combination Deadline") from July 19, 2023 to July 14, 2024, or such earlier date as determined by the board of directors of the Company (such monthly extension is herein referred to as the "Extension"). Upon the stockholders' approval, on July 17, 2023, the Company filed a certificate of amendment to the amended and restated certificate of incorporation which became effective upon filing. If the Company is unable to complete the initial Business Combination by the Combination Deadline, the Company will: (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem the public shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account including dividend earned on the funds held in the Trust Account and not previously released to the Company for working capital purposes or to pay the Company's taxes (less up to \$50,000 of interest to pay dissolution expenses), divided by the number of then outstanding public shares, which redemption will completely extinguish public stockholders' rights as stockholders (including the right to receive further liquidating distributions, if

any), subject to applicable law, and (iii) as promptly as reasonably possible following such redemption, subject to the approval of the Company's remaining stockholders and its board of directors, dissolve and liquidate, subject in each case to the Company's obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law. There will be no redemption rights or liquidating distributions with respect to the Company's Warrants, which will expire worthless if the Company fails to complete the Business Combination by the Combination Deadline. The founders (not including the anchor investors who purchase units in the Initial Public Offering and certain membership interest in the Sponsor, if any), officers and directors have entered into a letter agreement with the Company, pursuant to which they have agreed (i) to waive their redemption rights with respect to any Founder Shares, Private Placement Shares and any public shares held by them in connection with the completion of the initial Business Combination, (ii) waive their redemption rights with respect to their Founder Shares, Private Placement Shares and public shares in connection with a stockholder vote to approve an amendment to the Company's amended and restated certificate of incorporation (A) to modify the substance or timing of the Company's obligation to allow redemption in connection with the initial Business Combination or to redeem 100% of the Company's public shares if the Company does not complete its initial Business Combination by the Combination Deadline or (B) with respect to any other provision relating to stockholders' rights or pre-initial Business Combination activity and (iii) to waive their rights to liquidating distributions from the Trust Account with respect to any Founder Shares and Private Placement Shares held by them if the Company fails to complete an initial Business Combination by the Combination Deadline, although they will be entitled to liquidating distributions from the Trust Account with respect to any public shares they hold if the Company fails to complete the initial Business Combination by the Combination Deadline. If the Company submits its initial Business Combination to its stockholders for a vote, the Company will complete its initial Business Combination only if a majority of the outstanding shares of Common Stock voted are voted in favor of the initial Business Combination. In no event will the Company redeem its public shares of Common Stock in an amount that would cause its net tangible assets to be less than \$5,000,001. In such case, the Company would not proceed with the redemption of public shares of Common Stock and the related Business Combination, and instead may search for an alternate Business Combination. [our product candidates](#).

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However, management believes that it will be liable to the Company if and to the extent any claims by a third party for services rendered or products sold to the Company, or by a prospective target business with which the Company has discussed entering into a transaction agreement, reduce sufficient funds and available credit line to meet its working capital requirements and debt obligations, for at least the amount of funds in next 12 months from the Trust Account to below (i) \$10.20 per public share or (ii) such lesser amount per public share held in the Trust Account as of the filing date of the liquidation of the Trust Account due to reductions in the value of the trust assets, in each case net of the interest which may be withdrawn to pay taxes. This liability will not apply with respect to any claims by a third party who executed a waiver of any and all rights to seek access to the Trust Account and except as to any claims under the Company's indemnity of the underwriters of the Initial Public Offering against certain liabilities, including liabilities under the Securities Act. Moreover, in the event that an executed waiver is deemed to be unenforceable against a third party, then the Company's Sponsor will not be responsible to the extent of any liability for such third party claims.

On December 22, 2022, at the 2022 Special Meeting, the stockholders approved amending the Investment Management Trust Agreement dated July 14, 2021 (the "Trust Agreement"), by and between the Company and Wilmington Trust, National Association (the "Trustee") to extend the liquidation date from January 19, 2023 to July 19, 2023. In connection with the votes to approve the extension proposal, 3,519,780 public shares were rendered for redemption with 910,220 public shares remained outstanding.

On July 17, 2023, at the 2023 Special Meeting, the stockholders approved amending the Trust Agreement to extend the liquidation date from July 19, 2023 to July 14, 2024. In connection with the votes to approve the extension proposal, 161,566 public shares were rendered for redemption with 748,654 public shares remained outstanding.

Liquidity and Going Concern

As of June 30, 2023, the Company had cash of \$34,688 and a working deficit of \$1,301,969. The Company has incurred and expects to continue to incur significant professional costs to remain as a publicly traded company and to incur significant transaction costs in pursuit of the consummation of a Business Combination.

In connection with the Company's assessment of going concern considerations in accordance with Financial Accounting Standard Board's Accounting Standards Update ("ASU") 2014-15, "Disclosures of Uncertainties about an Entity's Ability to Continue as a Going Concern," management has determined that these conditions raise substantial doubt about the Company's ability to continue as a going concern. The management's plan in addressing this uncertainty is through the Promissory Notes – related parties and the Working Capital Loans, as defined below (see Note 7). In addition, if the Company is unable to complete a Business Combination by the Combination Deadline, the Company's board of directors would proceed to commence a voluntary liquidation and thereby a formal dissolution of the Company. There is no assurance that the Company's plans to consummate a Business Combination will be successful by the Combination Deadline. As a result, management has determined that such additional condition also raise substantial doubt about the Company's ability to continue as a going concern. The unaudited condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Merger Agreement

On September 30, 2022, the Company, Tradeup Merger Sub Inc., a Delaware corporation and direct, wholly owned subsidiary of the Company ("Merger Sub"), and Estrella Biopharma, Inc., a Delaware corporation (the "Estrella"), entered into an Agreement and Plan of Merger (as it may be amended, supplemented or otherwise modified from time to time, the "Merger Agreement"). The number of merger consideration shares to be issued by the Company to the shareholder of Estrella is expected to be 32,500,000 shares of Common Stock.

Estrella is a preclinical-stage biopharmaceutical company developing CD19 and CD22-targeted ARTEMIS® T-cell therapies with the capacity to address treatment and safety challenges for patients with blood cancers and solid tumors. Estrella's mission is to harness the evolutionary power of the human immune system to transform the lives of patients fighting cancer.

Pursuant to the Merger Agreement, among other things, in accordance with the General Corporation Law of the State of Delaware, as amended (the "DGCL"), Merger Sub will merge with and into Estrella (the "Merger"), with Estrella surviving the Merger as a wholly owned subsidiary of the Company ("Surviving Company"). The Merger will become effective at such time on the date of the closing of the Merger (the "Closing") as the certificate of merger is duly filed with the Delaware Secretary of State or at such other time specified in the certificates of merger (the "Effective Time"). Effective as of the Closing, the Company will change its name to "Estrella Immunopharma, Inc." ("New Estrella").

Inflation Reduction Act of 2022

On August 16, 2022, the Inflation Reduction Act of 2022 (the "IR Act") was signed into federal law. The IR Act provides for, among other things, a new U.S. federal 1% excise tax on certain repurchases (including redemptions) of stock by publicly traded U.S. domestic corporations and certain U.S. domestic subsidiaries of publicly traded foreign corporations occurring on or after January 1, 2023. The excise tax is imposed on the repurchasing corporation itself, not its stockholders from which shares are repurchased. The amount of the excise tax is generally 1% of the fair market value of the shares repurchased at the time of the repurchase. However, for purposes of calculating the excise tax, repurchasing corporations are permitted to net the fair market value of certain new stock issuances against the fair market value of stock repurchases during the same taxable year. In addition, certain exceptions apply to the excise tax. The U.S. Department of the Treasury (the "Treasury") has been given authority to provide regulations and other guidance to carry out and prevent the abuse or avoidance of the excise tax. Any redemption or other repurchase that occurs after December 31, 2022, in connection with a Business Combination, extension vote or otherwise, may be subject to the excise tax. Whether and to what extent the Company would be subject to the excise tax in connection with a Business Combination, extension vote or otherwise would depend on a number of factors, including (i) the fair market value of the redemptions and repurchases in connection with the Business Combination, extension or otherwise, (ii) the structure of a Business Combination, (iii) the nature and amount of any "PIPE" or other equity issuances in connection with a Business Combination (or otherwise issued not in connection with a Business Combination but issued within the same taxable year of a Business Combination), and (iv) the content of regulations and other guidance from the Treasury. In addition, because the excise tax would be payable by the Company and not by the redeeming holder, the mechanics of any required payment of the excise tax have not been determined. The foregoing could cause a reduction in the cash available on hand to complete a Business Combination and in the Company's ability to complete a Business Combination. statements.

Note 2 — Significant Accounting Policies

accounting policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements are presented in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the SEC, U.S. Securities and include Exchange Commission ("SEC"). The accompanying unaudited financial statements have been prepared on the same basis as the annual financial statements and, in the opinion of management, reflect all adjustments, including normal and recurring adjustments that management of accruals, necessary to present fairly the Company considers necessary Company's consolidated financial statements. The results for a fair presentation of its financial position and operation results. Interim results the three months ended September 30, 2023 are not necessarily indicative of the results to be expected for the fiscal year ending June 30, 2024 (fiscal year 2024) or for any other interim period or for any future year.

Principles of consolidation

The unaudited condensed consolidated financial statements include the full year. The information included in this Form 10-Q should be read in conjunction with information included in financial statements of the Company's annual report on Form 10-K for Company and its subsidiary. All transactions and balances among the year ended December 31, 2022, filed with the Securities Company and Exchange Commission on March 14, 2023, its subsidiary have been eliminated upon consolidation.

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A subsidiary is an entity in which the Company, directly or indirectly, controls more than one half of the voting power; or has the power to govern the financial and operating policies, to appoint or remove the majority of the members of the board of directors, or to cast a majority of votes at the meeting of directors.

Emerging Growth Company Status

The Company is an “emerging growth company,” as defined in Section 2(a) of the Securities Act of 1933, as amended, (the “Securities Act”), as modified by the Jumpstart Our Business Startups Act of 2012, (the “JOBS Act”). As an emerging growth company, the Company and it may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, of 2002, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Securities Exchange Act of 1934, as amended) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such an election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company’s unaudited condensed consolidated financial statements with another public company that is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Use of Estimates

The preparation of these unaudited condensed consolidated financial statements in conformity with US 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 unaudited condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The accompanying periods.

Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the unaudited condensed consolidated financial statements, which management considered in formulating its estimate, could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from those estimates. Significant items subject to such estimates and assumptions include all adjustments management considers necessary for a fair presentation, stock-based compensation, and deferred income tax asset valuation and allowances.

Cash

The Company considers all short-term investments with an original maturity of three months or less when purchased maintains its operating accounts in a single financial institution. The balance is insured by the United States Federal Deposit Insurance Corporation (“FDIC”) but only up to be specified limits. The Company’s cash equivalents. The Company did not have any cash equivalents, is maintained in a checking and a saving account.

InvestmentsCash held in Trust Account

As of June 30, 2023 and December 31, 2022 September 30, 2023, the assets cash held in the Trust Account were held in money market funds, which are invested in U.S. Treasury securities, was designated to pay UPTD’s shareholder for redemption of public shares of UPTD’s Common Stock prior to the consummation of the Business Combination.

Gains Basic and losses resulting from Diluted Loss per Common Stock

Basic net loss per Common Stock is calculated by dividing the change in fair value net loss by the weighted-average number of investments held in Trust Account are accounted as dividend income in the accompanying unaudited condensed statement of operations. Dividend income Common Stock outstanding for the three months ended June 30, 2023 period. Diluted net loss per share is computed by dividing the net loss by the weighted-average number of Common Stock and 2022 amounted to \$114,310 and \$64,179, respectively. Dividend income dilutive share equivalents

outstanding for the six months ended June 30, 2023 period, determined using the treasury stock and 2022 amounted to \$220,100 and \$67,867, respectively.

Offering Costs

The if-converted methods. Since the Company complies with the requirements of FASB ASC Topic 340-10-S99-1, "Other Assets and Deferred Costs - SEC Materials" ("ASC 340-10-S99") and SEC Staff Accounting Bulletin Topic 5A, "Expenses of Offering". Offering costs were \$3,019,474 consisting principally of underwriting, legal, accounting and other expenses that has had net losses for all periods presented, all potentially dilutive securities are directly related to the Initial Public Offering and charged to stockholders' equity upon the completion of the Initial Public Offering, anti-dilutive.

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Notes To Unaudited Condensed Consolidated Financial Statements

As of September 30, 2023 and June 30, 2023, the Company had the following potential Common Stock outstanding which were not included in the calculation of diluted net loss per Common Stock because inclusion thereof would be anti-dilutive:

	As of September 30, 2023	As of June 30, 2023
Series A Preferred Stock*	-	1,203,695
Series AA Preferred Stock*	-	25,277,591
Unvested early-exercised stock option*	-	2,633,082
Public warrant	2,215,000	-
Total	2,215,000	29,114,368

* Giving retroactive effect to reverse recapitalization effected on September 29, 2023 to reflect exchange ratio of approximately 0.2407 as described in Note 3

Stock-Based Compensation

The Company recognizes compensation costs resulting from the issuance of stock-based awards to employees, non-employees and directors as an expense in the statements of operations over the requisite service period based on a measurement of fair value for each stock-based award. The fair value of each option granted is estimated as of the date of grant using the Black-Scholes-Merton option-pricing model, net of actual forfeitures. The fair value is amortized as compensation cost on a straight-line basis over the requisite service period of the awards, which is generally the vesting period. The Black-Scholes-Merton option-pricing model includes various assumptions, including the fair market value of the Common Stock of the Company, expected life of stock options, the expected volatility and the expected risk-free interest rate, among others. These assumptions reflect the Company's best estimates, but they involve inherent uncertainties based on market conditions generally outside the control of the Company.

As a result, if other assumptions had been used, stock-based compensation expense, as determined in accordance with authoritative guidance, could have been materially impacted. Furthermore, if the Company uses different assumptions on future grants, stock-based compensation expense could be materially affected in future periods.

Mezzanine Equity

Mezzanine equity represents the Series A Preferred Stock and Series AA Preferred Stock (collectively known as "Preferred Stock") issued by the Company. The shares of Preferred Stock are mandatorily redeemable upon the occurrence of Deemed Liquidation Events outside of the Company's control. Therefore, the Company classifies the Preferred Stock as mezzanine equity. Refer to Note 12.

Warrants

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance in Financial Accounting Standards Board ("FASB") ASC 480, "Distinguishing Liabilities from Equity" and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, whether they meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own Common Stock ordinary shares and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY

Notes To Unaudited Condensed Consolidated Financial Statements

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of equity at the time of issuance. For issued or modified The Company determined that upon further review of the warrant agreements, the Company concluded that its warrants that do not meet all the criteria qualify for equity classification, accounting treatment.

Upon completion of the business combination, all of UPTD's public warrants are required to be recorded remain outstanding were replaced by the Company's public warrants. The Company treated such warrants replacement as liabilities at their initial a warrant modification and no incremental fair value on the date of issuance, and each balance sheet date thereafter. Changes in the estimated fair value of the warrants are recognized as a non-cash gain or loss on the statements of operations.

The Company accounted for the 2,215,000 Warrants issued in the Initial Public Offering as equity instruments in accordance with ASC 480, "Distinguishing Liabilities from Equity" and ASC 815-40, "Derivatives and Hedging: Contracts in Entity's Own Equity".

Common Stock Subject to Possible Redemption

The Company accounts for its Common Stock subject to possible redemption in accordance with the guidance in ASC Topic 480 "Distinguishing Liabilities from Equity." Common Stock subject to mandatory redemption (if any) are classified as a liability instrument and are measured at fair value. Conditionally redeemable Common Stock (including Common Stock that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) are classified as temporary equity. At all other times, Common Stock are classified as stockholders' equity. The Company's public shares feature certain redemption rights that are considered to be outside of the Company's control and subject to occurrence of uncertain future events. Accordingly, as of June 30, 2023 and December 31, 2022, Common Stock subject to possible redemption are presented at redemption value of \$10.71 and \$10.25 per share, respectively, as temporary equity, outside of the stockholders' equity section of the Company's balance sheet. The Company recognizes changes in redemption value immediately as they occur and adjusts the carrying value of redeemable Common Stock to equal the redemption value at the end of each reporting period. Increases or decreases in the carrying amount of redeemable Common Stock are affected by charges against additional paid in capital or accumulated deficit if additional paid in capital equals to zero. was recognized.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist of two cash account accounts in a financial institution located in the United States. The Company has not experienced losses on this account these accounts and management believes the Company is not exposed to significant risks on such account. accounts. FDIC provides standard insurance coverage of \$250,000 per insured bank, for each account ownership category. As of June 30, 2023 September 30, 2023 and December 31, 2022 June 30, 2023, no balance was over the Federal Deposit Insurance Corporation (FDIC) limit. Company had not experienced losses on these accounts.

Risks and Uncertainties

Management continues to evaluate the impact of inflation rates, the continuing military action in Ukraine, and Israel's war against Hamas on the industry and has concluded that these factors could have a negative effect on the Company's financial position and/or results of its operations. The specific impact of these factors is not readily determinable as of the date of these unaudited condensed consolidated financial statements. The unaudited condensed consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties. The Company's future success depends on the Company and Eureka's ability to retain key employees, directors, and advisors and to attract, retain and motivate qualified personnel. The Company relies on Eureka to provide certain technical assistance to facilitate the Company's exploitation of the intellectual property licensed by Eureka, and Eureka will be solely responsible for the manufacture and supply of clinical quantities of the licensed products and final filled and finished (including packaged) drug product form of the licensed products. Pursuant to the Services Agreement, Eureka currently performs or supports the Company's important research and development activities. The Services Agreement (see Note 10) may be terminated by mutual agreement at any time. Following the termination of, or the expiration of the term of, the Services Agreement, the Company may not be able to replace the research and development-related services that Eureka provides or enter into appropriate third-party arrangements on terms and conditions, including cost, comparable to those that the Company will receive from Eureka. Additionally, after the Services Agreement terminates, the Company may be unable to sustain the research and development-related services at the same levels or obtain the same benefits as when the Company was receiving such services and benefits from Eureka. If the Company is required to operate these research and development functions separately in the future, or are unable to obtain them from other providers, the Company may not be able to operate the Company's business effectively and could result in a material adverse effect.

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Fair Value of Financial Instruments

The fair value of the Company's assets and liabilities, which qualify as financial instruments under ASC Topic 820, "Fair Value Measurements and Disclosures," approximates the carrying amounts represented in the accompanying balance sheet, primarily due to their short-term nature.

The Company measures the fair value of the Company's certain of its financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities). The following on a recurring basis. A fair value hierarchy is used to classify rank the quality and reliability of the information used to determine fair values. Financial assets and liabilities based on carried at fair value which is not equivalent to cost will be classified and disclosed in one of the following three categories:

Level 1 — Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 — Inputs other than Level 1 that are observable, either directly or indirectly, such as unadjusted quoted prices for similar assets and liabilities, unadjusted quoted prices in the markets that are not active, or other inputs and unobservable inputs used in order to value that are observable or can be corroborated by observable market data for substantially the full term of the assets and liabilities; or liabilities.

- Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active market.
- Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments.
- Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value.

Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Income Taxes

The Company accounts for income taxes under ASC 740 Income Taxes ("ASC 740"). ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statement and tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. ASC 740 additionally requires forwards and establishes a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized.

ASC 740 also clarifies the accounting for uncertainty in income taxes is recognized in an enterprise's financial statements and prescribes based on a recognition threshold and measurement process for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim period, disclosure and transition.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of June 30, 2023 September 30, 2023 and December 31, 2022 June 30, 2023. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

The Company has identified the United States as its only "major" tax jurisdiction.

The Company may be subject to potential examination by federal and state taxing authorities in the areas of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with federal and state tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Net Income (Loss) per Share The Company is incorporated in the State of Delaware and is required to pay franchise taxes to the State of Delaware on an annual basis.

There is no tax sharing agreement with Eureka; therefore, no deferred taxes were carried over from Eureka to the Company.

Research and Development Expenses

The Company complies with accounting charges research and disclosure requirements development costs to operations as incurred. The Company accrues for costs incurred by external service providers, including contract research organizations and clinical investigators, based on its estimates of FASB ASC 260, Earnings Per Share. In order to determine service performed and costs incurred. These estimates include the net income (loss) attributable to both level of services performed by third parties, patient enrollment in clinical trials when applicable, administrative costs incurred by third parties, and other indicators of the redeemable shares and non-redeemable shares, services completed. Based on the timing of amounts invoiced by service providers, the Company first considered may also record payments made to those providers as prepaid expenses that will be recognized as expense in future periods as the undistributed income (loss) allocable related services are rendered. Research and development expenses for the three months ended September 30, 2023 and 2022 primarily consisted of personnel costs for the design and development of clinical trials, legal and professional fees, facilities related fees and enhancement of the Company's technology which was mainly performed by Eureka. (Refer to both Note 10 for the redeemable Common Stock and non-redeemable Common Stock terms of the License Agreement and the undistributed income (loss) is calculated using Service Agreement).

Deferred transaction costs

Deferred transaction costs consist primarily of expenses paid to attorneys, consultants, underwriters, and others related to the total net loss less any dividends paid. The Company then allocated Merger. Should the undistributed income (loss) ratably based on the weighted average number of shares outstanding between the redeemable and non-redeemable Common Stock. Any remeasurement of the accretion to redemption value of the Common Stock subject to possible redemption was considered Merger prove to be dividends paid unsuccessful, these deferred costs, as well as additional expenses to the public stockholders. For the three and six months ended June 30, 2023 and 2022, the Company has not considered the effect of the Warrants sold in the Initial Public Offering be incurred, will be charged to purchase an aggregate of 2,215,000 shares in the calculation of diluted net income (loss) per share, since the exercise of the Warrants is contingent upon the occurrence of future events and the inclusion of such Warrants would be anti-dilutive and the Company did not have any other dilutive securities and other contracts that could, potentially, be exercised or converted into Common Stock and then share in the earnings of the Company. As a result, diluted income (loss) per share is the same as basic (income) loss per share for the period presented. expenses.

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Lease

Effective July 1, 2022, the Company adopted ASU 2016-02, "Leases" (Topic 842), and elected the practical expedients that does not require us to reassess: (1) whether any expired or existing contracts are, or contain, leases, (2) lease classification for any expired or existing leases and (3) initial direct costs for any expired or existing leases. For lease terms of twelve months or fewer, a lessee is permitted to make an accounting policy election not to recognize lease assets and liabilities.

If any of the following criteria are met, the Company classifies the lease as a finance lease:

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term;
- The lease grants the lessee an option to purchase the underlying asset that the Company is reasonably certain to exercise;
- The lease term is for a major part of the remaining economic life of the underlying asset;
- The present value of the sum of the lease payments and any residual value guaranteed by the lessee, that is not otherwise included in the lease payments substantially exceeds all of the fair value of the underlying asset; or
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

Leases that do not meet any of the above criteria are accounted for as operating leases.

The net income (loss) per share presented Company combines lease and non-lease components in its contracts under Topic 842, when permissible. Operating lease right-of-use ("ROU") asset and lease liability were recognized at the adoption date of July 1, 2022, based on the present value of lease payments over the lease term. Since the implicit rate for the Company's leases is not readily determinable, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow, on a collateralized basis, an amount equal to the lease payments, in a similar economic environment and over a similar term.

In the event of lease modification, the Company followed ASC 842-10-25 through 25-12, "lessee accounting for a modification that is not accounted for as a separate contract," to remeasure and reallocate the remaining consideration in the statement lease agreement, and reassess the classification of operations the lease at the effective date of the modification.

The Company reviews the impairment of its ROU asset consistent with the approach applied for its other long-lived assets. The Company reviews the recoverability of its long-lived assets when events or changes in circumstances occur that indicate that the carrying value of the asset may not be recoverable. The assessment of possible impairment is based on its ability to recover the following: carrying value of the asset from the expected undiscounted future pre-tax cash flows of the related operations. The Company has elected to include the carrying amount of operating lease liability in any tested asset group and includes the associated operating lease payments in the undiscounted future pre-tax cash flows.

	For the Three Months Ended		For the Three Months Ended	
	June 30, 2023		June 30, 2022	
	Redeemable Common Stock	Non- Redeemable Common Stock	Redeemable Common Stock	Non- Redeemable Common Stock
Basic and diluted net income/(loss) per share:				
Numerators:				
Allocation of net loss including carrying value to redemption value	\$ (114,007)	\$ (177,821)	\$ (272,316)	\$ (87,270)
Accretion of carrying value to redemption value	215,824	—	—	—
Allocation of net income/(loss)	\$ 101,817	\$ (177,821)	\$ (272,316)	\$ (87,270)
Denominators:				
Weighted-average shares outstanding	910,220	1,419,700	4,430,000	1,419,700
Basic and diluted net income/(loss) per share	\$ 0.11	\$ (0.13)	\$ (0.06)	\$ (0.06)

Segment reporting

	For the Six Months Ended		For the Six Months Ended	
	June 30, 2023		June 30, 2022	
	Non- Redeemable Common	Non- Redeemable Common	Non- Redeemable Common	Non- Redeemable Common

	Stock	Stock	Stock	Stock
Basic and diluted net income/(loss) per share:				
Numerators:				
Allocation of net loss including carrying value to redemption value	\$ (220,682)	\$ (344,204)	\$ (379,287)	\$ (121,551)
Accretion of carrying value to redemption value	425,557	—	—	—
Allocation of net income/(loss)	\$ 204,875	\$ (344,204)	\$ (379,287)	\$ (121,551)
Denominators:				
Weighted-average shares outstanding	910,220	1,419,700	4,430,000	1,419,700
Basic and diluted net income/(loss) per share	\$ 0.23	\$ (0.24)	\$ (0.09)	\$ (0.09)

The Company accounted for segment reporting in accordance with ASC 280, "Segment Reporting". Based on qualitative and quantitative criteria established by ASC 280, the Company considers itself to be operating within one reportable segment.

Recent Accounting Pronouncements

Management The Company does not believe that any recently issued but not yet effective accounting standards, if currently adopted, would have a material effect on the Company's unaudited condensed consolidated financial statements.

In August 2020, the FASB issued ASU 2020-06, "Debt – Debt Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40)". This ASU addresses issues identified as a result of the complexity associated with applying generally accepted accounting principles (GAAP) for certain financial instruments with characteristics of liabilities and equity. For convertible instruments, FASB decided to reduce the number of accounting models for convertible debt instruments and convertible preferred stock. Limiting the accounting models results in fewer embedded conversion features being separately recognized from the host contract as compared with current GAAP. Convertible instruments that continue to be subject to separation models are (1) those with embedded conversion features that are not clearly and closely related to the host contract, that meet the definition of a derivative, and that do not qualify for a scope exception from derivative accounting and (2) convertible debt instruments issued with substantial premiums for which the premiums are recorded as paid-in capital. The amendments in this Update are effective for public business entities that meet the definition of an SEC filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2023, including interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. FASB specified that an entity should adopt the guidance as of the beginning of its annual fiscal year. The Company has not early adopted this update and it will become effective on January 1, 2024 as the Company is qualified as an emerging growth company. The Company believes the adoption of this ASU would not have a material effect on the Company's unaudited condensed consolidated financial statements.

Note 3 — Investments Held in Trust Account **ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY**

As of June 30, 2023 and December 31, 2022, assets held in the Trust Account were comprised of \$9,792,271 and \$9,671,375, respectively, in money market funds which are invested in U.S. Treasury Securities. **Notes To Unaudited Condensed Consolidated Financial Statements**

The following table presents information about the Company's assets that are measured at fair value on a recurring basis at June 30, 2023 and December 31, 2022 and indicates the fair value hierarchy of the valuation inputs the Company utilized to determine such fair value:

Description	Level	December	
		June 30, 2023	31, 2022
Assets:			
Trust Account - U.S. Treasury Securities Money Market Fund	1	\$ 9,792,271	\$ 9,671,375

Note **43 — Initial Public Offering Reverse recapitalization**

Pursuant to Upon the Initial Public Offering on July 19, 2021, the Company sold 4,000,000 Units at \$10.00 per Public Unit, which does not include the 45-day option consummation of the exercise of the underwriters' 600,000 over-allotment option. On July 21, 2021, the underwriters partially exercised the over-allotment option and purchased 430,000 Option Units at a price of \$10.00 per Option Unit, generating gross proceeds of \$4,300,000.

The remaining 170,000 Option Units were expired on September 1, 2021. Transaction costs in connection with the Initial Public Offering and the issuance and sale of Option Units amounted to \$3,019,474, consisting of \$886,000 of underwriting fees, \$1,550,500 of Business Combination Fee (defined in Note 8 below) and \$582,974 of other offering costs.

Each Unit has an offering price of \$10.00 and consists of one share of the Common Stock and one-half of one redeemable Warrant. The Company will not issue fractional shares. As a result, the warrants must be exercised in multiples of one whole Warrant. Each whole Warrant entitles the holder thereof to purchase one share of the Company's Common Stock at a price of \$11.50 per share, and only whole Warrants are exercisable. The Warrants will become exercisable on the later of 30 days after the completion of the Company's initial Business Combination or 12 months from the closing of the Initial Public Offering, and will expire five years after the completion of the Company's initial Business Combination or earlier upon redemption or liquidation.

All of the 4,430,000 public shares sold as part of the Units in the Initial Public Offering contain a redemption feature which allows for the redemption of such public shares if there is a stockholder vote or tender offer in connection with the Business Combination, and in connection with certain amendments to the following transactions (collectively, the "Transactions") were completed, based on the Company's amended and restated certificate capitalization as of incorporation, or in connection with the Company's liquidation. In accordance with the Securities and Exchange Commission (the "SEC") and its staff's guidance on redeemable equity instruments, which has been codified in ASC 480-10-S99, redemption provisions not solely within the control of the Company require Common Stock subject to redemption to be classified outside of permanent equity. September 29, 2023:

- each share of common stock, par value \$0.0001 per share, of Merger Sub issued and outstanding immediately prior to the effective time of the Business Combination ("Effective Time") was no longer outstanding and thereupon were converted into and become one validly issued fully paid and non-assessable share of Common Stock, par value \$0.001 per share, of the Company and all such shares constituted the only outstanding shares of capital stock of the Company as of immediately following the Effective Time;

The Company's redeemable Common Stock is subject to SEC and its staff's guidance on redeemable equity instruments, which has been codified in ASC 480-10-S99. If it is probable that the equity instrument will become redeemable, the Company has the option to either accrete changes in the redemption value over the period from the date of issuance (or from the date that it becomes probable that the instrument will become redeemable, if later) to the earliest redemption date of the instrument or to recognize changes in the redemption value immediately as they occur and adjust the carrying amount of the instrument to equal the redemption value at the end of each reporting period. The Company has elected to recognize the changes immediately. The accretion or remeasurement is treated as a deemed dividend (i.e., a reduction to retained earnings, or in absence of retained earnings, additional paid-in capital).

- The UPTD Units were automatically separated into underlying Common Stock and UPTD Warrants and are no longer be traded on the open market following the Closing;
- Estrella issued 500,000 shares of Series A Preferred Stock to White Lion for \$500,000 and 250,000 shares of Series A Preferred Stock to White Lion as commitment fee pursuant to the Common Stock Purchase Agreement immediately prior to the Effective Time;
- Estrella issued (i) 1,520,000 shares of Series A Preferred Stock were issued to Lianhe World for \$1,520,000, (ii) 1,000,000 shares of Series A Preferred Stock were issued to CoFame for \$1,000,000, (iii) 730,000 shares of Series A Preferred Stock were issued to Tiger for \$730,000 for deferred commission, (iv) 2,000,000 shares of Series A Preferred Stock were issued to Smart Crest for \$2,000,000; (v) 2,000,000 shares of Series A Preferred Stock were issued to Xiao for \$2,000,000 and (vi) 2,000,000 shares of Series A Preferred Stock were issued to Wang for \$2,000,000, immediately prior to the Effective Time;

As of June 30, 2023 and December 31, 2022, 910,220 shares of Common Stock subject to possible redemption reflected on the balance sheet are reconciled in the following table.

Common stock subject to possible redemption, December 31, 2021	\$ 45,186,000
Less:	
Redemptions	(36,112,943)
Plus:	
Accretion of carrying value to redemption value	253,389
Common stock subject to possible redemption, December 31, 2022	9,326,446
Plus:	
Accretion of carrying value to redemption value	425,557
Common stock subject to possible redemption, June 30, 2023	<u>\$ 9,752,003</u>

Note 5 — Private Placement

Simultaneously with the closing of the Initial Public Offering, the Sponsor and Tradeup **ESTRELLA IMMUNOPHARMA, INC.** purchased an aggregate of 295,000 shares of Common Stock at a price of \$10.00 per share, among which, the Sponsor purchased 236,000 Private Placement Shares and Tradeup INC. purchased 59,000 Private Placement Shares, generating total proceeds of \$2,950,000. On July 21, 2021, the Company consummated the sale of additional 17,200 Private Placement Shares with the Sponsor and Tradeup INC., among which, the Sponsor purchased 13,760 Private Placement Shares and Tradeup INC. purchased 3,440 Private Placement Shares, at a price of \$10.00 per Private Placement share, generating total proceeds of \$172,000. The proceeds from the sale of the Private Placement Shares were held outside of the Trust Account and is available for the payment of offering costs and for working capital purposes. The Sponsor will be permitted to transfer the Private Placement Shares held by them to certain permitted transferees, including the Company's officers and directors and other persons or entities affiliated with or related to it or them, but the transferees receiving such shares will be subject to the same agreements with respect to such securities as the founders. Otherwise, these Private Placement Shares will not, subject to certain limited exceptions, be transferable or salable until 30 days after the completion of the Company's Business Combination. **AND ITS SUBSIDIARY**

Note 6 — Promissory Notes To Unaudited Condensed Consolidated Financial Statements

- Estrella issued an unsecured 30-day promissory note to Hongbin Zhang in the principal amount of \$0.3 million with an interest rate of 12% per annum
- Each share of Series A Preferred Stock and Series AA Preferred Stock that was issued and outstanding immediately prior to the Effective Time was automatically converted into a number of shares of Estrella Common Stock;
- Each share of Estrella Common Stock was converted into 0.2407 shares of Company Common Stock; and
- The Company issued 500,000 shares of Common Stock to each of Plentiful Limited and Lianhe World, respectively.

As provided in an Agreement and Plan of Merger (as it may be amended, supplemented or otherwise modified from time to time, The following table presents the "Merger Agreement") dated September 30, 2022 by and among the "Company and Estrella and Tradeup Merger Sub Inc., a Delaware corporation and wholly-owned subsidiary of UPTD ("Merger Sub"), Estrella has agreed to, upon request by the Sponsors, deposit the agreed reasonable amount to the Company's trust in order to effectuate extension number of the Company's deadline Common Stock issued and outstanding immediately following the Reverse Recapitalization:

	Common Stock
UPTD's Common Stock outstanding prior to Reverse Recapitalization	2,329,920
Less: redemption of UPTD's Common Stock	(628,688)
Common Stock issued to PIPE investment	1,000,000
Conversion of Estrella's Common Stock into UPTD's Common Stock	<u>32,500,000</u>
Total Common Stock outstanding	<u>35,201,232</u>

Estrella was determined to consummate a Business Combination. Pursuant to be the Merger Agreement, accounting acquirer given that Estrella has deposited a total of six monthly extension payments of \$45,511 from January through June 2023, or an aggregate of \$273,066, to the Trust Account of effectively controlled the Company to extend the deadline for the Company to complete the Business Combination contemplated therein by July 19, 2023. Each Monthly Extension Payment from Estrella was evidenced by an unsecured promissory note (collectively, the "Estrella Notes") issued by the Company to Estrella, each with a principal amount equal to the Monthly Extension Payment, with substantially the same the terms and provisions. The Estrella Notes bear no interest and are payable in full upon the consummation of the Business Combination. The transaction is accounted for as a reverse recapitalization, which is equivalent to the issuance of Common Stock by Estrella has for the right, but not net monetary assets of UPTD, accompanied by a recapitalization. Estrella was determined as the obligation, accounting acquirer and the historical financial statements of Estrella became the Company's historical financial statements, with retrospective adjustments to convert give effect of the reverse

recapitalization. The net assets of UPTD were recognized as of the Closing Date at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the Closing Date are those of Estrella Notes, and Estrella's operations are the only ongoing operations of the Company. In connection with the Reverse Recapitalization, the Company raised approximately \$726,339 of proceeds, presented as cash flows from financing activities, which included the contribution of \$8,138,230 of funds held in whole or UPTD's trust account, \$9,782 of cash held in part, respectively, into private UPTD's operating cash account, net of \$5,072,945 payable to UPTD's public stockholders to redeem 467,122 public shares of UPTD UPTD's Common Stock, at a price \$1,640,128 in transaction costs incurred by UPTD, and \$708,600 prepayment of \$10.00 per share. Notwithstanding working capital loans issued to UPTD's related parties.

The following table reconcile the foregoing, UPTD shall have elements of the obligation to pay to Estrella the funds amounting Reverse Recapitalization to the principal amount unaudited condensed consolidated statements of cash flows and the Estrella Notes if the proposed Business Combination is terminated pursuant changes in shareholders' equity (deficit):

	September 29, 2023
Funds held in UPTD's trust account	\$ 8,138,230
Funds held in UPTD's operating cash account	9,782
Less: amount payable to redeem public shares of UPTD's Common Stock	(5,072,945)
Less: payments of transaction costs incurred by UPTD	(1,640,128)
Less: repayments of working capital loan – related parties of UPTD	(708,600)
Proceeds from the Reverse Recapitalization	726,339
Less: non-cash net deficit assumed from UPTD	(1,200,316)
Net distributions from issuance of Common Stock upon the Reverse Recapitalization	\$ (473,977)

The shares and corresponding capital amounts and all per share data related to the Merger Agreement. If UPTD cannot complete its initial Business Combination by July 19, 2023, it will be forced to dissolve and liquidate pursuant Company's outstanding Common Stock prior to the Current Charter. On July 17, 2023, at Reverse Recapitalization have been retroactively adjusted using the 2023 Special Meeting, the stockholders approved amending the Trust Agreement to extend the liquidation date from July 19, 2023 to July 14, 2024.

As Exchange Ratio of June 30, 2023 and December 31, 2022, the Company had borrowings of \$273,066 and \$0, respectively, under the Promissory Notes. 0.2407.

Note 7 — Related Party Transactions ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY

Founder and Private Placement Shares Notes To Unaudited Condensed Consolidated Financial Statements

On January 20, 2021, the Sponsor acquired 1,150,000 founder shares for an aggregate purchase price of \$25,000. On February 11, 2021, Note 4 — Cash Held in connection with a restructure of the Sponsor, the Sponsor forfeited 1,150,000 founder shares upon the receipt of the refund of purchase price of \$25,000. On February 12, 2021, the Sponsor acquired 920,000 founder shares for a purchase price of \$20,000 and Tradeup INC. acquired 230,000 founder shares for a purchase price of \$5,000, respectively (collectively as the "Founder Shares").

As of June 30, 2023 and December 31, 2022, there were 1,107,500 Founder Shares issued and outstanding. The aggregate capital contribution was \$25,000, or approximately \$0.02 per share. Trust Account

The number of Founder Shares issued was determined based on the expectation that such Founder Shares would represent 20% of the outstanding shares Company had cash held in a trust account, carried over from UPTD upon completion of the Initial Public Offering.

The founders have agreed not to transfer, assign or sell 50% of its Founder Shares until the earlier to occur of: (A) six months after the date of the consummation of the Company's initial Business Combination, or (B) the date on which the closing price Combination. Such balance held in trust account was designated to pay UPTD's shareholders who redeemed public shares of the Company's UPTD's Common Stock equals or exceeds \$12.50 per share (as adjusted for share splits, share dividends, reorganizations and recapitalizations) for any 20 trading days within any 30-trading day period commencing after the Company's initial Business Combination and the remaining 50% of the Founder Shares may not be transferred, assigned or sold until six months after the date before the consummation of the Company's initial Business Combination, or earlier, business combination. On October 3, 2023, the remaining balance of cash held in either case, if, subsequent trust account was disbursed to the Company's initial Business Combination, the Company consummates a subsequent liquidation, merger, stock exchange or other similar transaction which results in all of the Company's stockholders having the right to exchange their shares for cash, securities or other property. UPTD's shareholder as mentioned above.

Note 5 — Extension Note Receivable

On July 19, 2021 Pursuant to Merger Agreement, Estrella agreed to, upon request by UPTD, deposit the agreed reasonable amount to UPTD's trust account in order to effectuate extension of UPTD's deadline to consummate a business combination. Pursuant to the Merger Agreement, as of June 30, 2023, the Company consummated the sale a total of 295,000 Private Placement Shares at a price \$273,066 of \$10.00 per share six monthly extension payments, each in the Private Placement to the Sponsor and Tradeup INC., among which, the Sponsor purchased 236,000 Private Placement Shares and Tradeup INC. purchased 59,000 Private Placement Shares, generating gross proceeds principal amount of \$2,950,000. On July 21, 2021, the Company consummated the sale of additional 17,200 Private Placement Shares with the Sponsor and Tradeup INC. at a price of \$10.00 per Private Placement share, among which, the Sponsor purchased 13,760 Private Placement Shares and Tradeup INC. purchased 3,440 Private Placement Shares, generating total proceeds of \$172,000. The Private Placement Shares are identical to the shares of Common Stock sold as part of the units in this Initial Public Offering, subject to limited exceptions. The Private Placement Shares will not \$45,511, would be transferable, assignable or salable until 30 days after the completion of the Company's initial Business Combination.

Working Capital Loans (Promissory Notes) — Related Parties

In order to finance transaction costs in connection with an intended initial Business Combination, the founders or an affiliate of the founders or certain of the Company's officers and directors may, but are not obligated to, loan the Company funds as may be required. If the Company completes the initial Business Combination, it would repay such loaned amounts. In the event that the initial Business Combination does not close, the Company may use a portion of the working capital held outside deposited into the Trust Account to repay such loaned amounts but of UPTD, all of which were sourced by loans from Estrella (the "Extension Notes"). The Extension Notes bear no proceeds from interest and was settled between Estrella and UPTD upon the Trust Account would be used for such repayment. Up to approximately \$1,200,000 of such loans may be convertible into Private Placement Shares, at a price of \$10.00 per share at the option consummation of the lender. Business Combination on September 29, 2023.

Note 6 — Other payables and accrued liabilities

	As of September 30, 2023 <u>(Unaudited)</u>	As of June 30, 2023
Accrued professional fees (i)	\$ 2,106,464	\$ 398,781
Bonus payable to executive officers (ii)	395,096	-
Total other payables and accrued liabilities	<u>\$ 2,501,560</u>	<u>\$ 398,781</u>

(i) The balance of accrued professional fees represented amount due to third parties service providers which include audit fee, legal fee and consulting fee related to capital raising, and consulting fee related research and development.

(ii) Bonus payable to executive officer represents balance payable to the Company's executive officer in recognition for services they rendered.

Note 7 — Stock redemption payable

On July 25, 2022, Stock redemption payable represents the Company issued (i) Note A in balance payable to UPTD's shareholders related to the amount redemption of \$204,000 to Running Lion, which is wholly owned and controlled by Mr. Weiguang Yang, public shares of UPTD's Common Stock before the Co-Executive Officer and director consummation of the Company and (ii) the Note B in the amount of \$294,600 to Tradeup INC. business combination. On October 3, 2023, one of the Founders. The proceeds of the Notes, which may be drawn down from time to time until the Company consummates its initial Business Combination, will be used as general working capital purposes.

In December 2022, the Sponsor loaned the Company \$50,000 to cover certain operating expenses of the Company and such balance was converted into a promissory note on January 19, 2023 with paid in full through the same term as the working capital loans as discussed below. Company's investment held in trust account. (see Note 4).

On March 3, 2023, the Company issued an unsecured promissory note in the amount of \$50,000 to Tradeup ESTRELLA IMMUNOPHARMA, INC. for working capital purposes with the same term as the working capital loans as discussed below. AND ITS SUBSIDIARY

On June 6, 2023, the Company issued an unsecured promissory note in the amount of \$60,000 to Tradeup INC. for working capital purposes with the same term as the working capital loans as discussed below.

The Notes (as defined below) bear no interest and are payable in full upon the earlier to occur of (i) the consummation of the Company's Business Combination or (ii) the date of expiry of the term of the Company ("Maturity Date"). The following shall constitute an event of default: (i) a failure to pay the principal within five business days of the Maturity Date; (ii) the commencement of a voluntary or involuntary bankruptcy action, (iii) the breach of the Company's obligations thereunder; (iv) any cross defaults; (v) an enforcement proceedings against the Company; and (vi) any unlawfulness and invalidity in connection with the performance of the obligations thereunder, in which case the Notes may be accelerated.

The Payees respectively have the right, but not the obligation, to convert their Notes, in whole or in part, respectively, into Conversion Shares, as described in the prospectus of the Company (File Number 333-253322), by providing the Company with written notice of the intention to convert at least two business days prior to the closing of the Business Combination. The number of Conversion Shares to be received by the Payees in connection with such conversion shall be an amount determined by dividing (x) the sum of the outstanding principal amount payable to such Payee by (y) \$10.00.

As of June 30, 2023 and December 31, 2022, the Company had borrowings of \$658,600 and \$498,600, respectively, under the working capital loans. To Unaudited Condensed Consolidated Financial Statements

Note 8 — Commitments & Contingencies

Risks and Uncertainties Manufacturing Commitment

Management is currently evaluating On June 28, 2022, Eureka and the impact Company entered into the License Agreement under which Eureka granted to the Company a license under certain intellectual property controlled by Eureka for exploitation by the Company in the Company's territory under the License Agreement (the "Licensed Territory"). Eureka will be solely responsible for the manufacture and supply of clinical quantities of the COVID-19 pandemic licensed products and final filled and finished (including packaged) drug product form of the licensed products for development and commercialization purposes in the field both in the Licensed Territory and elsewhere. Refer to Note 10.

Equity Financing Commitment

On April 20, 2023, UPTD entered into a Common Stock purchase agreement (as amended on April 26, 2023 and from time to time, the industry "Common Stock Purchase Agreement") and a related registration rights agreement (the "White Lion RRA") with White Lion. Pursuant to the Common Stock Purchase Agreement, following the Closing, the Company has concluded that while it is reasonably possible that the virus could have a negative effect on right, but not the Company's financial position, results obligation to require White Lion to purchase, from time to time, up to the lesser of its operations and/or search (i) \$50,000,000 in aggregate gross purchase price of newly issued shares of Common Stock of the Company subject to certain limitations and conditions set forth in the Common Stock Purchase Agreement, including, among others, the initial and any subsequent registration statement for a target company, the specific impact is not readily determinable Equity Line Shares being declared effective by the SEC and remaining effective during the term of the Common Stock Purchase Agreement. No registration statement for the Equity Line Shares had been declared effective as of the date hereof. In addition, under Nasdaq listing rules, the Company is not permitted to issue any Equity Line Shares under the Common Stock Purchase Agreement if such issuance would equal 20% or more of these unaudited condensed consolidated financial statements. The unaudited condensed consolidated financial statements do the Company's outstanding common stock without obtaining majority approval by our stockholders, which had not include any adjustments that might result from been obtained as of the outcome of this uncertainty date hereof.

Registration Rights

The holders of the Founder Shares, Private Placement Shares and 312,200 shares of Common Stock that may be were issued upon conversion to the initial stockholders of working capital loans will be UPTD (the "Founder Shares") and of 1,107,500 shares of Common Stock issued to certain investors in a private placement in connection with UPTD's initial public offering (the "Private Shares") are entitled to registration rights pursuant to a registration rights Registration Rights Agreement, dated July 14, 2021, among TradeUP Acquisition Corp., TradeUP Acquisition Sponsor LLC and certain security holders named therein. The Company assumed the obligations of UPTD under such agreement to be signed prior to or on the effective date upon consummation of the Initial Public Offering, requiring the Company to register such securities for resale (in the case of the Founder Shares, only after conversion to the Common Stock), Business Combination. The holders of the majority of these securities are entitled to make up to three demands, excluding short form demands, that the Company registers such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to the completion of the initial Business Combination and rights to require the Company to register for resale such securities pursuant to Rule 415 under the Securities Act. We are also obligated to file a registration statement for the (i) Equity Line Shares that we may issue to White Lion pursuant to the Common Stock Purchase Agreement and White Lion RRA, (ii)

up to 2,225,000 shares of Common Stock issuable upon exercise of the Warrants and (iii) the shares issued or that will be issued pursuant to the Subscription Agreements. The Company will bear the expenses incurred in connection with the filing of any such registration statements.

Underwriters Contingencies

From time to time, the Company is or may be party to certain legal proceedings, as well as certain asserted and un-asserted claims. Amounts accrued, as well as the total amount of reasonably possible losses with respect to such matters, individually and in the aggregate, are not deemed to be material to the unaudited condensed consolidated financial statements.

In some instances, the Company may be required to indemnify its licensors for the costs associated with any such adversarial proceedings or litigation. Third parties may assert infringement claims against the Company, its licensors or its strategic collaborators based on existing patents or patents that may be granted in the future, regardless of their merit. There is a risk that third parties may choose to engage in litigation or other adversarial proceedings with the Company, its licensors or its strategic collaborators to enforce or otherwise assert their patent rights.

Note 9 — Collaboration Agreement

The Company granted On October 29, 2021, Eureka, entered into a Collaboration Agreement with Imugene Ltd, a clinical stage immune-oncology company to evaluate Imugene's CF33-CD19t, its oncolytic virus onCARlytics technology in combination with Eureka's CD19 ARTEMIS T-cell therapy for the underwriters a 45-day option from the date treatment of solid tumors.

On June 28, 2022, as part of the Initial Public Offering Separation, Eureka contributed and assigned the Collaboration Agreement to purchase up to an additional 600,000 Option Units to cover over-allotments, if any. On July 21, 2021, the Underwriters partially exercised the over-allotment option and purchased 430,000 Option Units at a price of \$10.00 per Option Unit, generating gross proceeds of \$4,300,000. The Company paid an underwriting discount of 2.00% of the gross proceeds of the Initial Public Offering and the sale of Option Units or \$886,000 Estrella. Pursuant to the underwriters at Collaboration Agreement, Estrella and Imugene have each granted to the closing of the Initial Public Offering and the sale of Option Units.

Business Combination Marketing Agreement

The Company has engaged US Tiger Securities, Inc., EF Hutton, division of Benchmark Investments, LLC ("EF Hutton") and R.F. Lafferty & Co., Inc. the representatives (the "Representatives") of the underwriters of the Initial Public Offering in connection with other a Business Combination to assist the Company in holding meetings with its stockholders to discuss the potential Business Combination and the target business' attributes, introduce the Company to potential investors that are interested in purchasing the Company's securities in connection with a Business Combination, assist the Company in obtaining stockholder approval for the Business Combination and assist the Company with its press releases and public filings in connection royalty free, non-exclusive, worldwide license, with the Business Combination. right to grant and authorize sublicenses, to their respective technologies to conduct the research activities each is responsible for performing under the research plan set forth in the Collaboration Agreement. The Company research plan is obligated required to pay the Representatives be reviewed no less frequently than every six to eight months by a cash fee (the "Business Combination Fee") pursuant to a Business Combination Marketing Agreement for such services upon the consummation joint steering committee comprised of the Company's initial Business Combination, equal to 3.5% participants from each of the gross proceeds of the Initial Public Offering Estrella and the sale of over-allotment Option Units as discussed in Note 9, Imugene.

Common Stock Purchase Agreement

On April 20, 2023, the Company entered into a common stock purchase agreement (the "Common Stock Purchase Agreement") and a related registration rights agreement (the "RRA") with White Lion Capital, LLC, a Nevada limited liability company ("White Lion"). Pursuant to the Common Stock Purchase Agreement, the Company has the right, but not the obligation to require White Lion to purchase, from time to time following consummation of the business combination contemplated by the Merger Agreement, up to \$50,000,000 in aggregate gross purchase price of newly issued shares of the common stock, par value \$0.0001 per share, of the post combination entity after the business combination with Estrella (the "New Estrella Common Stock"), subject to certain limitations and conditions set forth in the Common Stock Purchase Agreement.

On April 26, 2023, the Company and White Lion entered into an amendment to the Common Stock Purchase Agreement (the "Amendment"). Pursuant to the Amendment, the Company agrees that it will, immediately prior to the closing of the proposed business combination with Estrella, cause Estrella to issue to White Lion an aggregate of 250,000 shares of Estrella's Series A preferred stock, par value \$0.0001 per share, which the parties have acknowledged has a value of \$250,000.

The Company is obligated under the Common Stock Purchase Agreement and the RRA to file a registration statement with the SEC to register the New Estrella Common Stock under the Securities Act of 1933, as amended, for the resale by White Lion of shares of New Estrella Common Stock that the Company may issue to White Lion under the Common Stock Purchase Agreement. **ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY**

Note 9 — Deferred Underwriters' Business Combination Fees

Notes To Unaudited Condensed Consolidated Financial Statements
Allocation of Costs, unless otherwise agreed by the Parties in connection with a given Research Plan and associated Research Budget:

- (a) Eureka Costs: Eureka will be responsible for all FTE and other internal costs incurred in the performance of all Eureka Research Activities, as defined in the Collaboration Agreement;
- (b) Imugene Costs: Imugene will be responsible for all FTE and other internal costs incurred in the performance of all Imugene Research Activities, as defined in the Collaboration Agreement; and
- (c) Joint Costs: Eureka and Imugene will share equally (50:50) the out-of-pocket costs set forth in the applicable Research Budget plus Allowable Overruns, as defined in the Collaboration Agreement. If either Party incurs out-of-pocket costs in excess of the amount budgeted therefor in the applicable Research Budget plus Allowable Overruns, then the other Party will not be responsible for its 50% share to the extent in excess of such budgeted amount plus Allowable Overruns, unless the joint steering committee ("JSC") approves such excess costs (either before or after such costs have been incurred).

The Company is obligated to pay and Eureka recorded the Representatives a deferred Business Combination Fee equal to 3.5% of costs associated with the gross proceeds of the Initial Public Offering Collaboration Agreement as research and the sale of over-allotment Option Units. Upon completion of the Business Combination, \$1,550,500 will be paid to the underwriters from the funds held development expenses in the Trust Account, amount of \$29,498 and \$24,186, for the three months ended September 30, 2023 and 2022, respectively.

On May 15, 2023, Estrella assigned a cost reimbursement receivable of \$27,169 from Imugene under the Collaboration Agreement to Eureka. There was no impact on Estrella's statements of operations.

Note 10 — Stockholders' Deficit Related Party Transactions

License Agreement

On June 28, 2022, in connection with the Contribution Agreement, Eureka, Eureka Cayman and Estrella entered a License Agreement under which Eureka and Eureka Cayman granted to Estrella a license under certain intellectual property controlled by Eureka for exploitation by Estrella in the Licensed Territory, which primarily includes the United States and the rest of the world, excluding China and the Association of Southeast Asian Nations.

Pursuant to the License Agreement, (1) Eureka will be solely responsible for the manufacture and supply of clinical quantities of the licensed products and final filled and finished (including packaged) drug product form of the licensed products ("Drug Product") for development and commercialization purposes in the field both in the Licensed Territory and elsewhere, and (2) during the term of the License Agreement, Eureka will manufacture and supply, either itself or through an affiliate or a third party contract manufacturer, all of Estrella's and its related parties' clinical quantities requirements of Drug Product for Estrella's and its related parties' development activities with respect to the licensed products in the field in the Territory conducted in accordance with this agreement. Eureka and Estrella will use good faith efforts to negotiate and enter into a clinical supply agreement on reasonable and customary terms for the supply of Drug Product by Eureka to Estrella at a price equal to the fully burdened cost (the "Clinical Supply Agreement"), and a related quality agreement, which agreements will govern the terms and conditions of the manufacturing and clinical supply of Drug Product to Estrella. Furthermore, Eureka and Estrella's collaboration will be overseen by a JSC. Eureka and Estrella will initially appoint one representative to the JSC, with each representative having knowledge and expertise in the development and commercialization of products similar to the licensed products and having sufficient seniority within the applicable party to provide meaningful input and make decisions arising within the scope of the JSC's responsibility.

The License Agreement requires Estrella to make certain payments, including (a) an "upfront" payment of \$1,000,000, payable in 12 equal monthly installments, (b) "milestone" payments upon the occurrence of certain events related to development and sales, with potential aggregate multi-million dollar payments upon FDA approval, and (c) royalty payments of a single digit percentage on net sales.

As of September 30, 2023 and June 30, 2023, Estrella had remaining balance of account payable - related party amounted to \$833,333, related to License Agreement's upfront payment. As of September 30, 2023, one development milestone payment in the amount of \$50,000 related to the submission of EB103 to the FDA was earned by Eureka under the Agreement. Such amount was accrued by Estrella and outstanding as of September 30, 2023 and June 30, 2023.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
Notes To Unaudited Condensed Consolidated Financial Statements

Services Agreement

On June 28, 2022, Estrella entered a Services Agreement with Eureka. Pursuant to the Services Agreement, Eureka will perform certain services for Estrella related to the transfer of certain technology and the provision of certain technical assistance to facilitate Estrella's exploitation of the intellectual property licensed by Eureka to Estrella under the License Agreement, and Eureka will perform such services for Estrella (the "Services"). Under the Services Agreement, Estrella shall pay Eureka (1) \$10,000,000 in connection with the Services payable in 12 equal monthly installments with the first payment to be made no later than five days after the Effective date and (2) reimburse Eureka on a monthly basis for reasonable pass-through costs incurred or paid to providers by Eureka in providing the Services. In addition, Estrella will be charged for other services performed by Eureka outside the scope of the Services per the Service Agreement, at a flat rate, by time or materials or as mutually agreed upon the parties in writing.

Eureka's service covered a period of 12 months and the service commenced on June 28, 2022. As of September 30, 2023 and June 30, 2023, Estrella had account payable balance - related party of \$8,333,331 related to Service Agreement with Eureka.

As of September 30, 2023 and June 30, 2023, Estrella accrued \$120,980 and \$116,482 for pass-through costs related to clinical trials incurred by Eureka in account payable-related party, respectively.

After the closing of the business combination on September 29, 2023, on October 10, 2023 Estrella remitted \$9,334,475 to Eureka.

Series AA Preferred Stock

On June 28, 2022, Estrella and Eureka entered into the Contribution Agreement pursuant to which Eureka agreed to contribute and assign to Estrella all right, title and interest in and to the Assets in exchange for 105,000,000 shares of Estrella's Series AA Preferred Stock. (Refer to Note 12) As of September 30, 2023 and June 30, 2023, Eureka collectively owned 71.8% and 92.1% of Estrella on a fully diluted basis, respectively.

Lease

On July 6, 2022, Estrella entered into an office lease contract with Eureka, to lease a 428 square feet office with \$2,000 monthly lease payment. Under the original lease contract, the sublease agreement is commenced on August 1, 2022 and expires on September 30, 2023. In November 2022, the sublease's expiration date was amended to July 31, 2023. Therefore, such lease contained a lease term for 12 months and less after amendment. Estrella elected not to apply the ROU and lease liability recognition requirements to above mentioned short-term lease as the modified lease term was less than twelve months. As a result of the lease amendment, Estrella then reduced the corresponding ROU and lease liability to \$0 and continued to recognize the lease monthly payments in profit or loss on a straight-line basis over the remaining lease term period.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY

Notes To Unaudited Condensed Consolidated Financial Statements

For the three months ended September 30, 2023 and 2022, the Company incurred \$2,000 and \$6,000 rent expense from Eureka, respectively. (Refer to Note 15) As of September 30, 2023 and June 30, 2023, the outstanding balance of lease payments of \$24,000 and \$22,000 was recorded as accrued liability - related party on the Company's condensed consolidated balance sheets, respectively.

Note 11 — Promissory note

On September 29, 2023, Estrella issued an unsecured promissory note to Hongbin Zhang, in the aggregate principal amount of \$300,000 (the "Unsecured Note"). Interest shall begin accruing on September 29, 2023 at a rate of 12% per annum until the outstanding amount has been paid in full. The Unsecured Note matures on October 30, 2023 and was paid in full on October 27, 2023.

Note 12 — Preferred Stock

Series AA Preferred Stock

On June 28, 2022, Estrella and Eureka entered into the Contribution Agreement pursuant to which Eureka contributed and assigned to Estrella all right, title and interest in and to the Assets in exchange for 105,000,000 shares of Estrella's Series AA Preferred Stock. In accordance with ASC 805 "Common control transactions." The transfer of the Assets was accounted for by Estrella at historical carrying values.

Series A Preferred stock Stock—The Company is authorized

On June 28, 2022, Estrella entered into a Series A Preferred Stock Purchase Agreement with an accredited third-party investor to issue 1,000,000 raise gross proceeds of \$5,000,000 by issuing 5,000,000 shares of preferred stock, par value \$0.0001 its Series A Preferred Stock. The shares of Series A Preferred Stock were sold for \$1.00 per share share.

On each of July 31, 2023 and September 18, 2023, an aggregate of six third party investors executed joinders to Estrella's Series A Preferred Stock Purchase Agreement. Pursuant to the joinders, such investors agreed to purchase an aggregate of 9,250,000 shares of Estrella's Series A Preferred Stock for \$9,250,000 immediately prior to the effective time of Estrella's merger with UPTD. Subsequently and immediately prior to the effective time of the merger with UPTD, such designations, voting shares of Estrella's Series A Preferred Stock converted into Estrella Common Stock and other rights and preferences as may be then into Merger Consideration Shares based on an exchange ratio of 0.2407 determined from time to time by the company's board total number of directors. As shares of June 30, 2023 Estrella Common Stock outstanding immediately prior to the Effective Time in accordance with the Merger Agreement. In addition, immediately prior to the Effective Time, 500,000 shares of Estrella's Series A Preferred Stock were issued to White Lion for \$500,000 and December 31, 2022 250,000 shares of Estrella's Series A Preferred Stock were issued to White Lion in consideration for its commitments under the Common Stock Purchase Agreement pursuant to the Joinder to the Series A Preferred Stock Purchase Agreement between Estrella and White Lion, dated April 20, 2023, there were as further described in Note 8 above.

Notes To Unaudited Condensed Consolidated Financial Statements preference shares

The significant terms of the Series A, Series AA Preferred Stocks issued or outstanding by Estrella are as follows:

Common stockDividend Rights— The Company is authorized to issue up to 30,000,000 shares

Each holder of Common Preferred Stock par value \$0.0001 per share. As of June 30, 2023 and December 31, 2022, there were 1,419,700 shares of Common Stock issued and outstanding, excluding 910,220 shares of Common Stock subject to possible redemption.

Common stockholders of record are entitled to one vote for each share held on all matters to shall be voted on by stockholders. The Company's stockholders are entitled to receive ratable dividends only when, as and if declared by the board of directors, out of any funds and assets legally available therefor. therefore, dividends on a pari passu basis at the rate of 8% of the original issue price of \$1.00 per share. The dividend shall be non-cumulative and non-compounding.

Liquidation Rights

Series A Preferred Stock – In the event of any voluntary or involuntary liquidation, dissolution or winding up of Estrella, the holders of shares of Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of Estrella available for distribution to its stockholders or, in the case of a Deemed Liquidation Event (as defined below), out of the consideration payable to stockholders in such Deemed Liquidation Event or the Available Proceeds, before any payment shall be made to the holders of Series AA Preferred Stock or Common Stock by reason of their ownership thereof, and amount per share equal to the applicable Original Issue Price, plus any dividends declared but unpaid thereon.

Series AA Preferred Stock – After payment of the full liquidation preference of the Series A Preferred Stock, then in the event of any voluntary or involuntary liquidation, dissolution or winding up of Estrella, the holders of shares of Series AA Preferred Stock then outstanding shall be entitled to be paid out of the assets of Estrella available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, out of the consideration payable to stockholders in such Deemed Liquidation Event or the Available Proceeds. Before any payment shall be made to the holders of Common Stock by reason of their ownership, an amount per share equal to the applicable Original Issue Price, plus any dividends declared but unpaid thereon.

Distribution of Remaining Assets – If there are any remaining assets of the Estrella, such assets shall be distributed among the holders of the shares of Series A Preferred Stock and Common Stock, prorated based on the number of shares held by each such holder, treating for this purpose all such securities as if they had been converted to Common Stock.

Voting Rights

Each holder of outstanding shares of Series A Preferred Stock shall be entitled to cast two (2) votes for each share of Series A Preferred Stock held by such holder and each holder of outstanding shares of Series AA Preferred Stock shall be entitled to cast one (1) vote for each share of Series AA Preferred Stock held by such holder. Except as provided by law or by the other provisions of the amended and restated certificate of incorporation, holders of Preferred Stock shall vote together with holders of Common Stock as a single class.

Conversion Rights

Each share of Preferred Stock shall be convertible, at the option of the holder at any time and from time to time, and without the payment of additional consideration by the holder into such number of fully paid and non – assessable shares of Common Stock as is determined by dividing the Original Issue Price by the Conversion Price in effect at the time of conversion. The Series A Conversion Price applicable to the Series A Preferred Stock shall initially be equal to \$1.00. The Series AA Conversion Price applicable to the Series AA Preferred Stock shall initially be equal to \$1.00. The Series A Conversion Price and the Series AA Conversion Price are referred to as "Conversion Price". The initial Conversion Prices and the rate at which shares of applicable Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment in connection with certain dilutive issuances, share split, combinations, dividends, distributions, recapitalizations, mergers, consolidations, reclassifications, exchanges, and substitutions.

Pursuant to the Estrella's amended and restated certificate of incorporation, holders of the Estrella's Preferred Stock have the following methods of conversion: Automatic conversion upon either (a) the closing of the sale of shares of Common Stock to the public at a price of at least \$1.00 per share (subject to appropriate adjustment in the event of any stock dividend, stock splits, combination or other similar recapitalization with respect to the Common Stock), in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least \$50,000,000 of gross proceeds to Estrella and in connection with such offering the Common Stock is listed for trading on the Nasdaq Stock Market's National Market, the New York Stock Exchange or another exchange or marketplace approved by the board of directors or (b) the date and time, or the occurrence of an event, specified by vote or written consent of (i) the holders of at least a majority of the outstanding shares of Series A Preferred Stock and (ii) the holders of at least a majority of the outstanding shares of Series AA Preferred Stock, voting separately, then (x) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate (y) such shares may not be reissued by Estrella.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
Notes To Unaudited Condensed Consolidated Financial Statements

Redemption Rights

Both Series A Preferred Stock and Series AA Preferred Stock were mandatorily redeemable upon the occurrence of a "Deemed Liquidation Event" which includes the following: (1) a merger or consolidation in which (a) Estrella is a constituent party or (b) a subsidiary of Estrella is a constituent party and Estrella issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of Estrella outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (i) the surviving or resulting corporation; or (ii) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or (2) (a) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by Estrella or any subsidiary of Estrella of all or substantially all the assets of Estrella and its subsidiaries taken as a whole, or (b) the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one or more subsidiaries of Estrella if substantially all of the assets of Estrella and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of Estrella.

Estrella shall use the consideration received by Estrella for such Deemed Liquidation Events mentioned above (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the board of directors of Estrella), together with any other assets of Estrella available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "Available Proceeds"), to redeem all outstanding shares of Preferred Stock at a price per share equal to the applicable liquidation amount, which is equal to the original issue price of the Preferred Stock plus any declared but unpaid dividends. The Series A Preferred Stock must receive its liquidation amount prior to the Series AA Preferred Stock receives any payment.

The Series A Preferred Stock and the Series AA Preferred Stock were accounted for under Section 480-10-S99 — Distinguishing Liabilities from Equity (FASB Accounting Standards Codification 480) as amended by ASU 2009-04 — for Redeemable Equity Instruments ("ASU 2009-04"). Under ASU 2009-04, a redeemable equity security is to be classified as temporary equity if it is conditionally redeemable upon the occurrence of an event that is not solely within the control of the issuer. Therefore, the Company classified the Series A Preferred Stock and Series AA Preferred Stock as temporary equity in the condensed consolidated balance sheet as of June 30, 2023.

Immediately prior to the consummation of the business combination on September 29, 2023, all shares of Estrella Series A and Series AA Preferred Stock were converted into Estrella Common Stock and each share of Estrella Common Stock was exchanged for shares of Common Stock at an exchange ratio of 0.2407.

Note 13 — Stockholders' Equity (Deficit)

Before reverse recapitalization

Given the consideration of retroactive adjustments, upon incorporation in March 20, 2022, the Company's authorized shares were 145,000,000 shares of Common Stock with a par value of \$0.0001 per share.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
Notes To Unaudited Condensed Consolidated Financial Statements

After reverse recapitalization

Upon consummation of the business combination on September 29, 2023, Each share of Estrella's Common Stock was converted into 0.2407 shares of the Company's Common Stock.

The Company's authorized shares of Common Stock is 250,000,000 with a par value of \$0.0001 per share (the "Common Stock"). Given the retroactive effect of the reverse recapitalization, as of June 30, 2023, there were 978,243 shares of Common Stock issued and outstanding.

Issuance of Common Stock upon the reverse recapitalization (see Note 3)

On September 29, 2023, upon the consummation of the Business Combination, the Company issued an aggregate total of 1,701,232 Common Stock to UPTD's shareholders.

The following table presents the number of the Company's ordinary shares issued upon the Reverse Recapitalization:

	Ordinary Shares
UPTD's Common Stock outstanding prior to Reverse Recapitalization	2,329,920
Less: redemption of UPTD's Common Stock	(628,688)
Total shares issued upon the Reverse Recapitalization	1,701,232

Conversion of Series A Preferred Stock and the Series AA Preferred Stock

Immediately prior to the consummation of the business combination on September 29, 2023, all shares of Estrella Series A and Series AA Preferred Stock were converted into Estrella Common Stock and then into Merger Consideration Shares which is amounted to 28,888,675 shares of Common Stock based on an exchange ratio of 0.2407 determined by the total number of shares of Estrella Common Stock outstanding at the Effective Time in accordance with the Merger Agreement.

PIPE investment shares

In connection with the Merger, on September 14, 2023, UPTD entered into subscription agreements (the "Subscription Agreements") with each of Plentiful Limited, a Samoan limited company ("Plentiful Limited") and Lianhe World Limited ("Lianhe World," together with Plentiful Limited, collectively, the "PIPE Investors"). Concurrently with the closing of the Business Combination, the Company issued 500,000 shares of Common Stock to each of Plentiful Limited and Lianhe World, respectively, for aggregate proceeds of \$10,000,000.

Within thirty days following the date of the Closing, each PIPE Investor will also be entitled to receive 704,819 shares of Common Stock. Within five days following the date that is 24 months following the Closing (the "24-Month Date"), if the VWAP of Common Stock for the fifteen trading days prior to the 24-Month Date (the "24-Month Date VWAP") is less than \$8.30, then each of them will be entitled to a number of shares of Common Stock equal to (i) (A) 8.30 minus (B) the 24-Month Date VWAP multiplied by (ii) (A) the number of Shares held by the Investor on the 24-Month Date minus (B) the number of Shares acquired by the Investor following the Closing divided by 10.00.

Warrants

In July 2021, the Company issued 2,215,000 Warrants in connection with the Initial reverse recapitalization, the Company has assumed 2,215,000 Public Offering and Warrants outstanding. Public Warrants met the sale of the Option Units. criteria for equity classification.

Each whole Warrant entitles the registered holder to purchase one whole share of the Company's Common Stock at a price of \$11.50 per share, subject to adjustment as discussed below, at any time commencing on the later of 12 months from the closing of the Initial Public Offering or the completion of the initial Business Combination.share. Pursuant to the warrant agreement, a warrant holder may exercise its Warrants only for a whole number of shares of Common Stock. This means that only a whole Warrant may be exercised at any given time by a warrant holder. No fractional Warrants will be issued upon separation of the Units and only whole Warrants will trade. The Warrants will expire five years after the completion of the Company's initial Business Combination, at 5:00 p.m., New York City time, or earlier upon redemption or liquidation.

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
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The Company has agreed that as soon as practicable, but in no event later than 30 business days, after the closing of the initial Business Combination, it will use its reasonable commercially reasonable efforts to file, and within 60 business days following its initial Business Combination to have declared effective, a registration statement for the registration, under the Securities Act, of the shares of Common Stock issuable upon exercise of the Warrants. The Company will use its commercially reasonable efforts to maintain the effectiveness of such registration statement, and a current prospectus relating thereto, until the expiration of the Warrants in accordance with the provisions of the warrant agreement. No Warrants will be exercisable for cash unless the Company has an effective and current registration statement covering the Common Stock issuable upon exercise of the Warrants and a current prospectus relating to such shares of Common Stock. Notwithstanding the above, if the Company's Common Stock is at the time of any exercise of a Warrant not listed on a national securities exchange such that it satisfies the definition of a "covered security" under Section 18(b)(1) of the Securities Act, the Company may, at its option, require holders of Warrants who exercise their Warrants to do so on a "cashless basis" in accordance with Section 3(a)(9) of the Securities Act and, in the event it so elect, it will not be required to file or maintain in effect a registration statement, but it will be required to use its commercially reasonable efforts to register or qualify the shares under applicable blue sky laws to the extent an exemption is not available.

Once the Warrants become exercisable, the Company may call the Warrants for redemption:

- in whole and not in part;
- at a price of \$0.01 per Warrant;
- upon not less than 30 days' prior written notice of redemption (the "30-day redemption period") to each warrant holder; and
- if, and only if, the reported last sale price of the Common Stock equals or exceeds \$16.50 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30-trading day period ending on third business day before the Company send the notice of redemption to the warrant holders.

The Company accounted for the 2,215,000 **public Warrants issued in assumed from the Initial Public Offering merger** as equity instruments in accordance with ASC 480, "Distinguishing Liabilities from Equity" and ASC 815-40, "Derivatives and Hedging: Contracts in Entity's Own Equity". The Company accounted for the Warrant as an expense of the Initial Public Offering resulting in a charge directly to stockholders' equity. The Company estimates that the fair value of the Warrants is approximately \$0.8 million, or 0.36 per Unit on issuance.

Note 11.14 — Income Taxes Stock Based Compensation

At the special meeting of UPTD stockholders related to the Business Combination held on July 31, 2023, UPTD's shareholders approved the adoption of the Company's 2023 Omnibus Incentive Plan (the "2023 Plan"), which became effective on the Closing Date. Upon the closing of the Business Combination, 3,520,123 shares of Common Stock became authorized for issuance under the 2023 Plan. As of the date hereof, no shares of Common Stock have been issued under the Incentive Plan.

On May 27, 2022, the Company's board of directors approved its 2022 Equity Incentive Plan (the "2022 Plan"). The 2022 Plan provides for the grant of (i) options, (ii) share appreciation rights, (iii) restricted share awards, (iv) restricted share unit awards, and (v) other share awards. The aggregate number of shares of Common Stock that may be issued pursuant to the 2022 Plan will not exceed 15,000,000 shares of Common Stock. On May 27, 2022, the Company granted options under the 2022 Plan to purchase 15,000,000 shares of its Common Stock to its employees, board of directors, and other consultants. The total fair value of these stock options was approximately \$1,638,381.

The income tax provision (benefit) consists of the following:

	For the Three Months Ended June 30, 2023	For the Three Months Ended June 30, 2022	For the Six Months Ended June 30, 2023	For the Six Months Ended June 30, 2022
Current				
Federal	\$ 20,480	\$ —	\$ 61,644	\$ —
State	—	—	—	—
Deferred				
Federal	(22,927)	(75,513)	(73,302)	(105,176)
State	—	—	—	—
Valuation allowance	<u>23,524</u>	<u>75,513</u>	<u>52,200</u>	<u>105,176</u>
Income tax provision	<u><u>\$ 21,077</u></u>	<u><u>\$ —</u></u>	<u><u>\$ 40,542</u></u>	<u><u>\$ —</u></u>

A reconciliation of the statutory federal income tax rate to stock-based compensation expense recorded in the Company's effective tax rate is as follows: results of operations for the three month ended September 30, 2023 and 2022, were amounted to \$1,194,653 and \$102,399, respectively.

The breakdown of stock based compensation by categories for the three months ended September 30, 2023 and 2022 are summarized below:

	For the Three Months Ended June 30, 2023	For the Three Months Ended June 30, 2022	For the Six Months Ended June 30, 2023	For the Six Months Ended June 30, 2022
Current	21.0%	21.0%	21.0%	21.0%
Permanent difference on facilitated acquisition costs	(12.0)%	—%	(9.2)%	—%
Change in valuation allowance	(47.4)%	(21.0)%	(52.8)%	(21.0)%
Effective tax rate	\$ (38.4)%	\$ —%	\$ (41.0)%	\$ —%
			For the Three Months Ended September 30, 2023	For the Three Months Ended September 30, 2022
Research and development			\$ 453,968	\$ 38,912
General and administrative			740,685	63,487
Total stock based compensation			\$ 1,194,653	\$ 102,399

The Company's net deferred tax assets were as follows as of:

	June 30, 2023	December 31, 2022
Deferred tax assets:		
Start-up/organization costs	\$ 344,354	\$ 292,154
Deferred tax liability:		
Accrued dividend income	(8,370)	(29,472)
Total deferred tax assets	335,984	262,682
Valuation allowance	(344,354)	(292,154)
Deferred tax liability, net	<u><u>\$ (8,370)</u></u>	<u><u>\$ (29,472)</u></u>

In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which temporary differences representing net future deductible amounts become deductible. Management considers the scheduled reversal of deferred tax assets, projected future taxable income and tax planning strategies in making this assessment. After consideration of all of the information available, management believes that significant uncertainty exists with respect to future realization of the deferred tax assets. The valuation allowance increased \$52,200 and \$240,133 as of June 30, 2023 and December 31, 2022, respectively. **ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY**

Note 12 — Subsequent Events Notes To Unaudited Condensed Consolidated Financial Statements

The intrinsic value of the granted options was approximately \$1.6 million. Upon completion of the business combination on September 29, 2023, the unvested options were vested upon consummation of the merger, under which the Company recognized the remaining unrecognized fair value as expense.

In accordance with ASC 855, Subsequent Events, which establishes general standards for the disclosure of events that occur after the date of the financial statements, the Company estimated the fair value of accounting for and disclosure the stock options using the Black-Scholes option pricing model. The fair value of events that occur after the financial statements are issued was estimated using the balance sheet date but before the financial statements are issued, the Company has evaluated all events or transactions that occurred after the balance sheet date, up through the date when the Company issued the unaudited condensed consolidated financial statements, following assumptions:

Promissory Note

Grant date	May 27, 2022
Exercise price	\$ 0.001
Estimated stock price	\$ 0.11
Expected volatility	120.0%
Expected term (in years)	4.00
Risk-free interest rate	3.00%

As the risk-free interest rate was obtained from U.S. Treasury rates for the applicable periods. The Company's expected volatility was based upon the implied volatility of a risk-free portfolio of comparable companies. The expected life of the 2023 Special Meeting and Company's options was determined using the amendment to the Company's amended and restated certificate of incorporation to extend the Combination Deadline, on or about July 19, 2023, Estrella deposited \$37,433 into the Trust Account, as a result of which, the current Combination Deadline is August 19, 2023. Such monthly extension payment was evidenced by a promissory note issued by the Company to Estrella in the principal amount of \$37,432.70.

On July 20, 2023, the Company issued an unsecured promissory note in the amount of \$50,000 to Tradeup INC. for working capital purpose, the terms of which are substantially the same as those in the Notes.

2023 Special Meeting and Redemption

On July 17, 2023, the Company held the 2023 Special Meeting where the Company was approved by its stockholders to adopt the amended and restated certificate of incorporation to extend the date actual remaining life of the Combination Deadline from July 19, 2023 to July 14, 2024 or such earlier date as stock option. The fair value of the Common Stock input was determined by the board of directors based on a variety of factors, including valuation prepared by a third party, the Company's financial position, the status of development efforts within the Company, the current climate in the marketplace and the prospects of a liquidity event, among others.

For the three months ended September 30, 2023, no additional stock options were granted.

On May 27, 2022, all employees, the board of directors, and other consultants elected to exercise the stock options granted by the Company early. The total proceeds received by the Company amounted to \$15,000 and was recorded as other liability due to the terms of the Company. Upon early exercised shares, which are subject to repurchase until such shares are vested and are required to be returned to the stockholders' approval, Company if the vesting conditions are not satisfied. Such other liability account should be cleared at the time the exercised shares are vested or repurchased. As of September 30, 2023 and June 30, 2023, the unamortized balance of the above mentioned other liability amounted to \$0 and \$12,725, respectively, based on July 17, 2023 the vesting period.

A summary of early-exercised stock option's vesting activity for the year ended June 30, 2023, and for the three months ended September 30, 2023 is as follows:

	Number of Shares	Weighted-Average Grant Date Fair Value per share
Balance of unvested early-exercised stock option at June 30, 2022	14,825,000	\$ 0.11
Vested early-exercised stock option	(3,887,500)	\$ 0.11
Balance of unvested early-exercised stock option at June 30, 2023	<u>10,937,500</u>	<u>\$ 0.11</u>
Vested early-exercised stock option	(10,937,500)	\$ 0.11
Balance of unvested early-exercised stock option at September 30, 2023	<u><u>-</u></u>	<u><u>-</u></u>

ESTRELLA IMMUNOPHARMA, INC. AND ITS SUBSIDIARY
Notes To Unaudited Condensed Consolidated Financial Statements

Note 15 — Leases

On July 6, 2022, the Company filed entered into an office lease contract with Eureka, a certificate of amendment related party. Under the original lease contract, the sublease agreement commenced on August 1, 2022 and expires on September 30, 2023. In November 2022, the sublease's expiration date was amended to July 31, 2023.

The Company's office lease was classified as an operating lease. The Company's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

The Company elected not to apply the amended ROU and restated certificate of incorporation which became effective upon filing, lease liability recognition requirements to above mentioned short-term lease in accordance with ASC 842-20-25-2. As a result of the lease amendment, the Company then reduced the corresponding ROU and lease liability to \$0 and continued to recognize the lease monthly payments in profit or loss on a straight-line basis over the remaining lease term period.

Rent expense for the three month ended September 30, 2023 and 2022 was \$2,000 and \$6,000, respectively.

Note 16 — Subsequent Events

In October 2023, Special Meeting, upon the stockholders' approval, on July 17, 2023, UPTD and Wilmington entered into Company remitted approximately \$9.3 million to settle the amendment account payable balance to Eureka related to the Trust License Agreement and the Services Agreement.

As a result In October 2023, the Company fully repaid the promissory note balance of the 2023 Special Meeting, 161,566 shares of Common Stock were rendered for redemption and approximately \$1.73 million was released from the Trust Account to pay such redeeming stockholders. The Company might be subject to approximately \$17,000 potential exercise tax liability exposures unless the business combination with Estrella is successfully closed and the 32,500,000 shares of Common Stock \$0.3 million as merger consideration shares are issued to stockholders of Estrella within the same taxable year indicated in 2023. Note 11.

Binding PIPE Investment Term Sheet

On July 25, 2023, In October 2023, the Company entered into a binding term sheet (the "Binding Term Sheet") with Suma Ventures, LLC (the "Investor"), Estrella, and Eureka Therapeutics, Inc., a Delaware corporation ("Eureka"), in connection with paid UPTD's shareholders approximately \$5.1 million to settle the proposed business combination with Estrella.

Pursuant to the Binding Term Sheet, immediately prior to the Closing, the Investor will acquire certain payables of Estrella owed to Eureka in an amount equal to \$6.8 million (the "Indebtedness") in exchange for securities of Eureka owned by the Investor. At the Closing, the Company will issue to the Investor 680,000 Class B units (the "New Units"), each consisting of one share of Common Stock and one share of preferred stock of the Company, and the Investor, in exchange, will agree to irrevocably waive the Indebtedness, and release Estrella and New Estrella from all obligations under the Indebtedness.

Business Combination Meeting

On July 31, 2023, the Company held a special meeting of stockholders in connection with the proposed business combination with Estrella (the "Business Combination Meeting"), where the Company was approved by its stockholders, among the others, to adopt the Merger Agreement, consummate the Business Combination and other relevant matters. In connection with the votes to approve the proposals at the Business Combination Meeting, 650,580 public shares were rendered for redemption with 98,074 public shares remained outstanding, payable. (see Note 7)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

References in

Unless the context otherwise requires, for purposes of this report (the "Quarterly Report") to "UPTD" section, the terms "Company", "we," "us" or the "Company" "us," "our," refer to TradeUP Acquisition Corp. References Immunopharma, Inc. collectively with its subsidiary Estrella Biopharma, Inc., while the term "Estrella" refers to our "management" or our "management team" refer Estrella Biopharma, Inc. prior to our officers and directors, and references to closing of the "sponsor" refer to TradeUP Acquisition Sponsor LLC. Business Combination. The following discussion and analysis of the Company's financial condition and our results of operations and financial condition should be read in conjunction together with the our unaudited condensed consolidated financial statements and the notes thereto, contained which are included elsewhere in this Quarterly Report. Report and our audited financial statements as exhibit 99.1 on Form 8-K filed with the SEC on October 5, 2023 and the section entitled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" included in the Company's Registration Statement on Form S-1, filed with the SEC on October 11, 2023 and amended on November 13, 2023. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from financial statements have been prepared in accordance with accounting principles generally accepted in the results, expectations and plans discussed in these forward-looking statements. See "Cautionary Note Concerning Forward-Looking Statements." United States of America ("U.S. GAAP").

Special Note Regarding Forward-Looking Statements

This Quarterly Report includes "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act that are not historical facts, and involve risks and uncertainties that could cause actual results to differ materially from those expected and projected. All statements, other than statements of historical fact included in this Form 10-Q including, without limitation, statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" regarding the Company's financial position, business strategy and the plans and objectives of management for future operations, are forward-looking statements. Words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and variations thereof and similar words and expressions are intended to identify such forward-looking statements. Such forward-looking statements relate to future events or future performance, but reflect management's current beliefs, based on information currently available. A number of factors could cause actual events, performance or results to differ materially from the events, performance and results discussed in the forward-looking statements. For information identifying important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk Factors section of the Company's final prospectus for its initial public offering filed with the SEC on April 30, 2021, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (under heading "Risk Factors" and in other parts of that report) and in the Company's final prospectus for its business combination filed on July 11, 2023. The Company's securities filings can be accessed on the EDGAR section of the SEC's website at www.sec.gov. Except as expressly required by applicable securities law, the Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

Overview

The Company is a preclinical-stage biopharmaceutical company developing T-cell therapies with the capacity to address treatment challenges for patients with blood cancers and solid tumors. We believe T-cell therapy continues to represent a blank check company formed as revolutionary step towards providing a Delaware corporation potential solution for the purpose many forms of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization, or similar business combination with one or more businesses, which we refer to throughout this report as our initial business combination. cancer, including cancers poorly addressed by current approaches.

On July 19, 2021 June 28, 2022, pursuant to the Contribution Agreement, Eureka contributed certain assets related to T-cell therapies targeting CD19 and/or CD22 to Estrella in exchange for 105,000,000 shares of Series AA Preferred Stock of Estrella (the "Separation"). Eureka determined that the Separation would allow for the flexibility to create a capital structure tailored to Estrella's strategic goals, provide increased access to capital markets, allow for greater focus on the product candidates contributed to Estrella, and result in a dedicated management team.

As part of the Separation, Estrella entered into a License Agreement with Eureka and Eureka Therapeutics (Cayman) Ltd., an affiliate of Eureka, and a Services Agreement with Eureka, and Eureka contributed and assigned the Collaboration Agreement between Eureka and Imugene to Estrella. The License Agreement grants Estrella an exclusive license to develop CD19 and CD22-targeted T-cell therapies using Eureka's ARTEMIS® platform. Under the Services Agreement, Eureka has agreed to perform certain services for us in connection with the development of our product candidates, EB103 and EB104, and researching the use of EB103 in conjunction with CF33-CD19t. The Collaboration Agreement establishes our collaboration with Imugene related to the development of solid tumor treatments using CF33-CD19t in conjunction with EB103.

On March 2, 2023, the FDA cleared the IND for EB103, allowing Estrella to proceed with the Phase I/II Starlight-1 Clinical Trial, which Estrella expects to commence in the first half of 2024.

To date, we have funded our operations primarily from the June 28, 2022 issuance of \$5.0 million of our Series A Preferred Stock, and net proceeds of approximately \$20.1 million raised from completion of the Business Combination on September 29, 2023. We have a limited operating history. Since our inception, our operations have focused on preparing for the Business Combination, regulatory filings (including the INDs), planning

preclinical studies, and building our management team. We do not have any product candidates approved for sale and have not generated any revenue from product sales.

As of September 30, 2023 we had an accumulated deficit of approximately \$14.1 million. We have remitted payment of approximately \$9.3 million to Eureka, consisting of the upfront payment incurred under the License Agreement and monthly service provided by Eureka under the Services Agreement on October 10, 2023. We anticipate that our expenses will increase significantly in connection with our ongoing activities, as we:

- continue to advance preclinical and clinical development of our product candidates and preclinical programs;
- seek regulatory approval for any product candidates that successfully complete clinical trials;
- scale up our clinical and regulatory capabilities;
- adapt our regulatory compliance efforts to incorporate requirements applicable to marketed products;
- maintain, expand, and protect our intellectual property portfolio;
- add operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts; and
- incur additional legal, accounting and other expenses in operating as a public company.

Recent Developments

The Business Combination and Public Company Costs

On September 29, 2023, we consummated our initial public offering (the "IPO") the previously announced Business Combination with UPTD pursuant to the terms of 4,000,000 units (the "Units"). Each Unit consists the Merger Agreement by and among UPTD, Merger Sub and Estrella. No closing conditions set forth in the Merger Agreement were waived by either UPTD or Estrella. Moreover, concurrently with closing of one share the Merger, Estrella consummated the following transactions: (i) sales of common stock, \$0.0001 par value per share (the "Common Stock"), and one-half 9.25 million shares of one redeemable warrant (the "Warrant"), each whole Warrant entitling Estrella Series A Preferred Stock for \$9.25 million (\$730,000 of which was comprised of funds in the holder thereof trust account delivered to purchase one share of Common Stock the Company at an exercise price of \$11.50 per share. The Units were sold at an offering price of \$10.00 per Unit, generating gross proceeds of \$40,000,000. Simultaneously with the closing of the IPO, we completed the private sale (the "Private Placement") of 295,000 Business Combination that would have otherwise been paid to US Tiger Securities, Inc as a deferred underwriting fee in connection with UPTD's initial public offering), which shares were converted to shares of Estrella Common Stock (the "Private Shares") and subsequently exchanged for Merger Consideration Shares of UPTD immediately prior to the Company's founders, TradeUP Acquisition Sponsor LLC (the "Sponsor") effective time of the merger at an exchange ratio of 0.2407, with such shares becoming shares of New Estrella Common Stock from and Tradeup INC. after the effective time of the Merger; (ii) issuance of 500,000 shares of Estrella's Series A Preferred Stock to White Lion for \$500,000 and 250,000 shares of Estrella Series A Preferred Stock to White Lion in consideration for its commitments under the Common Stock Purchase Agreement, dated April 20, 2023, among which, between UPTD and White Lion and in accordance with the Sponsor purchased 236,000 Private Shares and Tradeup INC. purchased 59,000 Private Shares at a purchase price of \$10.00 per Private Share, generating gross proceeds Joinder to the Company of \$2,950,000 (the "Private Placement Proceeds"). The Private Shares are identical Series A Preferred Stock Purchase Agreement between Estrella and White Lion, dated April 20, 2023, which shares were subsequently converted to the shares of Estrella Common Stock sold as part and exchanged for Merger Consideration Shares of UPTD at an exchange ratio of 0.2407, with such Merger Consideration Shares becoming shares of New Estrella Common Stock from and after the effective time of the Units in the IPO, except that the Private Shares are not transferable, assignable or salable (except Merger and (iii) issued an unsecured promissory note to our officers and directors and other persons or entities affiliated with or related to our founders, each of whom a third party for \$300,000 at 12% interest per annum, which note will be subject to the same transfer restrictions) until payable 30 days after the completion closing date of our initial business combination. The proceeds the Merger of \$40,800,000 (\$10.20 per Unit) September 29, 2023.

While the legal acquirer in the aggregate from Business Combination was UPTD, for financial accounting and reporting purposes under U.S. GAAP, Estrella was the IPO accounting acquirer and the Private Placement (the "IPO Proceeds") Business Combination was accounted for as a "reverse recapitalization." A reverse recapitalization (i.e., were placed a capital transaction involving the issuance of stock by UPTD for the stock of Estrella) does not result in a trust account (the "Trust Account") established for new basis of accounting, and the benefit consolidated financial statements of the Company's public stockholders and combined company represent the underwriters continuation of the IPO consolidated financial statements of Estrella in many respects. Accordingly, the consolidated assets, liabilities and results of operations of Estrella became the historical consolidated financial statements of the combined company, and UPTD's assets, liabilities, and results of operations were consolidated with Wilmington Trust, National Association acting Estrella beginning on the Closing Date. Operations prior to the Business Combination are presented as trustee. those of Estrella. The net assets of UPTD are recognized at historical cost (which is expected to be consistent with carrying value), with no goodwill or other intangible assets recorded upon execution of the Business Combination.

In connection As a consequence of the Merger, Estrella became the successor to an SEC-registered and Nasdaq-listed company which will require Estrella to hire additional personnel and implement procedures and processes to address public company regulatory requirements and customary practices. Estrella expects to incur additional annual expenses as a public company for, among other things, directors' and officers' liability insurance, director fees and additional internal and external accounting and legal and administrative resources, including increased audit and legal fees.

Estrella's future results of consolidated operations and financial position may not be comparable to historical results as a result of the Business Combination.

Results of Operations

Estrella was formed on March 30, 2022, and has not commenced revenue-producing operations. To date, our operations have consisted of the development and early-stage testing of our initial product candidates, EB103 and EB104, preparation and submission of the IND Application for and researching the use of EB103 in conjunction with CF33-CD19t.

The results of operations for the three months ended September 30, 2023 and 2022 represented Estrella's results of operations to be comparable with the IPO, same period in 2022.

There are two major expenses incurred for the underwriters were granted an option to purchase up to 600,000 additional Units to cover over-allotments, if any (the "Over-allotment Option"). On July 19, 2021, the underwriters partially exercised the Over-allotment Option, past and July 21, 2021, the underwriters purchased 430,000 Units (the "Option Units") generating gross proceeds current operation:

Research and Development Expenses

Research and development expenses consist primarily of \$4,300,000, and net proceeds costs related to the Company enhancement of our technology which were mainly performed by Eureka. For the three months ended September 30, 2023 and 2022, we incurred approximately \$4,214,000 in \$0.5 million and \$2.6 million of research and development expenses, respectively. All research and development expense incurred for the aggregate after deducting the underwriter discount (the "Option Unit Proceeds"). Simultaneously with the issuance and sale of the Option Units, the Company completed the Private Placement sale of 17,200 additional Private Shares at a purchase price of \$10.00 per share, among which, the Sponsor purchased 13,760 additional Private Shares and Tradeup INC. purchased 3,440 additional Private Shares, generating total proceeds of \$172,000 (the "Private Placement Proceeds" and, together with the Option Unit Proceeds, the "Over-allotment Proceeds"). A total of \$4,386,000 of the Over-allotment Proceeds periods presented above were placed in the Trust Account. The IPO Proceeds and the Over-allotment Proceeds include \$1,550,500 payable dedicated to the underwriters (the "Business Combination Fee") pursuant development of ARTEMIS® T-cell therapies targeting CD19 and CD22. The decrease in research and development expenses was mainly due to a certain business combination marketing agreement among us, US Tiger Securities, Inc. ("US Tiger"), EF Hutton, division of Benchmark Investments, LLC ("EF Hutton") and R.F. Lafferty & Co., Inc., Estrella not incurring service fees with Eureka under the representatives (the "Representatives") of Services Agreement for the underwriters of the IPO (the "Business Combination Marketing Agreement") three months ended September 30, 2023.

Our management has broad discretion with respect to breakdown of research and development expenses by categories for the specific application of the proceeds of the IPO three months ended September 30, 2023 and the Private Placement that 2022 are held out of the Trust Account, although substantially all the net proceeds are intended to be applied generally towards consummating a business combination summarized below:

	For the Three Months Ended September 30, 2023	For the Three Months Ended September 30, 2022
Consulting and laboratory related fee	\$ 29,498	\$ 2,566,276
Stock based compensation	453,968	38,912
Total research and development	\$ 483,466	\$ 2,605,188

General and working capital, administrative expense

Proposed For the three months ended September 30, 2023 and 2022, we incurred approximately \$1.4 million and \$0.3 million of general and administrative expenses, respectively. The increase in general and administrative expenses for the three months ended September 30, 2023, was mainly due to an increase in professional fee, and recognition of the acceleration of the stock based compensation upon consummation of the Business Combination with Estrella Combination. The increase was also attributable to approximately \$0.4 million of bonus granted to our executive officers in recognition of their service.

Merger Agreement Net Loss

On September 30, 2022, We incurred a net loss of approximately \$1.9 million and \$2.9 million for the three months ended September 30, 2023 and 2022, respectively. We expect our research and development expenses to continue to increase as we entered into an Agreement to continue to work with Eureka to advance the IND filings, preclinical and Plan clinical development of Merger (as it may be amended, supplemented or otherwise modified from time to time) our product candidates and preclinical programs, seek regulatory approval for any product candidates that successfully complete clinical trials, scale up our clinical and regulatory capabilities, adapt our regulatory compliance efforts to time, the "Merger Agreement") among Tradeup Merger Sub Inc., a Delaware corporation incorporate requirements applicable to marketed products, maintain, expand, and direct, wholly owned subsidiary of UPTD ("Merger Sub"), protect our intellectual property portfolio, add operational, financial, and Estrella Biopharma, Inc., a Delaware corporation ("Estrella").

Estrella is a preclinical-stage biopharmaceutical company developing CD19 management information systems and CD22-targeted ARTEMIS® T-cell therapies with the capacity personnel, including personnel to address treatments support our product development and safety challenges for patients with blood cancers planned future commercialization efforts, and solid tumors. Estrella's mission is to harness the evolutionary power of the human immune system to transform the lives of patients fighting cancer.

Pursuant to the Merger Agreement, among incur additional legal, accounting, and other things, expenses in accordance with the General Corporation Law of the State of Delaware, as amended (the "DGCL"), Merger Sub will merge with and into the Estrella (the "Merger"), with Estrella surviving the Merger operating as a wholly owned subsidiary of UPTD ("Surviving Company"). The Merger will become effective at such time on the date of the closing of the Merger (the "Closing") as the certificate of merger is duly filed with the Delaware Secretary of State or at such other time specified in the certificates of merger (the "Effective Time"). Effective as of the Closing, UPTD will change its name to "Estrella Immunopharma, Inc." ("New Estrella"). The transactions contemplated by the Merger Agreement is herein referred to as the "Business Combination."

Pursuant to the Merger Agreement, stockholders of Estrella immediately prior to the Effective Time collectively will receive from us, in the aggregate, a number of newly issued shares of Common Stock equal to: (i) \$325,000,000 (the "Merger Consideration"), divided by (ii) \$10.00 per share in consideration of converting their shares of common stock of Estrella, par value \$0.0001 per share (the "Estrella Common Stock"). Each share of preferred stock of Estrella that is issued and outstanding immediately prior to the Effective Time will automatically convert into a number of shares of Estrella Common Stock in accordance with the certificate of incorporation of Estrella immediately prior to the Effective Time.

The Merger also calls for additional agreements, including, among others, the Lock-Up Agreement and the Support Agreement, as described elsewhere in the Proxy Statement/Prospectus.

Liquidity and Capital Resources

As of September 30, 2023, we had cash of approximately \$22.1 million. Our ability to fund our operations is dependent on the amount of cash on hand, our ability to raise debt or additional equity financing, and ultimately our ability to generate sufficient revenue. We have expended substantial funds on research and development, have experienced losses and negative cash flows from operations since our inception, and expect losses and negative cash flows from operations to continue until such time that our product candidates receive regulatory approval and we generate sufficient revenue and positive cash flow from operations, if ever.

To date, we have not generated any revenues from any source, and we do not expect to generate revenue for at least the next few years. If we fail to complete the development of our product candidates in a timely manner or fail to obtain their regulatory approval, our ability to generate future revenue will be adversely affected. We do not know when, or if, we will generate any revenue from our product candidates, and we do not expect to generate revenue unless and until we obtain regulatory approval of, and commercialize, our product candidates.

We expect our expenses to increase significantly in connection with our ongoing activities, particularly as we continue research and development, and seek marketing approval for, our product candidates. In addition, if we obtain approval for any of our product candidates, we expect to incur significant commercialization expenses related to sales, marketing, manufacturing, and distribution. Furthermore, following the completion of the Business Combination, we expect to incur additional costs associated with operating as a public company.

On September 29, 2023, the Business Combination and several concurrent financing transactions were consummated, with Estrella receiving net proceeds of approximately \$20.1 million, after deducting \$5.07 million payable to redeem 467,122 shares of UPTD Common Stock at \$10.86 per share in connection with the special meeting of UPTD stockholders related to the Business Combination held on July 31, 2023, \$1.6 million for transaction expenses and \$0.7 million for repayment of working capital loans, consisting of: (i) \$9.75 million from the issuance of shares of Estrella Series A Preferred Stock immediately prior to the closing of the Business Combination (\$730,000 of which was comprised of funds in the trust account delivered to Estrella at the closing of the Business Combination that would have otherwise been paid to US Tiger Securities, Inc. as a deferred underwriting fee in connection with UPTD's IPO); (ii) \$0.3 million from the issuance of an unsecured promissory note by us to a third party investor; (iii) \$3.06 million from the funds held in UPTD's trust account; and (iv) \$10 million from the PIPE investors pursuant to the Subscription Agreements.

On October 10, 2023, we remitted approximately \$9.3 million to Eureka upon consummation of the Business Combination. We expect to devote the remaining net proceeds from the Business Combination to the preclinical and clinical development of our product candidates and our public company compliance costs. Based on our current operating plan, we expect that the net proceeds from the Business Combination will be able to fund our operating expenses and capital requirements through one year from the issuance of these unaudited condensed consolidated financial statements. However, this estimate is subject to various uncertainties and risks, some of which are beyond our control. We may use our available capital resources sooner than we currently anticipate, and we may need to seek additional funds sooner than planned. Our estimate as to how long we expect the net proceeds from the Business Combination to be able to fund our operating expenses and capital requirements is based on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. Changing circumstances, some of which may be beyond our control, could result in fewer cash and cash equivalents available to us or cause us to consume capital significantly faster than we currently anticipate, and we may need to seek additional funds sooner than planned.

Our future operations are highly dependent on a combination of factors, including but not necessarily limited to (1) the success of our research and development programs; (2) the timely and successful completion of any additional financing; (3) the development of competitive therapies by other biotechnology and pharmaceutical companies; (4) our ability to manage growth of the organization; (5) our ability to protect our technology and products; and, ultimately (6) regulatory approval and successful commercialization and market acceptance of our product candidates.

We plan to raise additional capital in the future in order to continue our research and development programs and fund operations. However, our ability to raise additional capital is dependent on a number of factors, including the market demand for our securities, which itself is subject to a number of business risks and uncertainties, as well as uncertainty that we would be able to raise such additional capital at a price or on terms that are favorable to us. If we raise additional capital by issuing equity securities, our then-existing stockholders will experience dilution and the market price of our common stock may decline. We cannot be certain that additional financing, whether debt or equity, will be available in amounts or on terms acceptable to us, if at all.

In addition, there is no assurance that the Warrant holders will exercise their Warrants because they are currently out of the money. As of November 15, 2023, the closing price of our Common Stock was \$1.20 per share, which is significantly lower than the exercise price of the Warrants of \$11.50 per share. Therefore, it is unlikely that the warrant holders will exercise their warrants unless the market price of our Common Stock increases substantially above the exercise price. The cash proceeds associated with the exercise of the Warrants are dependent on the stock price and the number of Warrants being exercised. We cannot predict when or if any Warrants will be exercised, and it is possible that none or only a small number of Warrants will ever be exercised. Therefore, we may not be able to rely on the warrant exercise as a source of liquidity or capital resources.

Furthermore, although the Common Stock Purchase Agreement with White Lion provides that the Company may, in its discretion, from time to time, direct White Lion to purchase shares of up to \$50,000,000 of Common Stock ("Equity Line Shares") from the Company in one or more purchases in accordance with the Common Stock Purchase Agreement, the Company is not permitted to issue any Equity Line Shares under the Common Stock Purchase Agreement without obtaining majority stockholder approval if such issuance would equal 20% or more of the Company's outstanding common stock, which had not been obtained as of the date hereof and may not be obtained in the future. Additionally,

such shares will only be issuable to White Lion upon effectiveness of a registration statement for the Equity Line Shares, which had not occurred as of the date hereof.

We plan to raise additional capital in the future in order to continue our research and development programs and fund operations. However, our ability to raise additional capital in the equity or debt markets is dependent on various factors, and there is no assurance that such financing will be available on acceptable terms, or at all. The market demand of our equity is subject to a number of risks and uncertainties, including but not limited to, negative economic conditions, adverse market conditions, and adverse financial results.

Cash Flows

Operating activities

Net cash used in operating activities was approximately \$0.3 million for the three months ended September 30, 2023, and was primarily attributable to a net loss of approximately \$1.9 million, offset by approximately \$1.6 million increase in non-cash item such as stock-based compensation as we incurred amortization for the three months ended September 30, 2023 related to the stock options granted to our employees, board of directors, and other consultants under the Incentive Plan.

Net cash used in operating activities was approximately \$1.1 million for the three months ended September 30, 2022 and was primarily attributable to a net loss of approximately \$2.9 million, offset by (a) approximately \$0.8 million increase in account payable related party which related to service fee incurred from the Services Agreement, (b) approximately \$0.1 million increase in non-cash item such as stock-based compensation as we incurred amortization for the three months ended September 30, 2022 related to the stock options granted to our employees, board of directors, and other consultants under the Incentive Plan for the year ended June 30, 2022, (c) approximately \$0.8 million decrease in prepaid expenses as we utilized prior prepaid service fees from the Services Agreement in the current period, and (d) an approximately \$66,050 increase in other payables and accrued liabilities as we accrued various legal, consulting, and research and development expenses related to the Business Combination.

Investing activities

Net cash used in investing activities was approximately \$0.1 million for the three months ended September 30, 2023, and was primarily attributable approximately \$0.1 million loan to UPTD as Monthly Extension Payment before merger.

Financing activities

Net cash provided by financing activities was approximately \$20.0 million for the three months ended September 30, 2023, and was primarily attributable to approximately \$20.0 million net proceed received from the consummation of the Business Combination, which included approximately \$9.0 million in gross proceeds raised through sales of Estrella Series A Preferred Stock immediately prior to the effective time of the Merger, approximately \$0.3 million raised through issuance of an unsecured promissory note by Estrella to a third party investor, approximately \$0.7 million proceeds raise from the reverse recapitalization, and \$10.0 million net proceeds from the PIPE Investment that closed concurrently with the consummation of the Business Combination.

Off-Balance Sheet Arrangements

As of September 30, 2023 and June 30, 2023, we did not have, nor do we currently have, any off-balance sheet arrangements as defined under the rules and regulations of the SEC.

Commitments & Contingencies

In the normal course of business, we are subject to loss contingencies, such as legal proceedings and claims arising out of our business, that cover a wide range of matters, including, among others, government investigations and tax matters. In accordance with ASC No. 450-20, "Loss Contingencies", we will record accruals for such loss contingencies when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated.

License Agreement

Pursuant to the License Agreement, we were obligated to make (i) a one-time, non-refundable, non-creditable payment of \$1,000,000, payable in 12 equal monthly installments, (ii) certain one-time, non-refundable, non-creditable development "milestone" payments upon the occurrence of certain events related to development and sales, with potential aggregate multi-million dollar payments upon FDA approval, and (iii) royalty payments of a single digit percentage on net sales during any consecutive 12-month period.

As of September 30, 2023, we have paid two installments, an aggregate of approximately \$0.2 million, of the upfront payment to Eureka.

On January 30, 2023, one development milestone payment in the amount of \$50,000 related to the submission of EB103 to the FDA was earned by Eureka under the Agreement, which has not been paid as of the date hereof. No other development milestone, sales milestone, or royalty payment has been earned as we do not have any product candidates approved for sale and have not generated any revenue from product sales.

On October 10, 2023, the balance of the upfront fee in the amount of approximately \$0.9 million and the \$50,000 development milestone payment related to the submission of EB103 to the FDA was paid to Eureka.

Collaboration Agreement

Pursuant to the Collaboration Agreement, we and Imugene will be separately responsible for all qualified full-time person ("FTE") and other internal costs incurred in the performance of its research, as well as the full cost of procurement of leukopaks and purification of T-cells from two donors, and of manufacturing and quality control of EB103 T-cells under the research plan. Any joint cost will be shared equally. If either we or Imugene incurs out-of-pocket costs in excess of the amount budgeted for such costs in the applicable research budget plus allowable overruns, then the other party will not be responsible for its 50% share of the excess of such budgeted amount plus allowable overruns, unless the joint steering committee approves such excess costs (either before or after such costs have been incurred).

Services Agreement

Pursuant to the Services Agreement, we agreed to (i) pay Eureka \$10,000,000 in connection with the services thereunder payable in 12 equal monthly installments and (ii) reimburse Eureka on a monthly basis for reasonable pass-through costs incurred or paid to providers by Eureka in providing the services. In addition, we will be charged for other services performed by Eureka outside the scope of the services set forth in the Services Agreement, at a flat rate, by time or materials or as mutually agreed upon the parties in writing. As of September 30, 2023, we had remitted to Eureka two installments of \$1,666,667 and \$21,560 of pass-through costs for services provided pursuant to the Services Agreement.

On October 10, 2023 we remitted the remaining monthly installment payments under the Services Agreement and License Agreement in the amount of approximately \$9.3 million to Eureka.

Equity Financing Commitment

On April 20, 2023, the Company UPTD entered into a common stock Common Stock purchase agreement (the (as amended on April 26, 2023 and from time to time, the "Common Stock Purchase Agreement") and a related registration rights agreement (the "RRA" "White Lion RRA") with White Lion Capital, LLC, a Nevada limited liability company ("White Lion"). Pursuant to the Common Stock Purchase Agreement, following the Closing, the Company has the right, but not the obligation to require White Lion to purchase, from time to time, following consummation up to the lesser of the business combination contemplated by the Merger Agreement, up to (i) \$50,000,000 in aggregate gross purchase price of newly issued shares of the common stock, par value \$0.0001 per share, Common Stock of New Estrella after and (ii) the Business Combination (the "New Estrella Common Stock") Exchange Cap (as defined below), in each case, subject to certain limitations and conditions set forth in the Common Stock Purchase Agreement.

On April 26, 2023, the Company and White Lion entered into an amendment to the Common Stock Purchase Agreement (the "Amendment"). Pursuant to the Amendment, the Company agrees that it will, immediately prior to the Closing with Estrella, cause Estrella to issue to White Lion an aggregate of 250,000 shares of Estrella's Series A preferred stock, par value \$0.0001 per share, which the parties have acknowledged has a value of \$250,000.

The Company is obligated under the Common Stock Purchase Agreement and the RRA to file a registration statement with the SEC to register the New Estrella Common Stock under the Securities Act of 1933, as amended, for the resale by White Lion of shares of New Estrella Common Stock that the Company may issue to White Lion under the Common Stock Purchase Agreement.

For more information regarding the business of Estrella and the proposed Business Combination and relevant transactions, see the Registration Statement on Form S-4 (File No.: 333-267918) which was declared effective on July 11, 2023 (the "Form S-4"), and the final prospectus filed with the SEC on July 11, 2023 ("Proxy Statement/Prospectus"). The Company held a special meeting of its stockholders on Monday, July 31, 2023 at 9:00 a.m. Eastern Time (the "Special Meeting") to vote on, among others, the proposed Business Combination with Estrella.

Binding PIPE Investment Term Sheet

On July 25, 2023, the Company entered into a binding term sheet (the "Binding Term Sheet") with Suma Ventures, LLC (the "Investor"), Estrella, and Eureka Therapeutics, Inc., a Delaware corporation ("Eureka"), in connection with the Business Combination.

Pursuant to the Binding Term Sheet, immediately prior to the Closing, the Investor will acquire certain payables of Estrella owed to Eureka in an amount equal to \$6.8 million (the "Indebtedness") in exchange for securities of Eureka owned by the Investor. At the Closing, the Company will issue to the Investor 680,000 Class B units (the "New Units"), each consisting of one share of Common Stock and one share of preferred stock of the Company, and the Investor, in exchange, will agree to irrevocably waive the Indebtedness, and release Estrella and New Estrella from all obligations under the Indebtedness.

The Binding Term Sheet constitutes a binding agreement between the Company and the Investor with respect to the subject matter thereof and supersedes all prior oral or written agreements or understandings relating thereto. The Binding Term Sheet is subject to the execution and delivery by all parties of mutually satisfactory documentation, the completion of all due diligence and the consummation of the Business Combination.

Business Combination Meeting

On July 31, 2023, the Company held a special meeting of stockholders in connection with the proposed business combination with Estrella (the "Business Combination Meeting"), where the Company was approved by its stockholders, among the others, to adopt the Merger Agreement, consummate the Business

Combination and other relevant matters. In connection with the votes to approve the proposals at the Business Combination Meeting, 650,580 public shares were rendered for redemption with 98,074 public shares remained outstanding.

December 2022 Extension, Related Redemption and Extension Notes

On December 22, 2022, the Company held a special meeting of stockholders (the "2022 Special Meeting") where the Company was approved by its stockholders to adopt the amended and restated certificate of incorporation to extend the date before which the Company must complete a business combination (the "Combination Deadline") from January 19, 2023, by one month up to six times, to July 19, 2023 or such earlier date as determined by the board of directors of the Company. Upon the stockholders' approval, on December 29, 2022, the Company filed a certificate of amendment to the amended and restated certificate of incorporation which became effective upon filing. Additionally, as a result of the 2022 Special Meeting, upon the stockholders' approval, on December 29, 2022, UPTD and Wilmington Trust, National Association ("Wilmington"), as the trustee of the Trust Account, entered into the amendment to the Investment Management Trust Agreement dated July 14, 2021 (as amended, the "Trust Agreement").

As a result of the 2022 Special Meeting, 3,519,780 shares of Common Stock were rendered for redemption and approximately \$36.1 million was released from the Trust Account to pay such redeeming stockholders.

Under the then existing amended and restated certificate of incorporation, the Company may extend the Combination Deadline until July 19, 2023 by depositing \$45,511 (or \$0.05 per public share) into the Trust Account (the "Original Monthly Extension Payment") for each monthly extension. Pursuant to the Merger Agreement, Estrella made six Original Monthly Extension Payments to the Trust Account to extend the Combination Deadline to July 19, 2023. The six Original Monthly Extension Payments were evidenced by six promissory notes (collectively, the "Original Extension Notes") issued by the Company to Estrella, each in the principal amount of \$45,511.

July 2023 Extension, Related Redemption and Extension Note

On July 17, 2023, the Company held a special meeting of stockholders (the "2023 Special Meeting") where the Company was approved by its stockholders to adopt the amended and restated certificate of incorporation to extend the date of the Combination Deadline from July 19, 2023 to July 14, 2024 or such earlier date as determined by the board of directors of the Company. Upon the stockholders' approval, on July 17, 2023, the Company filed a certificate of amendment to the amended and restated certificate of incorporation (the "Current Charter") which became effective upon filing. Additionally, as a result of the 2023 Special Meeting, upon the stockholders' approval, on July 17, 2023, UPTD and Wilmington entered into the amendment to the Trust Agreement. As a result of the 2023 Special Meeting, 161,566 shares of Common Stock were rendered for redemption and approximately \$1.73 million was released from the Trust Account to pay such redeeming stockholders.

Under the Current Charter, the Company may extend the Combination Deadline until July 14, 2024, by depositing \$37,432.70 (or \$0.05 per public share) into the Trust Account (the "Current Monthly Extension Payment") for each monthly extension. Pursuant to the Merger Agreement, Estrella made one Current Monthly Extension Payments to the Trust Account to extend the Combination Deadline to August 19, 2023. The Current Monthly Extension Payment was evidenced by a promissory notes (the "Current Extension Note," together with the Original Extension Notes, collectively, the "Extension Notes") issued by the Company to Estrella, in the principal amount of \$37,432.70.

Outstanding Promissory Notes and Loans

As of the date hereof, we have outstanding loans from various parties in the aggregated amount of \$708,600, which include (i) an unsecured promissory note dated July 25, 2022 (the "Running Lion Note") in the amount of \$204,000 to Running Lion Holdings Limited ("Running Lion"), a company limited by shares incorporated under the laws of British Virgin Islands, which is wholly owned and controlled by Mr. Weiguang Yang, the Co-Executive Officer and director of the Company, (ii) an unsecured promissory note dated July 25, 2022 (the "July 2022 Sponsor Note") in the amount of \$294,600 to Tradeup INC., (iii) an unsecured promissory note dated January 19, 2023 (the "January 2023 Sponsor Note") in the amount of \$50,000 to the Sponsor, to evidence a deposit that the Sponsor provided to the Company to pay its certain operating expenses, (iv) an unsecured promissory note dated March 3, 2023 in the amount of \$50,000 to Tradeup INC. (v) an unsecured promissory note dated June 3, 2023 in the amount of \$60,000 to Tradeup INC. (the "June 2023 Sponsor Note"), and (vi) an unsecured promissory note dated July 20, 2023 in the amount of \$50,000 to Tradeup INC. for working capital purpose (the "July 2023 Sponsor Note", together with Running Lion Note, July 2022 Sponsor Note, January 2023 Sponsor, March 2023 Sponsor Note, and June 2023 Sponsor Notes, collectively the "Notes").

In connection with the Extension, we issued the Extension Notes in the amount of \$310,499 to Estrella to evidence the funds deposited into the Trust Account.

Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard

April 3 Notice Registration Rights

On April 3, 2023, the Company received a written notice (the "April 3 Notice") from the listing qualifications department staff of The Nasdaq Stock Market ("Nasdaq") notifying the Company that for the last 30 consecutive business days, the Company's minimum Market Value of Listed Securities ("MVLs") was below the minimum of \$35 million required for continued listing on the Nasdaq Capital Market pursuant to Nasdaq Listing Rule 5550(b)(2) (the "Market Value Standard"). The April 3 Notice is only a notification of deficiency, not of imminent delisting, and has no current effect on the listing or trading of the Company's securities on the Nasdaq Capital Market.

In accordance with Nasdaq Listing Rule 5810(c)(3)(C), the Company will have 180 calendar days, or until October 2, 2023, to regain compliance with the Market Value Standard. To regain compliance with the Market Value Standard, the MVLs for the Company's Common Stock must be at least \$35 million for a minimum of 10 consecutive business days at any time during this 180-day period. If the Company regains compliance with the Market Value Standard, Nasdaq will provide the Company with written confirmation and will close the matter.

If the Company does not regain compliance with the rule by October 2, 2023, Nasdaq will provide notice that the Company's securities will be delisted from the Nasdaq Capital Market. In the event of such notification, the Nasdaq rules permit the Company an opportunity to appeal Nasdaq's determination.

The Company is monitoring the MVLs of its common stock and is evaluating options to regain compliance with the Market Value Standard. However, there can be no assurance that the Company will be able to regain or maintain compliance with Nasdaq listing standards.

April 19 Notice

On April 19, 2023, the Company received a written notice (the "April 19 Notice") from Nasdaq notifying the Company that the Company was not in compliance with Listing Rule 5550(a)(3) (the "Minimum Public Holders Rule"), which requires the Company to have at least 300 public holders for continued listing on the Nasdaq Capital Market. The April 19 Notice is only a notification of deficiency, not of imminent delisting, and has no current effect on the listing or trading of the Company's securities on the Nasdaq Capital Market.

The April 19 Notice states that the Company has 45 calendar days to submit a plan to regain compliance with the Minimum Public Holders Rule. The Company submitted its plan of compliance on June 5, 2023 accordingly. On June 22, 2023, the Company received a notification letter from Nasdaq states that Nasdaq determined to grant the Company an extension until October 16, 2023 to regain compliance with the Minimum Public Holder Rule.

Investment Company Act and Liquidation of Investments in the Trust Account into Cash Held in the Trust Account

Since the consummation of the IPO, the Company has deposited the proceeds of the IPO and partial proceeds of the concurrent private placements into the Trust Account to invest in U.S. government securities with a maturity of 185 days or less or in money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act. As a result, it is possible that a claim could be made that the Company has been operating as an unregistered investment company. If the Company was deemed to be an investment company for purposes of the Investment Company Act, compliance with these additional regulatory burdens would require additional expenses for which the Company has not allotted funds and may hinder the Company's ability to complete a business combination. The Company might be forced to abandon its efforts to complete an initial business combination and instead be required to liquidate. If the Company is required to liquidate, its investors would not be able to realize the benefits of owning stock in a successor operating business, such as any appreciation in the value of the Company's securities following such a transaction, its warrants would expire worthless and shares of common stock would have no value apart from their pro rata entitlement to the funds then-remaining in the Trust Account.

The longer that the funds in the Trust Account are held in short-term U.S. government treasury obligations or in money market funds invested exclusively in such securities there is a greater risk that the Company may be considered an unregistered investment company, in which case the Company may be required to liquidate. In order to mitigate the potential risks of being deemed to have been operating as an unregistered investment company for purposes of the Investment Company Act of 1940, as amended (the "Investment Company Act"), the Company has instructed Wilmington to liquidate the U.S. government treasury obligations and money market funds held in the Trust Account on July 14, 2023 and to hold all funds in the Trust Account in cash until the earlier of consummation of the Company's initial business combination or liquidation. Following such liquidation, the Company will likely continue to receive, minimal interest, if any, on the funds held in the Trust Account, which would reduce the dollar amount its public stockholders would receive upon any redemption or liquidation of the Company.

Results of Operations

We have neither engaged in any operations nor generated any operating revenues to date. Our only activities from inception through June 30, 2023 were organizational activities and those necessary to prepare for the IPO, search for a target company, and effectuate the business combination with Estrella. We do not expect to generate any operating revenues until after the completion of our business combination with Estrella. We generate non-operating income in the form of dividend. We are incurring expenses as a result of being a public company (for legal, financial reporting, accounting and auditing compliance), as well as for due diligence expenses in connection with searching for and completion of the business combination.

For the three months ended June 30, 2023, we had a net loss of \$76,004, which consisted of formation and operating costs of \$155,295, franchise tax expenses of \$13,942, and income taxes provision of \$21,077, offset by dividend earned on investment held in Trust Account of \$114,310.

For the three months ended June 30, 2022, we had a net loss of \$359,586, which consisted of formation and operating costs \$399,765 and franchise tax expenses of \$24,000, offset by dividend earned on investment held in Trust Account of \$64,179.

For the six months ended June 30, 2023, we had a net loss of \$139,329, which consisted of formation and operating costs of \$291,845, franchise tax expenses of \$27,042, and income taxes provision of \$40,542, offset by dividend earned on investment held in Trust Account of \$220,100.

For the six months ended June 30, 2022, we had a net loss of \$500,838, which consisted of formation and operating costs \$520,505 and franchise tax expenses of \$48,200, offset by dividend earned on investment held in Trust Account of \$67,867.

Liquidity and Capital Resources

As of June 30, 2023, we had cash outside the Trust Account of \$34,688 available for working capital needs. All remaining cash is held in the Trust Account and is generally unavailable for our use, prior to an initial business combination, and is restricted for use either in a business combination or to redeem the shares of Common Stock. As of June 30, 2023, none of the amount on deposit in the Trust Account was available to be withdrawn as described above.

For the six months ended June 30, 2023, there was \$488,384 of cash used in operating activities. Net loss of \$139,329 was affected by dividend earned on investment held in Trust Account amounting to \$220,100, deferred tax expense of \$21,102, increase in prepaid expenses of \$83,050, decrease in franchise tax payable of \$143,927 and offset by increase in accounts payable and accrued expenses of \$108,656 and increase in income tax payable of \$10,468.

For the six months ended June 30, 2022, there was \$390,587 of cash used in operating activities. Net loss of \$500,838 was affected by dividend earned on an investment held in Trust Account amounting to \$67,867 and decrease in franchise tax payable of \$21,954 and offset by decrease in prepaid expenses of \$96,625 and increase in accounts payable and accrued expenses of \$103,447.

For the six months ended June 30, 2023, there was \$99,204 of cash provided by investing activities resulting from withdrawal of an investment held in the Trust Account amounting to \$372,270 and offset by the purchase of an investment held in Trust Account amounting to \$273,066.

For the six months ended June 30, 2022, there were no cash investing activities.

For the six months ended June 30, 2023, there was \$383,066 of cash provided by financing activities resulting from proceeds from the issuance of promissory notes amounting to \$273,066 and the issuance of working loans to a related party amounting to \$110,000.

For the six months ended June 30, 2022, there were no cash financing activities.

Until consummation of the business combination, we will be using the funds not held in the Trust Account, and any additional funding that may be loaned to us by our Sponsor, for identifying and evaluating prospective acquisition candidates, performing business due diligence on prospective target businesses, traveling to and from the offices, plants or similar locations of prospective target businesses, reviewing corporate documents and material agreements of prospective target businesses, selecting the target business to acquire and structuring, negotiating and consummating the business combination.

If our estimates of the costs of undertaking in-depth due diligence and negotiating business combination are less than the actual amount necessary to do so, we may have insufficient funds available to operate its business prior to the business combination and will need to raise additional capital. In this event, our officers, directors or their affiliates may, but are not obligated to, loan us funds as may be required. If we consummate an initial business combination, we would repay such loaned amounts out of the proceeds of the Trust Account released to us upon consummation of the business combination, or, at the lender's discretion, up to \$1,200,000 of such loans may be convertible into units of the post business combination entity at a price of \$10.00 per share. In the event that the initial business combination does not close, we may use a portion of the working capital held outside the Trust Account to repay such loaned amounts, but no proceeds from our Trust Account would be used for such repayment. The terms of such loans by our initial stockholders, officers and directors, if any, have not been determined and no written agreements exist with respect to such loans.

Moreover, we may need to obtain additional financing either to consummate our initial business combination or because we become obligated to redeem a significant number of our public shares upon consummation of our initial business combination, in which case we may issue additional securities or incur debt in connection with such business combination. Subject to compliance with applicable securities laws, we would only consummate such financing simultaneously with the consummation of our initial business combination. Following our initial business combination, if cash on hand is insufficient, we may need to obtain additional financing in order to meet our obligations.

As of June 30, 2023, we had cash of \$34,688 and a working deficit of \$1,301,969. We have incurred and expect to continue to incur significant professional costs to remain as a publicly traded company and to incur significant transaction costs in pursuit of the consummation of a business combination. In connection with our assessment of going concern considerations in accordance with Financial Accounting Standard Board's Accounting Standards Update ("ASU") 2014-15, "Disclosures of Uncertainties about an Entity's Ability to Continue as a Going Concern," management has determined that these conditions raise substantial doubt about our ability to continue as a going concern. The management's plan in addressing this uncertainty is through the Promissory Notes – related parties and the working capital loans, as discussed above. In addition, if we are unable to complete a business combination by July 14, 2024, our board of directors would proceed to commence a voluntary liquidation and thereby a formal dissolution of us. There is no assurance that our plans to consummate a business combination will be successful by July 14, 2024. As a result, management has determined that such additional condition also raise substantial doubt about our ability to continue as a going concern. The unaudited condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Off-Balance Sheet Financing Arrangements

We have no obligations, assets or liabilities that would be considered off-balance sheet arrangements as of June 30, 2023. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements. We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or purchased any non-financial assets.

Contractual Obligations

As of June 30, 2023, we do not have any long-term debt, capital lease obligations, operating lease obligations or long-term liabilities.

The holders of 312,200 shares of common stock that were issued to the founder initial stockholders of UPTD (the "Founder Shares") and of 1,107,500 shares the Private Shares, and any Conversion Shares will be of Common Stock issued to certain investors in a private placement in connection with UPTD's initial public offering (the "Private Shares") are entitled to registration rights pursuant to a registration and shareholder rights agreement, entered into in connection with dated July 14, 2021, among TradeUP Acquisition Corp., TradeUP Acquisition Sponsor LLC and certain security holders named therein. The Company assumed the IPO obligations of UPTD under such agreement upon consummation of the Business Combination. The holders of the majority of these securities are entitled to make up to three demands, excluding short form demands, that we register the Company registers such securities. In addition, the holders have certain "piggy-back" registration rights with respect to registration statements filed subsequent to our the completion of our the initial business combination. Business Combination and rights to require the Company to register for resale such securities pursuant to Rule 415 under the Securities Act. We are also obligated to file a registration statement for the (i) Equity Line Shares that we may issue to White Lion pursuant to the Common Stock Purchase Agreement and White Lion RRA, (ii) up to 2,225,000 shares of Common Stock issuable upon exercise of the Warrants and (iii) the shares issued or that will be issued pursuant to the Subscription Agreements. The Company will bear the expenses incurred in connection with the filing of any such registration statements. The Company filed a registration statement on Form S-1 with the SEC on October 10, 2023 and Amendment No. 1 thereto on November 13, 2023 with respect to the Founder Shares, Private Shares, Equity Line Shares, the shares of Common Stock issuable upon exercise of the Warrants and certain shares issuable under the Subscription Agreements. The registration statement had not been declared effective as of the date hereof.

We are obligated to pay the Representatives the Business Combination Fee equal to 3.5% of the gross proceeds of the IPO and the sale of over-allotment Option Units. The Business Combination Fee of \$1,550,500 will become payable to the Representatives from the amounts held in the Trust Account solely in the event that we complete a Business Combination.

As of the date hereof, we have outstanding loans from various related parties in the aggregated amount of \$708,600, which include (i) the Running Lion Note in the amount of \$204,000 to Running Lion, (ii) the July 2022 Sponsor Note in the amount of \$294,600 to Tradeup INC., (iii) the January 2023 Sponsor Note in the amount of \$50,000 to the Sponsor, to evidence a deposit that the Sponsor provided to the Company to pay its certain operating expenses, (iv) the March 2023 Sponsor Note in the amount of \$50,000 to Tradeup INC. (v) the June 2023 Sponsor Note in the amount of \$60,000 to Tradeup INC., and (vi) the July 2023 Sponsor Note in the amount of \$50,000 to Tradeup INC. In connection with the Extension, we issued the Extension Notes in the amount of \$310,498.70 to Estrella to evidence the funds deposited into the Trust Account.

Critical Accounting Policies

Basis of Presentation

The accompanying Our unaudited condensed consolidated financial statements are presented accompanying notes have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the rules and regulations of the SEC, and include all normal and recurring adjustments that management of the Company considers necessary for a fair presentation of its financial position and operation results. Interim results are not necessarily indicative of results to be expected for any other interim period or for the full year. The information included in this Form 10-Q should be read in conjunction with information included in the Company's annual report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission on March 14, 2023.

Emerging Growth Company Status

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012, (the "JOBS Act"). As an emerging growth company, the Company may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, reduced disclosure obligations regarding executive compensation in its periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

Further, Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Securities Exchange Act of 1934, as amended) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such an election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of the Company's financial statements with another public company that is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used.

Use of Estimates

GAAP. The preparation of these unaudited condensed consolidated financial statements in conformity with US GAAP and accompanying notes requires management to make estimates and assumptions judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We have identified certain accounting estimates that are significant to the date preparation of the our financial statements. These estimates are important for an understanding of our financial condition and results of operation. Certain accounting estimates are particularly sensitive because of their significance to financial statements and because of the reported amounts of expenses during possibility that future events affecting the reporting period. Actual results could estimate may differ significantly from those estimates. The accompanying unaudited condensed consolidated financial statements include all adjustments management considers necessary for a fair presentation.

Cash management's current judgments. We believe no critical accounting estimate was identified other than below listed significant estimate and accounting policies.

The Company considers all short-term investments with an original maturity of three months or less when purchased to be cash equivalents. The Company did not have any cash equivalents. Stock-Based Compensation

Investments Held We recognize compensation costs resulting from the issuance of stock-based awards to employees, non-employees, and directors as an expense in Trust Account the statements of operations over the requisite service period based on a measurement of fair value for each stock-based award. The fair value of each option granted is estimated as of the date of grant using the Black-Scholes-Merton option-pricing model, net of actual forfeitures. The fair value is amortized as compensation cost on a straight-line basis over the requisite service period of the awards, which is generally the vesting period. The Black-Scholes-Merton option-pricing model includes various assumptions, including the fair market value of Estrella Common Stock, expected life of stock options, the expected volatility, and the expected risk-free interest rate, among others. These assumptions reflect our best estimates, but they involve inherent uncertainties based on market conditions generally outside of our control.

As of June 30, 2023 and December 31, 2022, the assets held a result, if other assumptions had been used, stock-based compensation expense, as determined in the Trust Account were held accordance with authoritative guidance, could have been materially impacted. Furthermore, if we use different assumptions on future grants, stock-based compensation expense could be materially affected in money market funds, which are invested in U.S. Treasury securities. future periods.

Gains and losses resulting from We account for the change in fair value of investments held in Trust Account are accounted as dividend income in equity instruments issued to non-employees using either the accompanying unaudited condensed statement fair value of operations. Dividend income for the three months ended June 30, 2023 and 2022 amounted services received or the fair value of the equity instrument, whichever is considered more reliable. We utilize the Black-Scholes-Merton option-pricing model to \$114,310 and \$64,179, respectively. Dividend income for measure the six months ended June 30, 2023 and 2022 amounted fair value of options issued to \$220,100 and \$67,867, respectively.

Offering Costsnon-employees.

The Company complies We record compensation expense for the awards with graded vesting using the requirements of FASB ASC Topic 340-10-S99-1, "Other Assets and Deferred Costs – SEC Materials" ("ASC 340-10-S99") and SEC Staff Accounting Bulletin Topic 5A, "Expenses of Offering". Offering costs were \$3,019,474 consisting principally of underwriting, legal, accounting and other expenses that straight-line method. We recognize compensation expense over the requisite service period applicable to each individual award, which generally equals the vesting term. Forfeitures are directly related to the Initial Public Offering and charged to stockholders' equity upon the completion of the Initial Public Offering, recognized when realized.

WarrantsEmerging Growth Company and Smaller Reporting Company Status

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment In April 2012, the JOBS Act was enacted. Section 107 of the warrant's specific terms and applicable authoritative guidance in Financial Accounting Standards Board ("FASB") ASC 480 "Distinguishing Liabilities from Equity" ("ASC 480") and ASC 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, whether they meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all JOBS Act provides that an "emerging growth company" can take advantage of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own common stock and whether the warrant holders could potentially require "net cash settlement" extended transition period provided in a circumstance outside Section 7(a)(2)(B) of the Company's control, among other conditions Securities Act for equity classification. This assessment, which requires complying with new or revised accounting standards. Thus, an emerging growth company can delay the use adoption of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of equity at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded as liabilities at their initial fair value on the date of issuance, and each balance sheet date thereafter. Changes in the estimated fair value of the warrants are recognized as a non-cash gain or loss on the statements of operations.

Common Stock Subject to Possible Redemption

The Company accounts for its Common Stock subject to possible redemption in accordance with the guidance in ASC Topic 480 "Distinguishing Liabilities from Equity." Common Stock subject to mandatory redemption (if any) are classified as a liability instrument and are measured at fair value. Conditionally redeemable Common Stock (including Common Stock that feature redemption rights that are either within the control of the holder or subject to redemption upon the occurrence of uncertain events not solely within the Company's control) are classified as temporary equity. At all other times, Common Stock are classified as stockholders' equity. The Company's public shares feature certain redemption rights that are considered to be outside of the Company's control and subject to occurrence of uncertain future events. Accordingly, as of June 30, 2023 and December 31, 2022, Common Stock subject to possible redemption are presented at redemption value of \$10.71 and \$10.25 per share, respectively, as temporary equity, outside of the stockholders' equity section of the Company's balance sheet. The Company recognizes changes in redemption value immediately as they occur and adjusts the carrying value of redeemable Common Stock to equal the redemption value at the end of each reporting period. Increases or decreases in the carrying amount of redeemable Common Stock are affected by charges against additional paid in capital or accumulated deficit if additional paid in capital equals to zero.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist of a cash account in a financial institution. The Company has not experienced losses on this account and management believes the Company is not exposed to significant risks on such account. As of June 30, 2023 and December 31, 2022, no balance was over the Federal Deposit Insurance Corporation (FDIC) limit.

Fair Value of Financial Instruments

The fair value of the Company's assets and liabilities approximates the carrying amounts represented in the accompanying balance sheet, primarily due to their short-term nature.

The fair value of the Company's financial assets and liabilities reflects management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. In connection with measuring the fair value of its assets and liabilities, the Company seeks to maximize the use of observable inputs (market data obtained from independent sources) and to minimize the use of unobservable inputs (internal assumptions about how market participants would price assets and liabilities). The following fair value hierarchy is used to classify assets and liabilities based on the observable inputs and unobservable inputs used in order to value the assets and liabilities:

- Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments.
- Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value.

Income Taxes

The Company accounts for income taxes under ASC 740 Income Taxes ("ASC 740"). ASC 740 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statement and tax basis of assets and liabilities and for the expected future tax benefit to be derived from tax loss and tax credit carry forwards. ASC 740 additionally requires a valuation allowance to be established when it is more likely than not that all or a portion of deferred tax assets will not be realized.

ASC 740 also clarifies the accounting for uncertainty in income taxes recognized in an enterprise's unaudited condensed consolidated financial statements and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. ASC 740 also provides guidance on derecognition, classification, interest and penalties, accounting in interim period, disclosure and transition.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. There were no unrecognized tax benefits and no amounts accrued for interest and penalties as of June 30, 2023 and December 31, 2022. The Company is currently not aware of any issues under review that could result in significant payments, accruals or material deviation from its position.

The Company has identified the United States as its only "major" tax jurisdiction.

The Company may be subject to potential examination by federal and state taxing authorities in the areas of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with federal and state tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Net Income (Loss) per Share

Recent Accounting Pronouncements

Management does not believe that any recently issued, but not effective, accounting standards if currently adopted, until those standards would have a material effect on our unaudited condensed consolidated financial statements, otherwise apply to private companies. We previously elected the extended transition period for complying with new or revised accounting standards, which delays the adoption of these accounting standards until they would apply to private companies.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK. RISK

Not applicable. We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this item.

ITEM 4. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed with the objective of ensuring to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act such as this Report, is recorded, processed, summarized and reported within the time period specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Evaluation of Disclosure Controls and Procedures

As required by Rules 13a-15 and 15d-15 under the Exchange Act, our Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2023. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15 (e) and 15d-15 (e) under the Exchange Act) were not effective.

Management's Controls Over Financial Reporting

Our disclosure controls and procedures are also designed with to ensure that the objective information we are required to disclose in reports that we file or submit under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission ("SEC") rules and forms, and that such information is accumulated and communicated to our management including the chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Our management, evaluated, with the participation and supervision of our current chief executive officer Chief Executive Officer and chief financial officer (our "Certifying Officers"), our Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2023, pursuant to Rule 13a-15(b) (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this quarterly report. Based upon that on such evaluation, our Co-Chief Chief Executive Officers Officer and Chief Financial Officer have concluded that as of June 30, 2023, such date, our disclosure controls and procedures were not, in design and operation, effective as of September 30, 2023 at a reasonable assurance level due to the restatement related to the classification of redeemable common stock as of July 19, 2021 material weaknesses and management has identified a material weakness significant deficiency in internal controls related to the accounting for complex equity instruments in connection with our initial public offering. In light of this material weakness, we performed additional analyses as deemed necessary to ensure that our control over financial statements were prepared in accordance with the US GAAP. Accordingly, management believes that the financial statements included in this Amendment present fairly in all material respects our financial position, results of operations and cash flows for the period presented, reporting described below:

Material Weakness

- We did not have qualified full-time personnel with appropriate levels of accounting knowledge and experience to address complex U.S. GAAP accounting issues and to prepare and review financial statements and related disclosures under U.S. GAAP.
- We did not have comprehensive written control policies in place; we did not have an internal audit function or IT function to ensure the internal controls are properly designed and implemented.
- We lacked evidence of certain review and approval procedures performed.

A material weakness is a deficiency, or a combination of deficiencies, within the meaning of Public Company Accounting Oversight Board Auditing Standard AS 2201, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Following the identification of the material weaknesses, we plan to take remedial measures including:

- hiring qualified accounting personnel with relevant U.S. GAAP and SEC reporting experience and qualifications to strengthen the financial reporting function and to set up a financial and system control framework;
- implementing regular and continuous U.S. GAAP accounting and financial reporting training programs for our accounting and financial reporting personnel;
- establishing internal audit function by engaging an external consulting firm to assist us with assessment of Sarbanes-Oxley Act of 2002 compliance requirements and improvement of overall internal control; and
- strengthening corporate governance.

We do not expect believe, however, that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, system, no matter how well conceived designed and operated, can cannot provide only reasonable, not absolute assurance that the objectives of the disclosure controls and procedures systems are met. Further, the design of disclosure controls met, and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we have detected all our control deficiencies issues and instances of fraud or error, if any. The design of disclosure controls and procedures also is based partly on certain assumptions about the likelihood of future events, and there can be no assurance that any, design will succeed in achieving its stated goals under all potential future conditions. within a company have been detected.

(b) Changes in Internal Control over Financial Reporting

There were no changes in During the quarter ended September 30, 2023 we completed the Merger and the internal controls of Estrella Biopharma, Inc. became our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter covered by this report that has materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. In light of the correction of the material weakness as discussed above, we are enhancing our processes to appropriately apply applicable accounting requirements to our financial statements. Our plans include providing training to our accounting personnel and increased communication among our accounting personnel and third-party professionals with whom it consults regarding complex accounting applications. We believe our efforts will enhance our controls relating to complex and technical accounting matters, but we can offer no assurance that our controls will not require additional review and modification in the future as industry accounting practices based on the SEC Statement may evolve over time. controls.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are not a party to any material legal proceedings and no material legal proceedings have been threatened by us or, to the best of our knowledge, against us. None.

ITEM 1A. RISK FACTORS

Factors that could cause our actual results to differ materially from those included in this Quarterly Report are any of the risks described under "Risk Factors" in our final prospectus dated July 19, 2021 and in the Registration Statement in Proxy Statement/Prospectus dated July 11, 2023 registration statement on Form S-1 filed with the SEC on October 10, 2023 and Amendment No. 1 thereto filed on November 13, 2023, respectively, which are incorporated herein by reference. Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations. As of the date of this Quarterly Report, there have been no material changes to the risk factors disclosed in our final prospectus dated July 19, 2021 or in our Proxy Statement/Prospectus dated July 11, 2023, registration statement on Form S-1 filed with the SEC on October 10, 2023 and Amendment No. 1 thereto filed on November 13, 2023, except we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the SEC.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The information

Unregistered Sales of Equity Securities
Except as previously disclosed in the Current Report on Form 8-K filed by the Company with the SEC on October 5, 2023, in connection with the closing of the Notes and the Extension Notes contained under Item 2 of Part I above is incorporated herein by reference in response to this item. The issuance of the Business Combination, no unregistered sales of the Notes and Company's equity securities were made during the Extension Notes was made pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933, as amended, fiscal quarter ended September 30, 2023.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None. Effective upon closing of the Business Combination on September 29, 2023, the Company entered into a Company Stockholder Lock-Up Agreement ("Lock-Up Agreement") with Eureka substantially similar to the Form of Lock-Up Agreement attached as Exhibit F to the Merger Agreement, pursuant to which Eureka agreed not to transfer any of the 25,277,831 shares of Common Stock that it received as merger consideration upon closing of the Business Combination for a period of six months, subject to certain exceptions and adjustments. The material terms of the Lock-Up Agreement are described in the definitive proxy statement/prospectus filed by TradeUP Acquisition Corp. with the SEC on July 11, 2023 in the section entitled "Proposal 1: The Business Combination Proposal—Related Agreements—Lock-Up Agreement", which description is incorporated herein by reference, and is qualified in its entirety by reference to the full text of the Merger Agreement and the Form of Lock-Up Agreement attached as Exhibit F thereto. The Merger Agreement is filed as Exhibit 2.1 hereto and incorporated herein by reference.

ITEM 6. EXHIBITS

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Exhibit No.	Description
2.1	Agreement and Plan of Merger, dated as of September 30, 2022, by and among the Registrant, TradeUP Merger Sub Inc., and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 2.1 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
3.1	Certificate of Amendment to the Amended and Restated Certificate of Incorporation adopted by stockholders of the Company on July 17, 2023 and filed with the Secretary of State of the State of Delaware on July 17, 2023 (incorporated by reference to Exhibit 3.1 to the Company Current Report on Form 8-K, filed with the Securities & Exchange Commission SEC on July 19, 2023) October 5, 2023).
10.1 3.2	Extension Note, Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
4.1	Specimen of Common Stock Certificate (incorporated by reference to Exhibit 4.2 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023 File No. 333-267918).
4.2	Specimen of Warrant Certificate (incorporated by reference to Exhibit 4.3 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023 File No. 333-267918).
4.3	Warrant Agreement, dated April 12, 2023 July 14, 2021, issued by between TradeUP Acquisition Corp. and VStock Transfer, LLC, as warrant agent (incorporated by reference to Estrella Biopharma, Inc. Exhibit 4.4 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023 File No. 333-267918).
10.1	Subscription Agreement dated September 14, 2023 by and among TradeUP Acquisition Corp. and Plentiful Limited (incorporated by reference to Exhibit 10.1 to the Company Current Report on Form 8-K filed with the Securities & Exchange Commission SEC on April 13, 2023) September 20, 2023).
10.2	Subscription Agreement dated September 14, 2023 by and among TradeUP Acquisition Corp. and Lianhe World Limited (incorporated by reference to Exhibit 10.2 to the Company Current Report on Form 8-K filed with the SEC on September 20, 2023).
10.2 10.3	Common Stock Purchase Agreement dated as of April 20, 2023, by and between TradeUP Acquisition Corp. and White Lion Capital LLC (incorporated by reference to Exhibit 10.1 to the Company Current Report on Form 8-K filed with the Securities & Exchange Commission SEC on April 24, 2023).
10.4	Joinder to the Estrella Series A Purchase Agreement by and between Estrella Biopharma, Inc. and Lianhe World Limited (incorporated by reference to Exhibit 10.4 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.3 10.5	Joinder to the Estrella Series A Purchase Agreement by and between Estrella Biopharma, Inc. and CoFame Investments, LLC (incorporated by reference to Exhibit 10.5 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.6	Joinder to the Estrella Series A Purchase Agreement by and between Estrella Biopharma, Inc. and US Tiger Securities, Inc. (incorporated by reference to Exhibit 10.6 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.7	Joinder to the Estrella Series A Purchase Agreement by and between Estrella Biopharma, Inc. and Smart Crest International Limited (incorporated by reference to Exhibit 10.7 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.8	Joinder to the Estrella Series A Purchase Agreement by and between Estrella Biopharma, Inc. and Yangbing Xiao (incorporated by reference to Exhibit 10.8 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.9	Joinder to the Estrella Series A Purchase Agreement by and between Estrella Biopharma, Inc. and Yuandong Wang (incorporated by reference to Exhibit 10.9 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.10	Stock Transfer Agreement by and among Cheng Liu, Jiandong (Peter) Xu and Qian (Vicky) Yang, Yuandong Wang and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.10 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.11	Stock Transfer Agreement by and among Cheng Liu, Jiandong (Peter) Xu and Qian (Vicky) Yang, Yangbing Xiao and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.11 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.12	Stock Transfer Agreement by and among Cheng Liu, Jiandong (Peter) Xu and Qian (Vicky) Yang, Smart Crest International Limited and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.12 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).

10.13	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.13 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.14	Estrella Immunopharma, Inc. 2023 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.14 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.15	Unsecured Promissory Note by and between Hongbin Zhang and Estrella Biopharma Inc. (incorporated by reference to Exhibit 10.15 to the Company Current Report on Form 8-K, filed with the SEC on October 5, 2023).
10.16	Registration Rights Agreement, dated as of April 20, 2023, by and between TradeUP Acquisition Corp. and White Lion Capital LLC. (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed with the Securities & Exchange Commission SEC on April 24, 2023), File No. 001-40608).
10.4 10.17	Amendment to the Common Stock Purchase Agreement, dated as of April 26, 2023, by and between TradeUP Acquisition Corp. and White Lion Capital LLC (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed with the Securities & Exchange Commission SEC on April 26, 2023), File No. 001-40608).

10.5	10.18	Extension Promissory Note, License Agreement, dated May 19, 2023 June 28, 2022, issued by TradeUP Acquisition Corp. to and among Eureka Therapeutics, Inc., Eureka Therapeutics (Cayman) Ltd. and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.1 10.4 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023, File No. 333-267918).
10.19		Amendment No. 1 to License Agreement, effective October 1, 2022, by and between Eureka Therapeutics, Inc. and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.16 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023, File No. 333-267918).
10.20		Amendment No. 2 to License Agreement, effective March 1, 2023, by and between Eureka Therapeutics, Inc. and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.28 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023, File No. 333-267918).
10.21		Services Agreement, dated June 28, 2022, by and among Eureka Therapeutics, Inc., Eureka Therapeutics (Cayman) Ltd. and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.5 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023, File No. 333-267918).
10.22		Amendment No. 1 to Services Agreement, effective October 1, 2022, by and between Eureka Therapeutics, Inc. and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.15 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023 File No. 333-267918).
10.23		Amendment No. 2 to Services Agreement, effective March 1, 2023, by and between Eureka Therapeutics, Inc. and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.27 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023, File No. 333-267918).
10.24		Collaboration Agreement, dated October 29, 2021, by and between Estrella Biopharma, Inc. (as successor to Eureka Therapeutics, Inc.) and Imugene Limited. (incorporated by reference to Exhibit 10.6 to the Company Registration Statement on Form S-4/A filed with the SEC on July 10, 2023, File No. 333-267918).
10.28		Amendment to Offer Letter by and between Dr. Cheng Liu and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.16 to the Company Current Report on Form 8-K, filed with the Securities & Exchange Commission SEC on May 19, 2023) October 5, 2023).
10.6	10.29	Promissory Note, dated June 6, 2023, issued Amendment to Employment Agreement by TradeUP Acquisition Corp. to Tradeup INC. (incorporated and between Peter Xu and Estrella Biopharma, Inc. (incorporated by reference to Exhibit 10.1 10.17 to the Company Current Report on Form 8-K, filed with the Securities & Exchange Commission SEC on June 9, 2023) October 5, 2023).
10.7	10.30	Extension Promissory Note, dated June 16, 2023, issued Amendment to Employment Agreement by TradeUP Acquisition Corp. to and between Vicky Yang and Estrella Biopharma, Inc. (incorporated(incorporated by reference to Exhibit 10.1 10.18 to the Company Current Report on Form 8-K, filed with the Securities & Exchange Commission SEC on June 20, 2023) October 5, 2023).
10.8	10.31	Employment Extension Promissory Note, dated July 18, 2023, issued Agreement by TradeUP Acquisition Corp. to and between Dr. Cheng Liu and Estrella Biopharma, Immunopharma, Inc. (incorporated(incorporated by reference to Exhibit 10.1 10.19 to the Company Current Report on Form 8-K, filed with the Securities & Exchange Commission SEC on July 19, 2023) October 5, 2023).
10.9	10.32	Amendment to the Investment Management Trust Employment Agreement dated July 17, 2023, by and between TradeUP Acquisition Corp, Peter Xu and Wilmington Trust, National Association (incorporated Estrella Immunopharma, Inc. (incorporated by reference to Exhibit 10.1 10.20 to the Company Current Report on Form 8-K, filed with the Securities & Exchange Commission SEC on July 19, 2023) October 5, 2023).
10.10	10.33	Promissory Note, Registration Rights Agreement, dated July 20, 2023 July 14, 2021, issued by among TradeUP Acquisition Corp. to Tradeup INC., TradeUP Acquisition Sponsor LLC and certain security holders named therein (incorporated by reference to Exhibit 10.1 10.3 to the Company Current Report on Form 8-K filed with the Securities & Exchange Commission SEC on July 21, 2023) July 19, 2021, File No. 001-40608).
10.11	10.34	Binding Term Sheet Contribution Agreement, dated July 25, 2023 June 28, 2022, by and among TradeUP Acquisition Corp., Suma Ventures, LLC, between Eureka Therapeutics, Inc. and Estrella Biopharma, Inc., and Eureka Therapeutics, Inc. (incorporated by reference to Exhibit 10.1 to the Current Report Company Registration Statement on Form 8-K S-4/A filed with the Securities & Exchange Commission SEC on July 26, 2023) July 10, 2023 File No. 333-267918).
31.1*		Certification of Chief Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 2002.
31.2*		Certification of Chief Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 2002.
32.1**		Certification of Chief Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 2002.
32.2**		Certification of Chief Executive Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 2002.
101.INS*	101.INS	Inline XBRL Instance Document
101.CAL*	101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document

101.SCH*	101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.DEF*	101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Indicates management contract or compensatory plan.

** Filed herewith. These certifications are furnished to the SEC pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall they be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such 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.

Date: July 31, 2023

TradeUP Acquisition Corp. ESTRELLA
IMMUNOPHARMA, INC.

By: /s/ Weiguang Yang

Weiguang Yang
Co-Chief Executive Officer
(Principal Executive Officer)

By: /s/ Luqi "Lulu" Wen

Luqi "Lulu" Wen Cheng Liu
Name: Chief Financial Officer Cheng Liu
Title: (Principal Financial and Accounting Officer) Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Quarterly Report has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Position	Date
<u>/s/ Cheng Liu</u>	Principal Executive Officer and Chairman (Principal Executive Officer)	November 20, 2023
<u>Cheng Liu</u>	Principal Financial Officer	November 20, 2023
<u>/s/ Peter Xu</u>	(Principal Financial Officer and Principal Accounting Officer)	
<u>Peter Xu</u>		

EXHIBIT Exhibit 31.1

**CERTIFICATION OF CHIEF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT
RULE 13A-14(A),
OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Weiguang Yang, Cheng Liu, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 of TradeUP Acquisition Corp. Estrella Immunopharma, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- a.(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b.(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c.(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- d.(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors: directors (or persons performing the equivalent functions):

- a.(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b.(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2023 November 20, 2023

By: /s/ Cheng LiuWeiguang Yang
 Weiguang YangCheng Liu
 Co-ChiefChief Executive Officer
 (Principal Executive Officer) Officer)

EXHIBIT Exhibit 31.2

**CERTIFICATION OF CHIEF PRINCIPAL FINANCIAL OFFICER PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT
 RULE 13A-14(A), OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Luqi "Lulu" Wen, Peter Xu, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2023 of TradeUP Acquisition Corp. Estrella Immunopharma, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a.(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors: directors (or persons performing the equivalent functions):

a. (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 31, 2023 November 20, 2023

By: /s/ Peter Xu Luqi "Lulu" Wen
Luqi "Lulu" Wen Peter Xu
Chief Financial Officer
(Principal Financial and
Accounting Officer)

EXHIBIT Exhibit 32.1

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Estrella Immunopharma, Inc. (the "Registrant") on Form 10-Q for the quarter ended September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I Weiguang Yang, certify, in the capacity and on the date indicated below, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that: that, to my knowledge:

1. (1) The Quarterly Report on Form 10-Q of TradeUP Acquisition Corp. (the "Company") for the quarter ended June 30, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, (U.S.C. 78m or 78o(d)); as amended; and

2. (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. Registrant.

Date: July 31, 2023 November 20, 2023

By: /s/ Weiguang Yang Cheng Liu
Weiguang Yang Cheng Liu
Co-Chief Executive Officer
(Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of a separate disclosure document.

EXHIBIT Exhibit 32.2

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Estrella Immunopharma, Inc. (the "Registrant") on Form 10-Q for the quarter ended September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I Luqi "Lulu" Wen, certify, in the capacity and on the date indicated below, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that: that, to my knowledge:

- 1. (1)** The Quarterly Report on Form 10-Q of TradeUP Acquisition Corp. (the "Company") for the quarter ended June 30, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, (U.S.C. 78m or 78o(d)), as amended; and
- 2. (2)** The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. Registrant.

Date: **July 31, 2023** **November 20, 2023**

By: **/s/ Luqi "Lulu" Wen Peter Xu**

Luqi "Lulu" WenPeter Xu
Chief Financial Officer
(Principal Financial and
Accounting Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of a separate disclosure document.

DISCLAIMER

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