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 30, 2026

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 001-39386

ALX ONCOLOGY HOLDINGS INC.

(Exact name of Registrant as specified in its Charter)

Delaware	**85-0642577**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
323 Allerton Avenue	
South San Francisco, California	**94080**
(Address of principal executive offices)	**(Zip Code)**

650-466-7125

(Registrant's telephone number, including area code)

Not applicable

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	ALXO	The Nasdaq Global Select Market

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.

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

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

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

As of July 30, 2026, the registrant had 138,276,997 shares of common stock outstanding, $0.001 par value per share.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. All statements other than statements of historical facts contained in this report, including statements regarding our future results of operations and financial position, business strategy, product candidates, planned preclinical studies and clinical trials, results of clinical trials, research and development costs, regulatory approvals, timing and likelihood of success, as well as plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that are in some cases beyond our control and may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "would," "expect," "plan," "anticipate," "could," "intend," "target," "project," "believe," "estimate," "predict," "potential," or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained in this Quarterly Report include, but are not limited to, statements about:

- our financial performance;
- the sufficiency of our existing cash to fund our future operating expenses and capital expenditure requirements;
- the accuracy of our estimates regarding expenses, future revenue, capital requirements, and needs for additional financing;
- our plans relating to commercializing our product candidates, if approved, including the geographic areas of focus and our ability to grow a sales team;
- the implementation of our strategic plans for our business and product candidates;
- our ability to obtain and maintain regulatory approval of our product candidates and the timing or likelihood of regulatory filings and approvals, including our expectation to seek special designations, such as orphan drug designation, for our product candidates for various diseases;
- our reliance on third parties to conduct preclinical research activities, and for the manufacture of our product candidates;
- the beneficial characteristics, mechanisms of action, safety profile, efficacy and therapeutic effects of our product candidates;
- the progress and focus of our current and future clinical trials, and the reporting of data from those trials;
- our ability to advance product candidates into and successfully complete clinical trials;
- the ability of our clinical trials, including collaborations and investigator sponsored trials, to demonstrate the safety and efficacy of our product candidates, and other positive results;
- the success of competing therapies that are or may become available;
- developments relating to our competitors and our industry, including competing product candidates and therapies;
- our plans relating to the further development and manufacturing of our product candidates, including additional indications that we may pursue;
- existing regulations and regulatory developments in the United States and other jurisdictions;
- our potential and ability to successfully manufacture and supply our product candidates for clinical trials and for commercial use, if approved;
- our continued reliance on third parties to conduct clinical trials of our product candidates, and for the manufacture of our product candidates;
- our plans and ability to obtain or protect intellectual property rights, including extensions of existing patent terms where available;
- the scope of protection we are able to establish and maintain for intellectual property rights, including our technology platform and product candidates;
- our ability to retain the continued service of our key personnel, the impacts of any executive officer changes, and to identify, hire, and then retain additional qualified personnel;

- the impact of macroeconomic conditions and global economic environment, such as inflation, interest rate changes, trade and other global disputes and interruptions, including related to tariffs and trade protection measures, duration of the U.S. federal government shutdown, economic downturns, bank failures or instability in the financial services sector, or geopolitical risks, disasters, and medical or public health crises, such as the COVID-19 pandemic;
- our plans for and prospects of our acquisitions and other business development activities, and our ability to successfully capitalize on these opportunities;
- changes in our financial and internal controls; and
- our anticipated use of our existing cash and cash equivalents, short-term and long-term investments, and the funds available from our term loan.

We have based these forward-looking statements largely on our current expectations and projections about our business, the industry in which we operate and financial trends that we believe may affect our business, financial condition, results of operations and prospects, and these forward-looking statements are not guarantees of future performance or development. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q and are subject to a number of risks, uncertainties and assumptions described in the section titled "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events or otherwise.

In addition, statements that "we believe" 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 of this Quarterly Report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our 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.

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PART I — FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

ALX ONCOLOGY HOLDINGS INC.
Condensed Consolidated Balance Sheets
(unaudited)
(in thousands, except share and per share amounts)

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 22,687	$ 16,373
Short-term investments	115,542	28,417
Prepaid expenses and other current assets	5,228	5,937
Total current assets	143,457	50,727
Property and equipment, net	166	1,200
Long-term investments	15,147	3,494
Other assets	2,050	3,625
Total assets	$ 160,820	$ 59,046
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 3,022	$ 4,914
Term loan, current	—	5,217
Accrued expenses and other current liabilities	11,754	14,422
Total current liabilities	14,776	24,553
Term loan, non-current	9,705	4,532
Other non-current liabilities	152	3,980
Total liabilities	24,633	33,065
Commitments and contingencies (Note 11)		
Stockholders' equity		
Common stock, $0.001 par value; 1,000,000,000 shares authorized as of June 30, 2026 and December 31, 2025; 138,216,247 and 54,388,022 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	138	54
Additional paid-in capital	894,988	748,716
Accumulated other comprehensive income (loss)	(224)	28
Accumulated deficit	(758,715)	(722,817)
Total stockholders' equity	136,187	25,981
Total liabilities and stockholders' equity	$ 160,820	$ 59,046

See accompanying notes to these condensed consolidated financial statements (unaudited).

ALX ONCOLOGY HOLDINGS INC.
Condensed Consolidated Statements of Operations
(unaudited)
(in thousands, except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Operating expenses:				
Research and development	$ 13,138	$ 18,022	$ 26,744	$ 41,910
General and administrative	5,133	5,451	10,493	13,383
Lease termination (gain) and impairment charge	(238)	3,175	(238)	3,175
Total operating expenses	18,033	26,648	36,999	58,468
Loss from operations	(18,033)	(26,648)	(36,999)	(58,468)
Interest income	1,508	1,106	2,690	2,589
Interest expense	(285)	(405)	(616)	(811)
Other expense, net	(257)	(2)	(69)	(13)
Loss on debt extinguishment	(904)	—	(904)	—
Net loss	$ (17,971)	$ (25,949)	$ (35,898)	$ (56,703)
Net loss per share, basic and diluted	$ (0.13)	$ (0.49)	$ (0.30)	$ (1.05)
Weighted-average shares of common stock used to compute net loss per share, basic and diluted	135,639,684	53,445,631	120,097,125	54,031,176

See accompanying notes to these condensed consolidated financial statements (unaudited).

ALX ONCOLOGY HOLDINGS INC.
Condensed Consolidated Statements of Comprehensive Loss
(unaudited)
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Net loss	$ (17,971)	$ (25,949)	$ (35,898)	$ (56,703)
Other comprehensive loss, net of tax:				
Unrealized gain (loss) on available-for-sale investments	21	(82)	(252)	(239)
Total comprehensive loss	$ (17,950)	$ (26,031)	$ (36,150)	$ (56,942)

See accompanying notes to these condensed consolidated financial statements (unaudited).

ALX ONCOLOGY HOLDINGS INC.
Condensed Consolidated Statements of Stockholders' Equity
(unaudited)
(in thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2025	54,388,022	$ 54	$ 748,716	$ 28	$ (722,817)	$ 25,981
Issuance of common stock and pre-funded warrants in connection with equity offerings, net of underwriter discounts ($9,000) and issuance costs ($627)	76,979,112	77	140,296	—	—	140,373
Issuance of common stock from exercise of pre-funded warrants	2,563,507	3	—	—	—	3
Issuance of common stock under equity incentive plans	602,672	1	669	—	—	670
Issuance of common stock through ATM offering, net of commissions	7,428	—	11	—	—	11
Stock-based compensation	—	—	2,509	—	—	2,509
Unrealized loss on available-for-sale investments	—	—	—	(273)	—	(273)
Net loss	—	—	—	—	(17,927)	(17,927)
Balance as of March 31, 2026	134,540,741	135	892,201	(245)	(740,744)	151,347
Issuance of common stock from exercise of pre-funded warrants	3,536,810	3	—	—	—	3
Issuance of common stock under equity incentive plans	106,583	—	73	—	—	73
Issuance of common stock under employee stock purchase plan	32,113	—	31	—	—	31
Stock-based compensation	—	—	2,683	—	—	2,683
Unrealized gain on available-for-sale investments	—	—	—	21	—	21
Net loss	—	—	—	—	(17,971)	(17,971)
Balance as of June 30, 2026	138,216,247	$ 138	$ 894,988	$ (224)	$ (758,715)	$ 136,187

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2024	53,052,912	$ 53	$ 734,412	$ 275	$ (621,122)	$ 113,618
Issuance of common stock under equity incentive plans	125,920	—	—	—	—	—
Issuance of common stock through ATM offering, net of commissions	205,313	—	372	—	—	372
Stock-based compensation	—	—	5,216	—	—	5,216
Unrealized loss on available-for-sale investments	—	—	—	(157)	—	(157)
Net loss	—	—	—	—	(30,754)	(30,754)
Balance as of March 31, 2025	53,384,145	53	740,000	118	(651,876)	88,295
Issuance of common stock under equity incentive plans	84,099	1	(1)	—	—	—
Issuance of common stock under employee stock purchase plan	38,533	—	15	—	—	15
Stock-based compensation	—	—	2,136	—	—	2,136
Unrealized loss on available-for-sale investments	—	—	—	(82)	—	(82)
Net loss	—	—	—	—	(25,949)	(25,949)
Balance as of June 30, 2025	53,506,777	$ 54	$ 742,150	$ 36	$ (677,825)	$ 64,415

See accompanying notes to these condensed consolidated financial statements (unaudited).

ALX ONCOLOGY HOLDINGS INC.
Condensed Consolidated Statements of Cash Flows
(unaudited)
(in thousands)

	Six Months Ended June 30,	
	2026	**2025**
Operating activities		
Net loss	$ (35,898)	$ (56,703)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	5,192	7,352
Depreciation and amortization	236	402
Non-cash lease costs	737	933
Net accretion of discounts on investments	(540)	(837)
Accretion of term loan discount and issuance costs	134	136
Loss on early debt extinguishment	904	—
Gain on lease termination	(2,592)	—
Lease impairment charge	—	3,175
Loss on disposal of fixed assets	246	—
Changes in operating assets and liabilities		
Prepaid expenses and other current assets	929	652
Other assets	307	(433)
Accounts payable	(1,975)	409
Payable and accrued liabilities due to related party	—	(109)
Accrued expenses and other current liabilities	(1,652)	(2,019)
Other non-current liabilities	(733)	(1,027)
Net cash used in operating activities	(34,705)	(48,069)
Investing activities		
Purchase of investments	(130,240)	(41,177)
Maturities of investments	31,750	91,245
Purchase of property and equipment	(67)	(107)
Proceeds from sale of property and equipment	44	—
Net cash (used in) provided by investing activities	(98,513)	49,961
Financing activities		
Proceeds from equity offering	150,000	—
Payments of issuance costs related to equity offering	(9,627)	—
Proceeds from ATM offering, net of commissions	11	372
Proceeds from exercise of stock options under equity incentive plan	743	—
Proceeds from issuance of common stock under employee stock purchase plan	31	15
Proceeds from exercise of pre-funded warrants	6	—
Principal payments on finance leases	(543)	(544)
Principal payments on term loan	(2,609)	—
Payments for early debt extinguishment	(8,176)	—
Proceeds from issuance of term loan	10,000	—
Payments of debt issuance costs	(104)	—
Net cash provided by (used in) financing activities	139,732	(157)
Net increase in cash, cash equivalents and restricted cash	6,514	1,735
Cash, cash equivalents and restricted cash at beginning of year	16,439	17,633
Cash, cash equivalents and restricted cash at end of period	$ 22,953	$ 19,368
Supplemental disclosure of non-cash investing and financing activities		
Purchase of property and equipment in accounts payable and accrued expenses	$ 26	$ 1,060
Debt issuance costs in accounts payable and accrued expenses	$ 193	$ —
Right-of-use asset acquired under operating leases	$ 168	$ —
Reconciliation of cash and cash equivalents and restricted cash:		
Cash and cash equivalents	$ 22,687	$ 19,302
Restricted cash (included in prepaid expenses and other current assets)	66	—
Restricted cash (included in other assets)	200	66
Total cash, cash equivalents and restricted cash	$ 22,953	$ 19,368

See accompanying notes to these condensed consolidated financial statements (unaudited).

ALX ONCOLOGY HOLDINGS INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

(1) ORGANIZATION

Organization

ALX Oncology Holdings Inc., or the Company, was formed as a Delaware corporation on April 1, 2020, or Inception. The Company was formed for the purpose of completing the Company's initial public offering of its common stock and related transactions in order to carry on the business of ALX Oncology Limited. The Company is a clinical-stage biotechnology company advancing a pipeline of novel therapies designed to treat cancer and extend patients' lives.

ALX Oncology Holdings Inc. is incorporated in Delaware. ALX Oncology Limited, incorporated in Ireland, is a wholly-owned subsidiary of ALX Oncology Holdings Inc. ALX Oncology Inc., incorporated in Delaware, is a wholly-owned subsidiary of ALX Oncology Limited. All the companies, except for ALX Oncology Holdings Inc., are collectively known as the Subsidiaries.

As of June 30, 2026, the Company has devoted substantially all of its efforts to the formation and financing of the Company, as well as product development, and has not realized product revenues from its planned principal operations. The Company does not have manufacturing facilities and all manufacturing related activities are contracted out to third-party service providers.

Management expects to incur additional losses in the future to conduct product candidate research and development and to conduct pre-commercialization activities and recognizes that the Company will be required to raise additional capital to fully implement its business plan. The Company intends to raise such capital through the sale of additional equity, debt financings and/or strategic alliances with third parties. However, there can be no assurance that the Company will be successful in acquiring additional funding at levels sufficient to fund its operations or on terms acceptable to the Company. If the Company is unsuccessful in its efforts to raise additional financing, the Company could be required to significantly reduce operating expenses and delay, reduce the scope of or eliminate some of its development programs or its future commercialization efforts, out-license intellectual property rights to its product candidates and sell unsecured assets, or a combination of the above, any of which may have a material adverse effect on the Company's business, results of operations, financial condition and/or its ability to fund its scheduled obligations on a timely basis or at all. The Company believes that the existing capital resources will be sufficient to fund the projected operating requirements for at least the next twelve months after the date the condensed consolidated financial statements are issued.

(2) SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States, or U.S. GAAP, and applicable rules and regulations of the Securities and Exchange Commission, or SEC, regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. As such, the information included in this Quarterly Report on Form 10-Q should be read in conjunction with the consolidated financial statements and accompanying notes included in the Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 9, 2026.

The condensed consolidated balance sheet as of December 31, 2025 included herein was derived from the audited financial statements as of that date, but does not include all disclosures including notes required by U.S. GAAP.

The accompanying condensed consolidated financial statements reflect all normal recurring adjustments that are necessary to present fairly the results for the interim periods presented. Interim results are not necessarily indicative of the results for the full year ending December 31, 2026.

Principles of Consolidation

All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with U.S. 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 condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, the Company evaluates its estimates, including, but not limited to, those related to the estimated useful lives of long-lived assets, clinical and contract manufacturing accruals, fair value of assets and liabilities, fair value of investments, and stock-based compensation. The Company evaluates its estimates and assumptions on an ongoing basis based on historical experience and on various other market-specific and relevant assumptions that the Company believes to be reasonable under the circumstances and adjusts those estimates and assumptions when facts and circumstances change. Actual results could differ from those estimates.

Significant Accounting Policies

There have been no new or material changes to the significant accounting policies discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

Recent Accounting Pronouncements

Recently adopted accounting pronouncements

In December 2025, the FASB issued ASU 2025-12, *Codification Improvements* (ASU 2025-12). ASU 2025-12 aims to make the Codification easier to understand and apply by making changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. Key improvements include clarifying the calculation of diluted earnings per share (EPS) when a loss from continuing operations exists. ASU 2025-12 is effective for annual periods beginning after December 15, 2026, including interim periods within those annual periods. Early adoption is permitted. The guidance can be applied on a prospective or retrospective basis. The Company adopted ASU 2025-12 on January 1, 2026. The adoption did not have a material impact on the Company's consolidated financial statements.

Recently issued accounting pronouncements not yet adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement Reporting - Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* (ASU 2024-03). ASU 2024-03 requires disaggregated disclosure of certain costs and expenses, including purchases of inventory, employee compensation, depreciation and amortization, within relevant income statement captions. ASU 2024-03 is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027. Early adoption is permitted. The guidance is applied on a prospective basis with the option for retrospective application. The Company is evaluating the impact of this guidance on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements* (ASU 2025-11). ASU 2025-11 clarifies interim disclosure requirements and the applicability of Topic 270. ASU 2025-11 is effective for annual periods beginning after December 15, 2027 and interim periods beginning after December 15, 2028. Early adoption is permitted. The guidance can be applied either on a prospective basis or a retrospective basis to any or all prior periods presented in the financial statements. The Company is evaluating the impact of this guidance and does not expect it to have a material impact on its consolidated financial statements and related disclosures.

(3) SEGMENT REPORTING

The Company manages its operations as a single operating segment. The Company's chief operating decision maker (CODM) uses consolidated, single-segment financial information for the purposes of assessing performance, making operating decisions, allocating resources, and planning and forecasting for future periods.

The CODM assesses performance and decides how to allocate resources based on the Company's consolidated net loss, including key components of research and development costs and general and administrative costs. These measures are used to monitor budget versus actual results and to evaluate the performance of the segment.

The CODM reviews cash, cash equivalents and investments as a measure of segment assets. As of June 30, 2026 and December 31, 2025, the Company's cash, cash equivalents and investments were $153.4 million and $48.3 million, respectively.

The following table presents the significant segment expenses for the three months and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Research and development expenses:				
Clinical and development costs	$ 7,093	$ 11,834	$ 15,373	$ 22,371
Preclinical costs	524	618	459	1,856
Personnel and related costs	3,455	3,582	6,630	11,145
Stock-based compensation expense	1,278	840	2,479	3,845
Other research costs	788	1,148	1,803	2,693
Total research and development expenses	13,138	18,022	26,744	41,910
General and administrative expenses:				
Personnel and related costs	1,855	1,876	3,696	4,701
Stock-based compensation expense	1,405	1,296	2,713	3,507
Other general and administrative costs	1,873	2,279	4,084	5,175
Total general and administrative expenses	5,133	5,451	10,493	13,383
Lease termination (gain) and impairment charge:				
Lease termination (gain) and impairment charge	(238)	3,175	(238)	3,175
Total lease termination (gain) and impairment charge	(238)	3,175	(238)	3,175
Loss from operations	(18,033)	(26,648)	(36,999)	(58,468)
Interest income	1,508	1,106	2,690	2,589
Interest expense	(285)	(405)	(616)	(811)
Other expense, net	(257)	(2)	(69)	(13)
Loss on debt extinguishment	(904)	—	(904)	—
Net loss	$ (17,971)	$ (25,949)	$ (35,898)	$ (56,703)

(4) FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the Company's financial assets and liabilities are determined in accordance with the fair value hierarchy established in ASC 820, Fair Value Measurements and Disclosures.

The following table presents the Company's investments, which consist of cash equivalents and investments classified as available-for-sale investments, that are measured at fair value on a recurring basis by level within the fair value hierarchy as of June 30, 2026 and December 31, 2025 (in thousands):

	June 30, 2026				
	Fair Value Hierarchy Level	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Cash equivalents					
Money market funds	Level 1	$ 11,477	$ —	$ —	$ 11,477
Short-term investments					
U.S. Treasury securities	Level 1	32,863	—	(78)	32,785
Corporate debt securities	Level 2	71,022	1	(121)	70,902
Commercial paper	Level 2	11,861	—	(6)	11,855
Long-term investments					
U.S. Treasury securities	Level 1	4,779	—	(6)	4,773
Corporate debt securities	Level 2	10,388	—	(14)	10,374
Total		$ 142,390	$ 1	$ (225)	$ 142,166

	December 31, 2025				
	Fair Value Hierarchy Level	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Cash equivalents					
Money market funds	Level 1	$ 14,682	$ —	$ —	$ 14,682
Short-term investments					
U.S. Treasury securities	Level 1	5,462	5	—	5,467
U.S. government agency securities	Level 2	996	—	—	996
Corporate debt securities	Level 2	19,194	21	—	19,215
Commercial paper	Level 2	2,738	1	—	2,739
Long-term investments					
Corporate debt securities	Level 2	3,493	1	—	3,494
Total		$ 46,565	$ 28	$ —	$ 46,593

The fair value of cash equivalents and available-for-sale investments by classification included in the condensed consolidated balance sheets was as follows as of June 30, 2026 and December 31, 2025 (in thousands):

	June 30, 2026	December 31, 2025
Cash equivalents	$ 11,477	$ 14,682
Short-term investments	115,542	28,417
Long-term investments	15,147	3,494
Total	$ 142,166	$ 46,593

Cash and cash equivalents in the above table excludes bank account cash of $11.2 million and $1.7 million as of June 30, 2026 and December 31, 2025, respectively.

The fair value of cash equivalents and available-for-sale investments by contractual maturity was as follows as of June 30, 2026 and December 31, 2025 (in thousands):

	June 30, 2026	December 31, 2025
Maturing in one year or less	$ 127,019	$ 43,099
Maturing after one year through five years	15,147	3,494
Total	$ 142,166	$ 46,593

The primary objective of the Company's investment portfolio is to maintain safety of principal, prudent levels of liquidity and acceptable levels of risk. The Company's investment policy limits investments to certain types of instruments issued by institutions with investment-grade credit ratings, and it places restrictions on maturities and concentration by asset class and issuer.

There were no transfers of financial instruments between the fair value measurement levels during the three months and six months ended June 30, 2026 and 2025 and there were no financial instruments classified as Level 3 as of June 30, 2026 and December 31, 2025.

As of June 30, 2026 and December 31, 2025, accrued interest receivable related to the Company's investments of $1.2 million and $0.3 million was included in prepaid expenses and other current assets on the condensed consolidated balance sheet.

As of June 30, 2026, the unrealized losses for available-for-sale investments were non-credit related and the Company does not intend to sell the investments that were in an unrealized loss position, nor does it foresee or project that it will be required to sell those investments before recovery of their amortized costs basis, which may be maturity. As of June 30, 2026 and 2025, no allowance for credit losses for the Company's investments was recorded. As of June 30, 2026 and December 31, 2025, no securities were in a continuous net unrealized loss position for more than 12 months. As of June 30, 2026 and 2025, the Company has not recognized any impairment losses on available-for-sale investments.

(5) BALANCE SHEET COMPONENTS

Prepaid Expenses and Other Current Assets

The following table presents the components of prepaid expenses and other current assets as of June 30, 2026 and December 31, 2025 (in thousands):

	June 30, 2026	December 31, 2025
Prepaid clinical expenses	$ 2,810	$ 4,020
Interest and investment receivables	1,171	298
Prepaid expenses	658	1,069
Other current assets	542	20
Prepaid insurance	47	530
Total prepaid expenses and other current assets	$ 5,228	$ 5,937

Property and Equipment, Net

The following table presents the components of property and equipment, net as of June 30, 2026 and December 31, 2025 (in thousands):

	June 30, 2026	December 31, 2025
Computer hardware and software	$ 416	$ 461
Laboratory equipment	299	1,844
Leasehold improvements	224	709
Furniture and fixtures	165	165
Property and equipment, gross	1,104	3,179
Less: accumulated depreciation	(938)	(1,979)
Property and equipment, net	$ 166	$ 1,200

Depreciation was $0.1 million and $0.2 million for the three months ended June 30, 2026 and 2025, respectively. Depreciation was $0.2 million and $0.4 million for the six months ended June 30, 2026 and 2025, respectively.

During the three months and six months ended June 30, 2026, the Company disposed of property and equipment, which consisted of laboratory equipment with a carrying amount of $0.4 million and leasehold improvements with a net carrying amount of $0.4 million, as a result of the Palo Alto lease termination (see Note 6 “Leases”). These disposals included sale of certain laboratory equipment for total proceeds of $0.2 million. For the three months and six months ended June 30, 2026, the Company incurred losses on disposal of fixed assets of $0.2 million.

Other Assets

The following table presents the components of other assets as of June 30, 2026 and December 31, 2025 (in thousands):

	June 30, 2026	December 31, 2025
Finance lease right-of-use assets	$ 1,035	$ 1,513
Long-term prepaid clinical expenses	402	693
Operating lease right-of-use assets	235	1,159
Other assets	280	149
Long-term prepaid contract manufacturing costs	98	111
Total other assets	$ 2,050	$ 3,625

Accrued Expenses and Other Current Liabilities

The following table presents the components of accrued expenses and other current liabilities as of June 30, 2026 and December 31, 2025 (in thousands):

	June 30, 2026	December 31, 2025
Accrued clinical and nonclinical study costs	$ 6,177	$ 6,196
Accrued compensation and related expenses	2,709	4,356
Other current liabilities	1,764	2,323
Accrued contract manufacturing	1,104	1,341
Accrued property and equipment	—	206
Total accrued expenses and other current liabilities	$ 11,754	$ 14,422

(6) LEASES

South San Francisco Lease

In May 2021, the Company entered into a lease agreement for approximately 10,000 square feet of office space located in South San Francisco, California. The lease commenced on June 6, 2021 and expires on August 31, 2026. The lease does not provide an option to extend after it expires. The total lease payments for the life of the lease are approximately $2.0 million. The Company classified the lease as an operating lease.

In May 2026, the Company entered into the first amendment to the lease agreement for the office space located in South San Francisco, California, which extended the lease term by six months from September 1, 2026 to February 28, 2027. This lease modification increase total lease payments by $0.2 million. The Company continues to classify the lease as an operating lease.

Palo Alto Lease

In February 2022, the Company entered into a lease agreement totaling approximately 11,074 square feet of office and laboratory space located in Palo Alto, California. The lease consists of two premises and expires in February 2030. The lease provides for an option to extend for two years after expiration. The lease for one of the premises commenced in February 2022 and the lease for the second premises commenced in April 2022. The total lease payments for the life of the lease are approximately $6.9 million. The Company is also responsible for leasehold improvement costs related to the second premises, which totaled to $2.3 million, of which $1.5 million is to be paid with interest at a rate of 7% per annum as additional payments over the life of the lease. The Company classified the lease as an operating lease.

Impairment of Long-Lived Assets

The Company has determined it operates in a single operating segment and has one reportable segment. The Company reviews for indicators of impairment on a quarterly basis, including changes in how its property is being used.

In May 2025, the Company made a decision to sublease its leased property in Palo Alto. The Company determined that the change in how this building is being used could indicate impairment. The Company identified this to-be-sublet property as a separate asset group for purposes of long-lived asset impairment assessment. The Company concluded that the carrying value of this to-be-sublet property asset group was not recoverable and the estimated fair value of this asset group was below its carrying value. The Company applied a discounted cash flow method to estimate fair value of its right-of-use (ROU) asset and leasehold improvements. Based on this analysis, the Company concluded the fair value of the ROU asset and leasehold improvements of $1.5 million was lower than its net book value of $4.7 million. The Company recognized a pre-tax long-lived asset impairment charge of $3.2 million on the ROU asset and leasehold improvements in the second quarter of 2025.

Lease Termination

In May 2026, the Company entered into a lease termination agreement for the office and laboratory space located in Palo Alto, California. Pursuant to the lease termination agreement, the Company vacated the premises in June 2026 and paid total termination fees of $2.4 million, which included brokerage costs. Since the termination fees were not already included in the lease payments, the termination fees were recognized as a loss on lease termination. The Company derecognized operating lease liabilities of $3.8 million and operating lease assets of $1.3 million associated with the terminated lease, resulting in a gain of $2.5 million. The net impact is a gain on lease termination of $0.2 million, which was recorded within operating expense in the condensed consolidated statement of operations for the three and six months ended June 30, 2026.

The following table presents the maturities and balance sheet information of the Company's lease liabilities as of June 30, 2026 (in thousands, except lease term and discount rate):

	June 30, 2026	
	Operating Leases	Finance Leases
2026	$ 189	$ 528
2027	57	616
2028	—	—
2029	—	—
2030	—	—
Thereafter	—	—
Total lease payments	246	1,144
Less: imputed interest	(2)	(55)
Total lease liabilities	$ 244	$ 1,089
Lease liabilities: current [(i)]	$ 244	$ 1,002
Lease liabilities: non-current [(ii)]	—	87
Total lease liabilities	$ 244	$ 1,089
Weighted average remaining lease term (in years)	0.7	1.1
Weighted average discount rate	3.7%	8.5%

(i) Current lease liabilities are presented within accrued expenses and other current liabilities on the condensed consolidated balance sheets.

(ii) Non-current lease liabilities are presented within other non-current liabilities on the condensed consolidated balance sheets.

The following table presents the components of lease costs for the three months and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Operating lease cost	$ 136	$ 286	$ 363	578
Variable lease cost and other, net [(i)]	(40)	135	78	247
Short-term lease cost	30	—	30	—
Finance lease cost:				
Amortization of right-of-use assets	239	261	478	523
Interest	27	50	58	105
Total lease costs	$ 392	$ 732	$ 1,007	$ 1,453

(i) The variable lease cost and other, net is comprised primarily of common area maintenance charges or refunds for the operating lease, which are dependent on usage. These costs are classified as operating lease expense due to the election to not separate lease and non-lease components. These costs were not included within the measurement of the Company's operating lease right-of-use assets and operating lease liabilities.

The following table presents the supplemental cash flow disclosures for cash paid for leases for the six months ended June 30, 2026 and 2025 (in thousands):

	Six Months Ended June 30,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 519	$ 648
Operating cash flows from finance leases	$ 73	$ 128
Financing cash flows from finance leases	$ 543	$ 544
Right-of-use asset acquired under leases		
Operating leases	$ 168	$ —

(7) TERM LOAN

Oxford Finance and Silicon Valley Bank Loan

In October 2022, the Company entered into a loan and security agreement, as amended, the Oxford-SVB Loan Agreement, with Oxford Finance LLC, Oxford Finance Credit Fund II LP, and Silicon Valley Bank, or SVB, collectively the Oxford-SVB Lenders, for a secured term loan facility of up to $100.0 million. Pursuant to the Oxford-SVB Loan Agreement, the Company drew an initial loan of $10.0 million. Under the original terms of the Oxford-SVB Loan Agreement, the Company had the right to draw an additional $40.0 million through the end of December 2023. In December 2023, the original terms of the Oxford-SVB Loan Agreement were amended to extend the draw deadline to June 2024. The original terms of the Oxford-SVB Loan Agreement provided for an additional $50.0 million over three tranches, with $12.5 million available in each of two tranches based upon the achievement of milestones related to the development of evorpacept and one preclinical product candidate, and $25.0 million at the Oxford-SVB Lenders' sole discretion. The Company decided not to draw down on any portion of the $40.0 million available under the Oxford-SVB Loan Agreement by the deadline of June 30, 2024 and did not achieve all of the requirements needed to gain access to each of the two tranches available upon the achievement of pre-determined development milestones by the deadline of December 31, 2024.

The proceeds of the loans were permitted to be used by the Company for working capital and to fund its general business requirements.

During the three months ended June 30, 2026 and 2025, interest expense incurred in connection with the Oxford-SVB Loan Agreement was $0.2 million and $0.3 million, respectively. During the six months ended June 30, 2026 and 2025, interest expense incurred in connection with the Oxford-SVB Loan Agreement was $0.5 million and $0.7 million, respectively.

On June 25, 2026, all outstanding principal, interest and other amounts owed under the Oxford-SVB Loan Agreement totaling to $8.2 million were paid off as part of a refinancing in connection with entry into the HSBC Loan Agreement.

HSBC Loan

On June 25, 2026, the Company's wholly-owned subsidiary, ALX Oncology Inc. (the Borrower), entered into a loan and security agreement, the HSBC Loan Agreement, with HSBC Ventures USA Inc., or HSBC, the HSBC Lender, for a secured multi-tranche term loan facility of up to $50.0 million. Pursuant to the HSBC Loan Agreement, the Borrower drew an initial loan of $10.0 million at closing, the proceeds of which were used to refinance the existing Oxford-SVB Loan Agreement and to pay closing fees and expenses. Under the HSBC Loan Agreement, subject to the satisfaction of customary conditions, the Borrower has the right to draw an additional $20.0 million through June 30, 2028. The HSBC Loan Agreement provides for an additional $20.0 million over two tranches, with $10.0 million available upon the achievement of milestones related to the clinical development of evorpacept and ALX2004 and $10.0 million at the HSBC Lender's sole discretion. The proceeds of the loans may be used by the Borrower for general corporate purposes.

The term loans mature on June 1, 2030. The term loans will amortize in equal monthly installments beginning on July 1, 2028. However, upon the occurrence of the Interest Only Extension Event (as defined in the HSBC Loan Agreement), the term loans will begin to amortize in equal monthly installments beginning on July 1, 2029.

The term loans accrue interest at a floating per annum rate equal to the greater of (a) the Prime Rate (as defined in the HSBC Loan Agreement) and (b) 6.0%. Interest on the term loans is payable monthly in arrears. The term loans once repaid or prepaid may not be reborrowed. The term loans may be prepaid in full in their entirety at any time, subject to a prepayment fee. Upon the earlier of prepayment or maturity, the Company is required to pay a final payment fee of 2.0% of the original principal amount of funded term loans.

The Borrower's and the guarantors' obligations under the HSBC Loan Agreement are secured by substantially all of the Borrower's and the guarantors' assets, with a negative pledge on intellectual property, and will be guaranteed by future subsidiaries of the Company, subject to certain limitations.

The Borrower received net proceeds from issuance of the term loan of $9.7 million after deducting debt issuance costs of approximately $0.3 million. A portion of the net proceeds were used to refinance and pay off the existing Oxford-SVB Loan Agreement. Debt issuance costs were recorded as debt discount on the term loan, offsetting term loan, non-current on the condensed consolidated balance sheets. The debt discount will be amortized over the term of the loan as interest expense using the effective interest method. During the three months and six months ended June 30, 2026, interest expense incurred in connection with the HSBC Loan Agreement was a nominal amount.

The Company determined that certain loan features were embedded derivatives requiring bifurcation and separate accounting. Those embedded derivatives were bundled together as a single, compound embedded derivative and then bifurcated and accounted for separately from the host contract. As of June 30, 2026, the value of the embedded derivative is not material, but could become material in future periods if an event of default became more probable than is currently estimated. As of June 30, 2026, the Borrower and the guarantors were in compliance with all financial reporting covenants under the HSBC Loan Agreement.

As of June 30, 2026, the future maturities under the HSBC Loan Agreement are as follows (in thousands):

	June 30, 2026
2026	$ —
2027	—
2028	2,500
2029	5,000
2030	2,700
Total future maturities	10,200
Less: current portion of term loan	—
Total term loan, net of current portion	10,200
Less: unamortized debt discount	(450)
Less: unaccreted final payment costs	(45)
Term loan, non-current, net	$ 9,705

(8) STOCKHOLDERS' EQUITY

On July 21, 2020, the Company's amended and restated certificate of incorporation became effective, authorizing 1,000,000,000 shares of common stock, $0.001 par value per share, and 100,000,000 shares of undesignated preferred stock, $0.001 par value per share. As of June 30, 2026 and December 31, 2025, the Company had 138,216,247 and 54,388,022 shares of common stock outstanding, respectively, and no shares of undesignated preferred stock outstanding, respectively.

Common Stock

In February 2026, the Company completed a registered offering (the February 2026 Offering) and issued an aggregate of 76,979,112 shares of common stock at an offering price of $1.57 per share and, in lieu of common stock to certain investors, pre-funded warrants to purchase 18,574,120 shares of common stock at an offering price of $1.569 per pre-funded warrant. Net proceeds were approximately $140.4 million, after deducting underwriting discounts and commissions of $9.0 million and offering-related expenses of $0.6 million.

Common stock reserved for future issuance as of June 30, 2026 consists of the following:

	June 30, 2026
Stock options issued and outstanding	15,900,181
Restricted stock units (RSUs) issued and outstanding	127,255
Stock options authorized for future issuance	2,494,055
Employee Stock Purchase Plan shares authorized for future issuance	1,952,030
Pre-funded warrants issued and outstanding	13,723,803
Total	34,197,324

At-the-Market Equity Offering

In December 2021, the Company entered into a sales agreement (as amended, Sales Agreement) with Cantor Fitzgerald & Co. and Credit Suisse Securities (USA) LLC (Credit Suisse), under which it may offer and sell shares of the Company's common stock, having aggregate gross proceeds of up to $150.0 million, from time to time through them as the Company's sales agents in its at-the-market (ATM) equity offering program. In August 2023, the Company entered into an amendment to the Sales Agreement to include UBS Securities LLC as an additional sales agent and to remove Credit Suisse as a sales agent. As of June 30, 2026, the Company had issued approximately 3,183,109 shares of common stock pursuant to the Sales Agreement for net proceeds of $31.4 million. The Company may terminate this ATM program at any time, pursuant to its terms.

Pre-Funded Warrants

In October 2023, the Company completed a registered offering (the October 2023 Offering) pursuant to a shelf registration statement, which provides for aggregate offerings of up to $450.0 million of the Company's securities. As part of the October 2023 Offering, the Company issued pre-funded warrants (2023 Pre-Funded Warrants) to certain investors to purchase 1,250,000 shares of common stock at an offering price of $6.379 per pre-funded warrant. Each pre-funded warrant entitles the holder to purchase one share of common stock at an exercise price of $0.001 per share. Additional information regarding the 2023 Pre-Funded Warrants is included in our notes to our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, which was filed with the SEC on March 9, 2026. As of June 30, 2026, zero shares underlying the 2023 Pre-Funded Warrants have been exercised.

As part of the February 2026 Offering, the Company issued pre-funded warrants (2026 Pre-Funded Warrants) to certain investors to purchase 18,574,120 shares of common stock at an offering price of $1.569 per pre-funded warrant. Each pre-funded warrant entitles the holder to purchase one share of common stock at an exercise price of $0.001 per share.

The 2026 Pre-Funded Warrants were classified as equity and accounted for as a component of additional paid-in capital. These pre-funded warrants were classified as equity because they (i) are freestanding financial instruments that are legally detachable and separately exercisable from the equity instruments, (ii) are immediately exercisable, (iii) do not embody an obligation for the Company to repurchase its shares, (iv) permit the holders to receive a fixed number of shares of common stock upon exercise, (v) are indexed to the Company's common stock and (vi) meet the equity classification criteria. In addition, these pre-funded warrants do not provide any guarantee of value or return. The Company valued the 2026 Pre-Funded Warrants at issuance, concluding that their offering price approximated their fair value, and allocated the aggregate net proceeds from the offering proportionately to the common stock and pre-funded warrants, including approximately $29.1 million allocated to the pre-funded warrants and recorded as a component of additional paid-in capital on the consolidated balance sheets.

The 2026 Pre-Funded Warrants are exercisable at any time after their original issuance. However, these pre-funded warrants include a separate provision whereby the exercisability of the pre-funded warrants may be limited if, upon exercise, the warrant holder (together with its affiliates) would beneficially own more than 4.99% or 9.99%, as applicable, of the Company's common stock. This threshold is subject to each warrant holder's rights under its pre-funded warrants to increase or decrease such percentage to any other percentage not in excess of 19.99% upon at least 61 days' prior notice from such warrant holder to the Company. The pre-funded warrants do not have a stated expiration date and remain outstanding until exercised in full.

As of June 30, 2026, 6,100,317 shares underlying the 2026 Pre-Funded Warrants have been exercised.

The following table provides a summary of pre-funded warrants activity:

	Number of Warrants
Outstanding as of December 31, 2025	1,250,000
Issued	18,574,120
Exercised	(6,100,317)
Expired	—
Outstanding as of June 30, 2026	13,723,803

Outstanding pre-funded warrants as of June 30, 2026 and 2025 consists of the following:

	June 30,	
	2026	2025
2023 Pre-Funded Warrants	1,250,000	1,250,000
2026 Pre-Funded Warrants	12,473,803	—
Total outstanding	13,723,803	1,250,000

Outstanding pre-funded warrants are included in the weighted-average number of shares of common stock used to calculate basic net loss per share attributable to common stockholders (see Note 10 "Net Loss Per Share").

(9) STOCK-BASED COMPENSATION

Equity Incentive Plans

Amended and Restated 2020 Equity Incentive Plan

The Company's Amended and Restated 2020 Equity Incentive Plan, or the 2020 Plan, serves as the successor to the Company's 2020 Equity Incentive Plan and provides for the granting of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock, restricted stock units, performance units and performance shares.

On January 1, 2026, the number of shares available under the 2020 Plan was increased by 2,175,521 shares.

2025 Inducement Equity Incentive Plan

In January 2025, the Company adopted the 2025 Inducement Equity Incentive Plan, or the 2025 Plan. The 2025 Plan provides for the granting of equity-based awards, including non-statutory stock options, stock appreciation rights, restricted stock, restricted stock units, performance units and performance shares.

On January 21, 2026, the number of shares available under the 2025 Plan was increased by 1,300,000 shares.

Performance-Based Restricted Stock Units

In February 2024, the Company granted 365,000 performance-based restricted stock units, or PSUs, to certain employees under the 2020 Plan. The PSUs are subject to both performance-based and service-based vesting conditions with a fair value based on the closing price of the underlying common stock on the date of grant. Each PSU is split into two tranches with each tranche having performance goals based on the achievement of pre-determined clinical milestones that result in the shares attributable to such tranche being eligible for vesting, subject to the service-based vesting condition. The service-based vesting condition is satisfied on the one-year anniversary of the performance achievement date for each tranche and is subject to the employee's continuous service through such vesting date. Upon vesting, each PSU will automatically convert into one share of the Company's common stock. If the performance condition for a tranche is not met by March 31, 2025, the shares attributable to such tranche will be forfeited.

The Company determined that the performance conditions for one tranche of PSUs was achieved by the March 31, 2025 deadline. During the three months and six months ended June 30, 2026, the Company recognized compensation expense of zero and $0.1 million, respectively, related to this tranche of PSUs. During the three months and six months ended June 30, 2025, the Company recognized compensation expense of $0.1 million and $0.7 million, respectively, related to this tranche of PSUs. The performance conditions for the other tranche of PSUs was not achieved as of March 31, 2025, and therefore, these awards were forfeited. As of June 30, 2026, there were no PSUs outstanding and unvested.

Employee Stock Purchase Plan

Under the Company's 2020 Employee Stock Purchase Plan, or the ESPP, eligible employees are entitled to purchase shares of common stock with accumulated payroll deductions.

Stock-based Compensation Expenses

Total stock-based compensation expense recognized in the condensed consolidated statements of operations was as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Research and development	$ 1,278	$ 840	$ 2,479	$ 3,845
General and administrative	1,405	1,296	2,713	3,507
Total	$ 2,683	$ 2,136	$ 5,192	$ 7,352

(10) NET LOSS PER SHARE

The following table sets forth the computation of the basic and diluted net loss per share for the three months and six months ended June 30, 2026 and 2025 (in thousands, except share and per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net loss	$ (17,971)	$ (25,949)	$ (35,898)	$ (56,703)
Denominator:				
Weighted-average shares of common stock outstanding, basic and diluted	135,639,684	53,445,631	120,097,125	54,031,176
Net loss per share, basic and diluted	$ (0.13)	$ (0.49)	$ (0.30)	$ (1.05)

The weighted average shares of common shares outstanding includes pre-funded warrants to purchase 13,723,803 shares of common stock for the three months and six months ended June 30, 2026 and 1,250,000 shares of common stock for the three months and six months ended June 30, 2025.

Since the Company was in a loss position for all periods presented, basic net loss per share is the same as diluted net loss per share for all periods presented as the inclusion of all potential common stock outstanding would have been anti-dilutive.

The following outstanding potentially dilutive securities were excluded from the computation of diluted net loss per share for the three months and six months ended June 30, 2026 and 2025 because including them would have been anti-dilutive:

	Three Months and Six Months Ended June 30,	
	2026	2025
Stock options to purchase common stock	15,900,181	12,786,569
Unvested RSUs	127,255	417,677
Unvested PSUs	—	69,750
Total	16,027,436	13,273,996

(11) COMMITMENTS AND CONTINGENCIES

Guarantees and Indemnifications

In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and provide for general indemnifications. The Company's exposure under these agreements is unknown because it involves claims that may be made against the Company in the future but have not yet been made. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations. However, the Company may record charges in the future as a result of these indemnification obligations. The Company also has indemnification obligations to its officers and directors for specified events or occurrences, subject to some limits, while they are serving at the Company's request in such capacities. There have been no claims to date and the Company has director and officer insurance that may enable the Company to recover a portion of any amounts paid for future potential claims. The Company believes the fair value of these indemnification agreements is minimal. Accordingly, the Company has not recorded any liabilities for these agreements as of June 30, 2026.

Contingencies

From time to time, the Company may be a party to various claims in the normal course of business. Legal fees and other costs associated with such actions will be expensed as incurred. The Company will assess, in conjunction with its legal counsel, the need to record a liability for litigation and contingencies. Reserve estimates will be recorded when and if it is determined that a loss related matter is both probable and reasonably estimable. As of June 30, 2026, the Company had no pending or threatened litigation.

Other Contractual Obligations and Other Commitments

The Company has other contractual obligations and other commitments from manufacturing and service contracts, which are presented as follows as of June 30, 2026 (in thousands):

	June 30, 2026				
	Total	2026 (remaining six months)	2027-2028	2029-2030	Thereafter
Manufacturing and service contracts	$ 1,967	$ 1,386	$ 581	$ —	$ —
Total	$ 1,967	$ 1,386	$ 581	$ —	$ —

In November 2015, the Company entered into a Master Service Agreement, or the MSA, with KBI Biopharma, Inc. relating to formulation development, process development and current good manufacturing practices, or cGMP, manufacturing of evorpacept for use in clinical trials on a project basis. The MSA had an initial term of three years with successive one-year renewal periods, which was extended an additional eight years until November 2026, is cancellable upon notice and is non-exclusive. Statements of work under the MSA commit the Company to certain future purchase obligations of approximately $0.5 million. In addition, the Company has commitments with two other pharmaceutical contract manufacturers and suppliers, including certain future purchase obligations of approximately $1.5 million. These amounts are based on non-cancellable commitments and forecasts that include estimates of future market demand, quantity discounts and manufacturing efficiencies that may impact timing of purchases.

The Company enters into contracts in the normal course of business with various third parties for clinical trials, preclinical research studies and testing, manufacturing and other services and products for operating purposes. These contracts generally provide for termination upon notice. Payments due upon cancellation consist only of payments for services provided or expenses incurred, including non-cancellable obligations of the Company's service providers, up to the date of cancellation.

(12) SUBSEQUENT EVENTS

In preparing the consolidated financial statements as of June 30, 2026, the Company evaluated subsequent events for recognition and measurement purposes through the filing date of this Quarterly Report on Form 10-Q. The Company concluded that no events or transactions have occurred that require disclosure in the accompanying consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q. Some of the information contained in this discussion and analysis, including information with respect to our plans and strategy for our business, include forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q.

Overview

We are a clinical-stage biotechnology company advancing a pipeline of novel therapies designed to treat cancer and extend patients' lives. Our clinical pipeline includes two clinical-stage product candidates, the CD47 blocker evorpacept and an epidermal growth factor receptor (EGFR)-targeted antibody drug candidate (ADC) ALX2004. Our lead product candidate, evorpacept, has demonstrated potential to serve as a cornerstone therapy upon which the future of immuno-oncology can be built. Evorpacept is currently being evaluated in combination with trastuzumab and chemotherapy in patients with metastatic HER2-positive breast cancer in the Phase 2 ASPEN-09-Breast clinical trial and is also being studied in clinical trials with other targeted anti-cancer antibodies. Cancer cells leverage CD47, a cell surface protein, as a "don't eat me" signal to evade macrophage phagocytosis. We are developing evorpacept to be a next-generation checkpoint inhibitor designed to have a high affinity for CD47 and to avoid the limitations caused by hematologic toxicities inherent in other CD47 blocking approaches. Our second pipeline candidate, ALX2004, is a novel EGFR-targeted antibody-drug conjugate with a differentiated design and entered into a Phase 1 clinical trial in August 2025.

Evorpacept is a next-generation CD47 blocking therapeutic that we believe has significantly enhanced properties compared to competing CD47 blocking approaches. Evorpacept is a fusion protein that combines a high-affinity CD47 binding domain with a proprietary inactivated Fc domain. The CD47 binding domain of evorpacept is an affinity enhanced extracellular domain of SIRPα, a protein found on myeloid cells such as macrophages, that is the natural receptor to CD47. We have engineered the Fc domain of evorpacept so that it does not provide a pro-phagocytic signal while still maintaining an antibody-like half-life for the molecule. We believe our inactive Fc approach improves tolerability when compared to other CD47 blocking approaches that have an Fc domain that engages activating receptors on macrophages, causing phagocytosis and death of healthy CD47-expressing cells in addition to cancer cells.

Evorpacept's design has several additional advantages that we believe will make it broadly applicable to treating a number of oncology indications. Due to the inactive Fc, evorpacept is specifically designed for use in combination with other anti-cancer agents that provide a positive immune-stimulating signal. We believe evorpacept has a favorable tolerability profile that may enable higher dosing levels, increased tumor penetration, and greater combination potential with other leading anti-cancer agents.

We are focused on evorpacept development with the standard-of-care agents that provide a stimulatory signal to the innate immune system. We are combining evorpacept with anti-cancer targeted antibodies with an active Fc domain, where evorpacept enables the Fc-mediated antibody dependent phagocytosis that is impaired by the expression of CD47 on cancer cells.

Data from the randomized ASPEN-06 Phase 2 clinical trial supports the clinical validation of this mechanism of action. ASPEN-06 evaluated the contribution of evorpacept to HERCEPTIN® (trastuzumab) plus standard of care (CYRAMZA® (ramucirumab) + paclitaxel) (Evo-TRP), versus trastuzumab, ramucirumab, and paclitaxel (TRP) in second line or later human epidermal growth factor receptor 2 (HER2)-positive gastric/gastroesophageal junction (GEJ) cancer, where all patients had received an anti-HER2 agent in prior lines of therapy. The full data set was previously presented. Results from a pre-planned exploratory analysis were presented at the Society for Immunotherapy of Cancer (SITC) Annual Meeting:

- In a pre-planned exploratory analysis of the ASPEN-06 clinical trial in gastric cancer, CD47 overexpression was identified as a key predictive biomarker for response and durable benefit in patients with retained HER2 expression. Retained HER2 expression is defined as patients who are HER2 positive on a tumor biopsy after receiving a HER2-targeted treatment or by HER2 amplification by circulating tumor DNA (ctDNA). The data was highlighted as part of a poster presentation at the SITC Annual Meeting in November 2025.
    - In patients with retained HER2-positive and CD47-high gastric cancer (n=43), Evo-TRP had a 65.0% objective response rate (ORR) versus 26.1% ORR for TRP, while patients with retained HER2-positive and CD47-low gastric cancer (n=47), Evo-TRP had a 37.5% ORR compared to 26.1% ORR for TRP.
    - The duration of response (DOR) was three times longer in the Evo-TRP arm relative to TRP in these patients. Evo-TRP had a median DOR (mDOR) of 25.5 months versus 8.4 months mDOR for TRP, while patients with retained HER2-positive and CD47-low gastric cancer, had an mDOR of 11.2 months for Evo-TRP compared to 12 months for TRP. Progression free survival (PFS) and overall survival (OS) data were evaluated in these patients. Treatment with Evo-TRP resulted in a median PFS (mPFS) of 18.4 months versus 7.0 months for TRP, hazard ratio (HR) of 0.39. Treatment with Evo-TRP resulted in a median OS (mOS) of 17 months versus 9.9 months for TRP, HR of 0.70.

Evorpacept has been combined in clinical trials with multiple anti-cancer antibodies in addition to trastuzumab including the CD20-targeted antibody rituximab, the CD38-targeted antibody isatuximab-*irfc*, and the HER2-targeted bispecific antibody zanidatamab. Our earlier ASPEN-01 Phase 1 positive data in combination with rituximab in non-Hodgkin lymphoma (NHL); the Phase 1/2 investigator-sponsored trial (IST) of evorpacept in combination with rituximab and lenalidomide in patients with relapsed refractory B-cell NHL (R/R B-NHL) and subsequently, in patients with newly diagnosed indolent B-cell NHL; and the Phase 1b/2 trial of evorpacept with zanidatamab in patients with HER2-positive breast cancer provide additional support for the clinical validation of this mechanism of action and support exploring combinations of evorpacept with other anti-cancer antibodies.

Our second product candidate is ALX2004, a novel EGFR-targeted ADC. ALX2004 was created from our proprietary linker-payload library and fully designed and developed in-house by our scientists. ALX2004 comprises a matuzumab-derived affinity-selected EGFR antibody backbone engineered for optimal activity as an ADC, a proprietary topoisomerase I inhibitor payload with enhanced bystander effect, and a linker with enhanced stability. EGFR is clinically validated as a therapeutic target with several U.S. Food and Drug Administration (FDA)-approved targeted antibodies and small molecules. However, there are currently no approved EGFR-targeted ADCs and early-generation attempts to develop EGFR-targeted ADCs were limited by drug design, on-target off-tumor toxicities and toxicity of older generation payloads.

We are engaged in the following clinical programs, collaborations, and investigator-sponsored trials:

Evorpacept

Combination with the HER2-targeted antibody trastuzumab

- ASPEN-09-Breast – HER2+ Breast Cancer
  - In March 2025, we announced intent to initiate a randomized Phase 2 clinical trial evaluating evorpacept in combination with trastuzumab and chemotherapy for the treatment of patients with HER2-positive metastatic breast cancer after prior treatment with fam-trastuzumab deruxtecan-nxki.
  - In August 2025, we announced that based on the magnitude of benefit in patients with high CD47 expression in HER2-positive gastric cancer, the ASPEN-09-Breast study in HER2-positive breast cancer evaluating evorpacept in combination with trastuzumab and chemotherapy has been amended to a single-arm design and will be evaluated by CD47 expression.
  - In January 2026, we announced that the first patient had been dosed in the trial.
- ASPEN-06 – Gastric/GEJ Cancer
  - In March 2022, we announced the dosing of the first patient in the multi-center, international ASPEN-06 trial, a randomized Phase 2/3 trial of evorpacept in combination with trastuzumab, ramucirumab and paclitaxel for the treatment of second- and third-line advanced HER2-overexpressing gastric/GEJ cancer, where all patients had received an anti-HER2 agent in prior lines of therapy.
  - In July 2024, we announced the topline data from our ASPEN-06 Phase 2 clinical trial. This topline data reported results from 127 randomized patients with second and third line gastric/GEJ cancer and was generally well-balanced across arms based on prespecified stratification factors including line of therapy, prior ENHERTU® use, Asia region, tumor location (GC or GEJ), HER2 expression level, and having HER2-positive disease based upon a tissue biopsy after anti-HER2 treatment. A confirmed ORR of 40.3% was demonstrated for the Evo-TRP treatment arm compared to 26.6% for the TRP control arm. The mDOR was 15.7 months for the Evo-TRP treatment arm and 7.6 months for the TRP control arm in the full trial population. In patients with fresh HER2-positive biopsies (n=48), Evo-TRP demonstrated an ORR of 54.8% compared to 23.1% for the TRP control.
  - In January 2025, we presented updated results from the ASPEN-06 Phase 2 clinical trial in an oral presentation at the 2025 American Society of Clinical Oncology Gastrointestinal Cancers Symposium. A confirmed ORR of 41.3% was demonstrated for the Evo-TRP treatment arm compared to 26.6% for the TRP control arm in the intent-to-treat patient population. In patients with confirmed HER2-positive expression as determined by either fresh biopsy or ctDNA HER2-positivity (n=96), the addition of evorpacept to TRP resulted in a 48.9% ORR, an mDOR of 15.7 months and mPFS of 7.5 months, compared to a 24.5% ORR, an mDOR of 9.1 months and mPFS of 6.7 months in the TRP control group, with a PFS HR of 0.64.
  - In November 2025, we presented a pre-planned exploratory analysis of the ASPEN-06 clinical trial in gastric cancer in which CD47 overexpression was identified as a key predictive biomarker for response and durable benefit in patients with retained HER2 expression.
    - In patients with retained HER2-positive and CD47-high gastric cancer (n=43), Evo-TRP had a 65.0% ORR versus 26.1% ORR for TRP, while patients with retained HER2-positive and CD47-low gastric cancer (n=47), Evo-TRP had a 37.5% ORR compared to 26.1% ORR for TRP.

- The DOR was three times longer in the Evo-TRP arm relative to TRP in these patients. Evo-TRP had an mDOR of 25.5 months versus 8.4 months mDOR for TRP, while patients with retained HER2-positive and CD47-low gastric cancer, had an mDOR of 11.2 months for Evo-TRP compared to 12 months for TRP. PFS and OS data were evaluated in these patients. Treatment with Evo-TRP resulted in an mPFS of 18.4 months versus 7.0 months for TRP, HR of 0.39. Treatment with Evo-TRP resulted in an mOS of 17 months versus 9.9 months for TRP, HR of 0.70.

Combination with the EGFR-targeted antibody cetuximab

- ASPEN-CRC – Colorectal Cancer (CRC)
  - In March 2025, we announced intent to initiate a Phase 1b study evaluating evorpacept in combination with the EGFR-targeted antibody cetuximab and FOLFIRI for the treatment of patients with second-line metastatic CRC.
  - In August 2025, we streamlined evorpacept development program to focus our resources on the ASPEN-09-Breast trial and paused the ASPEN-CRC study announced earlier in March 2025.

Collaborations and Investigator-Sponsored Trials

Combination with the HER2-targeted bispecific, zanidatamab, and HER2-targeted ADC, fam-trastuzumab deruxtecan-nxki

- Jazz Pharmaceuticals plc – Breast Cancer
  - Our collaborator, Jazz Pharmaceuticals plc (Jazz), sponsored and managed the Phase 1b/2 trial of zanidatamab, a HER2-targeted anti-cancer antibody, for the treatment of advanced HER2-expressing breast cancer and other solid tumors in combination with evorpacept (Zanidatamab Trial). We announced the dosing of the first patient in this trial in October 2021.
  - Our initial collaborator for the Zanidatamab Trial was Zymeworks Inc. (Zymeworks), however in a series of transactions commencing in October 2022, Jazz assumed responsibility from Zymeworks for the development and commercialization of zanidatamab in the United States, Europe, Japan and certain other territories, including responsibility for the Zanidatamab Trial.
  - In December 2024, Phase 1b/2 data were presented in a poster presentation at the 2024 San Antonio Breast Cancer Symposium (SABCS). The SABCS poster presentation data-cut reported on efficacy findings from all three of the part-two trial cohorts: Cohort 1 (n=21) consisted of patients with HER2-positive breast cancer who had received prior ENHERTU and also a median of six prior systemic therapies in the metastatic setting. Patients were enrolled based on local assessment of tumor samples or central assessment. Of the 21 patients enrolled in Cohort 1, nine were found to be HER2-positive based on central assessment. Cohort 2 (n=15) consisted of patients with HER2-low breast cancer who had received a median of five prior systemic therapies. Cohort 3 (n=8) consisted of patients with other HER2-expressing cancers. Patients in Cohort 1 who were HER2-positive by central assessment (n=9) showed the greatest anti-tumor activity with a confirmed ORR of 55.6% and an mPFS of 7.4 months. Overall, patients in Cohort 1 (n=21) had a confirmed ORR and mPFS of 33.3% and 3.6 months, respectively. Patients in Cohort 2 had a confirmed ORR and mPFS of 20.0% and 1.9 months, respectively. As of the August 2024 data cutoff, median follow-up was 9.6 months, with six patients still on treatment. The mDOR was not reached for Cohort 1 patients (range: 3.6-25.9 months) and was 5.5 months for Cohort 2 patients (range: 3.6-11.0 months), with responses ongoing, including the longest observed response, in each cohort. The combination therapy was well tolerated with a manageable safety profile that was consistent with prior experience of each agent.
  - In May 2026, exploratory biomarker analyses were presented at the ESMO Breast Cancer 2026 meeting. The exploratory analyses comprised 24 patients, including 10 with centrally confirmed HER2-positive (ccHER2-positive) disease. Seventeen of 24 samples were evaluable for CD47 expression, including samples from nine of the 10 ccHER2-positive patients. Patients received zanidatamab plus evorpacept at dosages of 20 mg/kg (n=3) or 30 mg/kg (n=21). As of the August 1, 2024 data cut-off, key findings from the analyses include:
    - The confirmed objective response rate (cORR) among all 24 patients was 33% and the mPFS was 3.6 months.
    - Patients with ccHER2-positive disease (n=10) had higher response rates, with a cORR of 60% and mPFS of 8.3 months.
    - All of the patients (n=5/5) with ccHER2-positive disease and high CD47 expression (defined as total membrane staining of ≥20%) responded (including one complete response and four partial responses), with an mDOR of 20.2 months and mPFS of 22.1 months. In comparison, among the patients with ccHER2-positive disease and low CD47 expression (defined as total membrane staining of <20%), cORR was 25% (n=1/4) and mPFS was 3.4 months.

Combination with the CD20-targeted antibody rituximab

- MD Anderson Cancer Center – Non-Hodgkin Lymphoma
  - In 2021, an IST of evorpacept was initiated in combination with rituximab and lenalidomide (R^2) for the treatment of patients with indolent and aggressive NHL, sponsored by MD Anderson Cancer Center in Texas. We announced the dosing of the first patient in September 2021.
  - In April 2024, MD Anderson Cancer Center reported clinical data from the ongoing Phase 1/2 IST of evorpacept in combination with R^2 in patients with R/R B-NHL. The new data were presented in an oral presentation at the 2024 American Association for Cancer Research (AACR) Annual Meeting. The Phase 1 part of the clinical trial enrolled a total of 20 patients with indolent (n=18) and aggressive (n=2) R/R B-NHL where all patients had received prior rituximab and 72% had received prior chemoimmunotherapy. Patients received evorpacept 30 mg/kg every two weeks (Q2W) (n=3) or 60 mg/kg every four weeks (Q4W) (n=17) in combination with standard R^2 treatment. The regimen was well tolerated, and there were no dose-limiting toxicities. Patients with indolent R/R B-NHL (n=18) had a best ORR of 94% and a complete response rate of 83%. The mDOR was not reached.
  - In April 2025, final data for the Phase 1 portion of the MD Anderson Cancer Center IST was presented at the 2025 AACR Annual Meeting. In the total population (n=20), after a median follow-up of 28 months (95% CI, 18-28 months) the two-year PFS rate was 69% and two-year OS rate was 84%. The Phase 2 portion of the clinical trial in patients with previously untreated indolent NHL is ongoing and has completed enrollment.
  - In December 2025, data for the Phase 2 portion of this trial, which enrolled patients with untreated indolent NHL was presented at the 2025 American Society of Hematology Annual Meeting. The combination of evorpacept with R^2 generated complete responses in 92% of patients comparing favorably to an approximate 50% historical complete response rate for R^2 alone.

Combination with the CD38-targeted antibody isatuximab-irfc

- Sanofi – Multiple Myeloma
  - In April 2023, we announced a collaboration with Sanofi who will sponsor and manage a Phase 1/2 trial of SARCLISA® (isatuximab-irfc), an anti-cancer antibody, and dexamethasone in combination with evorpacept for the treatment of patients with relapsed or refractory multiple myeloma. We announced the dosing of the first patient in September 2024.
  - In August 2025, we announced that the dose escalation portion of this trial was complete and Sanofi had begun the dose optimization portion of the trial.

Based on our clinical results to date in multiple oncology indications that show encouraging anti-tumor activity and tolerability, our strategy is to pursue evorpacept as a potentially critical component of future oncology treatments in combination with anticancer antibodies.

ALX2004

- In March 2025, we filed an investigational new drug (IND) application for our first ADC program, ALX2004 and in April 2025, the FDA cleared the IND to evaluate ALX2004 in a Phase 1 clinical trial for patients with EGFR-expressing solid tumors.
- In August 2025, we announced the dosing of the first patient in the first-in-human, open-label multi-center Phase 1 clinical trial of ALX2004 for the treatment of advanced or metastatic select EGFR-expressing solid tumors.
- In January 2026, we announced that the trial had begun enrolling patients in the third dose cohort at 4 mg/kg after successfully clearing the second dose cohort. No dose-limiting toxicities were observed in the first two dose cohorts.

Since our founding, we have devoted substantially all of our resources to developing evorpacept, identifying and advancing preclinical programs, including the initiation and advancement of clinical trials of ALX2004, scaling up manufacturing, conducting clinical trials and providing general and administrative support for these operations. We have no products approved for marketing and we have never received any revenue from drug product sales.

From inception through June 30, 2026, we have raised an aggregate of $795.0 million to fund our operations, of which $175.1 million were net proceeds from sales of our convertible preferred stock, $5.8 million were net proceeds from borrowings under a term loan, $169.5 million were net proceeds from our initial public offering, $194.9 million were net proceeds from our registered offering in December 2020, $9.3 million were net proceeds from borrowings under the Oxford-SVB Loan Agreement (as defined below), $58.9 million were net proceeds from our registered offering in October 2023, $140.4 million in net proceeds from our registered offering in February 2026, $9.7 million were net proceeds from borrowings under the HSBC Loan Agreement (as defined below), and $31.4 million were net proceeds from our at-the-market (ATM) offering. For more information on the funding of our operations since inception, see section titled "—Liquidity and Capital Resources; Plan of Operations—Funding Requirements" included elsewhere in this Quarterly Report on Form 10-Q.

We have incurred net losses in each year since inception. Our net losses were $18.0 million and $25.9 million for the three months ended June 30, 2026 and 2025, respectively, and $35.9 million and $56.7 million for the six months ended June 30, 2026 and 2025, respectively. As of June 30, 2026, we had an accumulated deficit of $758.7 million. Substantially all of our operating losses are a result of expenses incurred in connection with our research and development programs, primarily evorpacept, and from general and administrative expenses associated with our operations.

We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future. We expect our expenses will increase substantially in connection with our ongoing activities, as we:

- advance evorpacept through multiple clinical trials in multiple indications;
- pursue regulatory approval of evorpacept in solid tumors and hematological malignancies;
- advance ALX2004 through a first-in-human trial;
- continue preclinical and clinical development efforts;
- obtain and maintain patent, trade secret and other intellectual property protection and regulatory exclusivity for our product candidates;
- manufacture supplies for our preclinical studies and clinical trials; and
- continue to add operational, financial and management information systems to support ongoing operations as a public company.

Components of Results of Operations

Operating Expenses

Research and Development Expenses

Research and development expenses consist primarily of costs incurred for the development of our lead product candidate, evorpacept, and the initiation and advancement of ALX2004, which include:

- expenses incurred in connection with preclinical and clinical development, including expenses incurred under collaboration agreements and under agreements with contract research organizations, or CROs;
- employee-related expenses, including salaries, related benefits, travel and stock-based compensation expenses for employees engaged in research and development functions;
- expenses related to production of clinical materials, including fees paid to contract manufacturing organizations, or CMOs;
- laboratory, vendor expenses and third-party drugs related to the execution of preclinical studies and clinical trials; and
- facilities and other expenses, which include expenses for rent and maintenance of facilities, depreciation and amortization expense and other supplies.

We expense research and development costs as incurred. Nonrefundable advance payments for goods or services to be received in future periods for use in research and development activities are deferred and capitalized. The capitalized amounts are then expensed as the related goods are delivered or as services are performed. We record accruals for estimated costs of research, preclinical studies, clinical trials and manufacturing development, which are a significant component of research and development expenses. We determine the estimated costs through discussions with internal personnel and external service providers as to the progress or stage of completion of the services and the agreed-upon fees to be paid for such services.

Our research and development expenses consist primarily of costs associated with the development of our lead product candidate, evorpacept, and the initiation and advancement of clinical trials of ALX2004, and include external costs, such as fees paid to consultants, central laboratories, contractors, collaborators, CMOs and CROs in connection with our preclinical and clinical development activities.

Almost all of our research and development expenses to date have been related to the clinical development of our lead product candidate, evorpacept, the initiation and advancement of clinical trials of ALX2004, and development of potential product candidates. We expect to incur significant research and development expenses in the foreseeable future as we continue to invest in research and development activities related to progress on our existing product candidates. As our product candidates advance into later stages of development, we begin to conduct larger clinical trials. The process of conducting the necessary clinical trials to obtain regulatory approval is costly and time-consuming, and the successful development of our product candidates is highly uncertain. As a result, we are unable to determine the duration and completion costs of our research and development projects or when and to what extent we will generate revenue from the commercialization and sale of any of our product candidates.

The successful development of our current and future product candidates is highly uncertain. This is due to numerous risks and uncertainties, including the following:

- successful completion of preclinical studies and clinical trials;
- delays in regulators or institutional review boards authorizing us or our investigators to commence our clinical trials;
- our ability to negotiate agreements with clinical trial sites or CROs;
- the number and location of clinical sites included in the trials;
- raising additional funds necessary to complete clinical development of our product candidates;
- obtaining and maintaining patent, trade secret and other intellectual property protection and regulatory exclusivity for our product candidates;
- contracting with third-party manufacturers for clinical supplies of our product candidates;
- protecting and enforcing our rights in our intellectual property portfolio, including, if necessary, litigation; and
- maintaining a continued acceptable safety profile of the products following approval.

A change in the outcome of any of these variables with respect to the development of our product candidates may significantly impact the costs and timing associated with the development of our product candidates. We may never succeed in obtaining regulatory approval for any of our product candidates.

Research and development activities are essential to our business model. There are numerous factors associated with the successful commercialization of our product candidates, including future trial design and various regulatory requirements, many of which cannot be determined with accuracy at this time based on our stage of development. In addition, future regulatory factors beyond our control may impact the success, cost or timing of our clinical development programs.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel-related expenses, business development expenses, facilities expenses, depreciation and amortization expenses and professional services expenses, including legal, human resources, audit, accounting and tax-related services, and directors and officers liability insurance premiums. Personnel and related costs consist of salaries, benefits and stock-based compensation expenses. Facilities costs consist of rent and maintenance of facilities.

We anticipate that our general and administrative expenses will remain stable for the remainder of this year. Factors that may affect general administrative expenses include inflationary pressures, higher costs of consulting, legal, tax and regulatory-related services associated with maintaining compliance with stock exchange listing and Securities and Exchange Commission (SEC) requirements, audit and investor relations costs, director and officer insurance premiums and other costs associated with being a public company.

Lease Termination (Gain) and Impairment Charge

Our lease termination (gain) and impairment charge consists of a gain from lease termination and impairment of long-lived assets related to the Palo Alto lease.

Interest Income

Our interest income consists primarily of interest income on cash, cash equivalents and investments.

Interest Expense

Our interest expense consists primarily of interest expense on the term loan, amortization of deferred debt issuance costs, and interest related to finance leases.

Other Expense, Net

Our other expense, net consists primarily of realized foreign currency transaction gains and losses and losses on the disposal of fixed assets.

Loss on Debt Extinguishment

Our loss on debt extinguishment consists of a loss from the early extinguishment of the Oxford-SVB Loan.

Results of Operations and Net Loss

The following table summarizes our results of operations for the three months and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	$	%	2026	2025	$	%
Operating expenses:								
Research and development	$ 13,138	$ 18,022	$ (4,884)	-27%	$ 26,744	$ 41,910	$ (15,166)	-36%
General and administrative	5,133	5,451	(318)	-6%	10,493	13,383	(2,890)	-22%
Lease termination (gain) and impairment charge	(238)	3,175	(3,413)	-107%	(238)	3,175	(3,413)	-107%
Total operating expenses	18,033	26,648	(8,615)	-32%	36,999	58,468	(21,469)	-37%
Loss from operations	(18,033)	(26,648)	8,615	-32%	(36,999)	(58,468)	21,469	-37%
Interest income	1,508	1,106	402	36%	2,690	2,589	101	4%
Interest expense	(285)	(405)	120	-30%	(616)	(811)	195	-24%
Other expense, net	(257)	(2)	(255)	12750%	(69)	(13)	(56)	431%
Loss on debt extinguishment	(904)	—	(904)	100%	(904)	—	(904)	100%
Net loss	$ (17,971)	$ (25,949)	$ 7,978	-31%	$ (35,898)	$ (56,703)	$ 20,805	-37%

Research and Development Expenses

The following table summarizes our research and development (R&D) expenses incurred for the three months and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	$	%	2026	2025	$	%
Clinical and development costs	$ 7,093	$ 11,834	$ (4,741)	-40%	$ 15,373	$ 22,371	$ (6,998)	-31%
Preclinical costs	524	618	(94)	-15%	459	1,856	(1,397)	-75%
Personnel and related costs	3,455	3,582	(127)	-4%	6,630	11,145	(4,515)	-41%
Stock-based compensation expense	1,278	840	438	52%	2,479	3,845	(1,366)	-36%
Other research costs	788	1,148	(360)	-31%	1,803	2,693	(890)	-33%
Total R&D expenses	$ 13,138	$ 18,022	$ (4,884)	-27%	$ 26,744	$ 41,910	$ (15,166)	-36%

R&D expenses decreased by $4.9 million during the three months ended June 30, 2026 compared to the three months ended June 30, 2025. The decrease was primarily attributable to a decrease of $4.7 million in clinical and development costs primarily due to change in clinical development strategy reducing the number of active clinical trials in the current quarter compared to prior period, a decrease of $0.4 million in other research costs, and a decrease of $0.1 million in personnel and related costs. These decreases were offset by an increase of $0.4 million in stock-based compensation expense due to absence of terminations from the reduction in workforce which occurred in early 2025.

R&D expenses decreased by $15.2 million during the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The decrease was primarily attributable to a decrease of $7.0 million in clinical and development costs primarily due to change in clinical development strategy reducing the number of active clinical trials in the current period compared to prior period, a decrease of $4.5 million in personnel and related costs primarily driven by the reduction in workforce in early 2025, a decrease of $1.4 million in preclinical costs due to pipeline prioritization strategy, a decrease of $1.4 million in stock-based compensation expense due to terminations from the reduction in workforce, and a decrease of $0.9 million in other research costs.

General and Administrative Expenses

The following table summarizes our general and administrative (G&A) expenses incurred for the three months and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	$	%	2026	2025	$	%
Personnel and related costs	$ 1,855	$ 1,876	$ (21)	-1%	$ 3,696	$ 4,701	$ (1,005)	-21%
Stock-based compensation expense	1,405	1,296	109	8%	2,713	3,507	(794)	-23%
Other G&A costs	1,873	2,279	(406)	-18%	4,084	5,175	(1,091)	-21%
Total G&A expenses	$ 5,133	$ 5,451	$ (318)	-6%	$ 10,493	$ 13,383	$ (2,890)	-22%

G&A expenses decreased by $0.3 million during the three months ended June 30, 2026 compared to the three months ended June 30, 2025. The decrease was primarily attributable to a decrease of $0.4 million in other G&A costs from corporate legal and patent costs, offset by an increase of $0.1 million in stock-based compensation expense due to absence of terminations from the reduction in workforce which occurred in early 2025.

G&A expenses decreased by $2.9 million during the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The decrease was primarily attributable to a decrease of $1.1 million in other G&A costs from corporate legal and patent costs, a decrease of $1.0 million in personnel and related costs primarily driven by the reduction in workforce in early 2025, and a decrease of $0.8 million in stock-based compensation expense due to terminations from the reduction in workforce.

Lease Termination (Gain) and Impairment Charge

In May 2025, we made a decision to sublease our leased property in Palo Alto, resulting in a long-lived asset impairment charge of $3.2 million based on the performed impairment analysis for the three months and six months ended June 30, 2026. In June 2026, we terminated our leased property in Palo Alto, resulting in a lease termination gain of $0.2 million for the three months and six months ended June 30, 2025.

Interest Income

Interest income increased by $0.4 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 and by $0.1 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The increases were primarily attributable to higher cash and investment balances during 2026 as compared to 2025.

Interest Expense

Interest expense decreased by $0.1 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 and by $0.2 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The decreases were primarily due to lower interest rates during 2026 as compared to 2025.

Other Expense, Net

Other expense, net increased by $0.3 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 due to loss incurred on disposal of fixed assets related to the lease termination of our Palo Alto office and laboratory space in May 2026. Other expense, net remained flat for the six months ended June 30, 2026 compared to the six months ended June 30, 2025.

Loss on Debt Extinguishment

Loss on debt extinguishment increased by $0.9 million for the three months and six months ended June 30, 2026 compared to the three months and six months ended June 30, 2025 due to the early termination of the Oxford-SVB Loan in June 2026.

Liquidity and Capital Resources; Plan of Operations

Sources of Liquidity

Since our inception, we have incurred significant operating losses and have not generated any product revenue. We have not yet commercialized any of our product candidates and we do not expect to generate revenue from sales of any product candidates for several years, if at all, subject to regulatory and marketing approval of any of our product candidates. To date, we have funded our operations with proceeds from the sales of shares of our common stock and convertible preferred stock and borrowings under our term loan. As of June 30, 2026, we had cash, cash equivalents and investments of $153.4 million.

Funding Requirements

We have incurred losses and negative cash flows from operations since inception and anticipate that we will continue to incur net losses for the foreseeable future. As of June 30, 2026, we had an accumulated deficit of $758.7 million. We expect our expenses to incur significant expenses in connection with our ongoing activities, particularly as we advance the preclinical activities and clinical trials for our product candidates in development. In addition, we expect to incur additional costs associated with operating as a public company. Management recognizes the need to raise additional capital to fully implement its business plan. The timing and amount of such future capital requirements are difficult to forecast and will depend on many factors, including:

- the timing and progress of preclinical and clinical development activities;
- successful enrollment in and completion of clinical trials;
- the timing and outcome of regulatory review of our product candidates;
- our ability to establish agreements with third-party manufacturers for clinical supply for our clinical trials and, if any of our product candidates are approved, commercial manufacturing;
- addition and retention of key research and development personnel;
- our efforts to enhance operational, financial and information management systems, and hire additional personnel, including personnel to support development of our product candidates;
- the costs and timing of future commercialization activities, including product manufacturing, marketing, sales and distribution, for any of our product candidates for which we obtain marketing approval;
- the legal patent costs involved in prosecuting patent applications and enforcing patent claims and other intellectual property claims;
- the terms and timing of any collaboration, license or other arrangement, including the terms and timing of any milestone and royalty payments thereunder;
- our ability to maintain our listing on Nasdaq; and
- macroeconomic conditions and global economic environment, such as inflation, interest rate changes, trade and other global disputes and interruptions, including related to tariffs and trade protection measures, U.S. federal government shutdowns, economic downturns, bank failures or instability in the financial services sector, or geopolitical risks, disasters, and medical or public health crises, such as the COVID-19 pandemic, which may exacerbate the magnitude of the factors discussed above.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our operations through a combination of equity offerings, debt financings, collaborations, strategic alliances and marketing, distribution or licensing arrangements. Other than a loan and security agreement (the HSBC Loan Agreement) we entered into with HSBC Ventures USA Inc. (HSBC) (the HSBC Lender), for a secured multi-tranche term loan facility of up to $50.0 million in June 2026, we do not have any committed external source of funds. Our ability to raise additional capital may be adversely impacted by potential worsening global economic conditions and the recent disruptions to and volatility in the credit and financial markets in the United States and worldwide. To the extent that we raise additional capital through the sale of equity or convertible debt securities, a stockholder's ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect one's rights as a common stockholder. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures or declaring dividends. If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or drug candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed, we may be required to delay, limit, reduce or terminate our research, product development or future commercialization efforts or grant rights to develop and market drug candidates that we would otherwise prefer to develop and market ourselves.

In July 2020, we completed our initial public offering pursuant to a registration statement on Form S-1. In the initial public offering, we issued and sold an aggregate of 9,775,000 shares of common stock, including the underwriters' exercise in full of their overallotment option, under the registration statement at a public offering price of $19.00 per share. Net proceeds were approximately $169.5 million, after deducting underwriting discounts and commissions of $13.0 million and offering-related expenses of $3.2 million.

In December 2020, we completed our registered offering pursuant to a registration statement on Form S-1. In this registered offering, we issued and sold an aggregate of 2,737,000 shares of common stock, including the underwriters' exercise in full of their overallotment option, under the registration statement at an offering price of $76.00 per share. Net proceeds were approximately $194.9 million, after deducting underwriting discounts and commissions of $12.5 million and offering-related expenses of $0.7 million.

In December 2021, we entered into a sales agreement (as amended, Sales Agreement) with Cantor Fitzgerald & Co. and Credit Suisse Securities (USA) LLC (Credit Suisse), under which we may offer and sell our common stock, having aggregate gross proceeds of up to $150.0 million, from time to time through them as our sales agents in our ATM offering program. In March 2022, we filed a universal shelf registration statement (2022 Shelf Registration Statement) with the SEC, which was declared effective by the SEC on May 31, 2022. In August 2023, we entered into an amendment to the Sales Agreement to include UBS Securities LLC as an additional sales agent and to remove Credit Suisse as a sales agent.

In October 2022, we entered into the loan and security agreement (the Oxford-SVB Loan Agreement) with Oxford Finance LLC, Oxford Finance Credit Fund II LP, and Silicon Valley Bank (SVB) (collectively, the Oxford-SVB Lenders) for a secured term loan facility of up to $100.0 million. Upon closing of the Oxford-SVB Loan Agreement, we drew $10.0 million. Under the original terms of the Oxford-SVB Loan Agreement, we had the right to draw an additional $40.0 million through the end of 2023. A further $50.0 million was potentially available to us, $25.0 million upon the achievement of pre-determined development milestones and $25.0 million at the Oxford-SVB Lenders' sole discretion. For a description of the terms of the Oxford-SVB Loan Agreement, see "Note 7. Term Loan" to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. On May 31, 2023, we entered into a second amendment to the Oxford-SVB Loan Agreement. The primary purpose of the second amendment was to reduce the percentage of the amount required to be held in our collateral account with SVB-First Citizens from 100% to not less than 50% of the aggregate dollar value of all our collateral accounts.

In October 2023, we completed a registered offering pursuant to the 2022 Shelf Registration Statement. In this registered offering, we issued and sold an aggregate of 8,663,793 shares of common stock, including the underwriters' exercise in full of their overallotment option of 1,293,103 shares of common stock, and, in lieu of common stock to certain investors, pre-funded warrants to purchase 1,250,000 shares of common stock at an offering price of $6.38 per share and $6.379 per pre-funded warrant. Net proceeds were approximately $58.9 million, after deducting underwriting discounts and commissions of $3.8 million and offering-related expenses of $0.6 million. As of June 30, 2026, no shares underlying these pre-funded warrants had been exercised.

In December 2023, we entered into a third amendment to the Oxford-SVB Loan Agreement. The primary purpose of the third amendment was to (i) extend the draw period for the first tranche loans from December 31, 2023 to June 30, 2024, (ii) add as a condition for the funding of any first tranche loans after the effective date of the amendment, the requirement that the Phase 2 portion of the ASPEN-06 study in gastric/GEJ cancer either remains ongoing or the achievement of a milestone related to the development of the ASPEN-06 study, and (iii) add a contingency fee in the amount of $0.6 million to the Oxford-SVB Lenders if the Company prepays any of the loans under the Oxford-SVB Loan Agreement other than in connection with refinancing of the Oxford-SVB Loan Agreement with the Oxford-SVB Lenders and their affiliates.

We decided not to draw down on any portion of the $40.0 million available to us under the Oxford-SVB Loan Agreement by the deadline of June 30, 2024. As a result of this decision, the $40.0 million was added to the $25.0 million available upon the achievement of pre-determined development milestones for a total of $65.0 million available, split equally between each of the two tranches. We did not achieve all of the requirements needed to gain access to each of the two tranches available upon the achievement of pre-determined development milestones by the deadline of December 31, 2024. The term loans under the Oxford-SVB Loan Agreement would have matured on October 1, 2027. We began to make principal payments in equal monthly installments beginning on December 1, 2025.

On March 6, 2025, we filed a shelf registration statement with the SEC that became effective on April 24, 2025 (the 2025 Shelf Registration Statement). The 2025 Shelf Registration Statement replaced the 2022 Shelf Registration Statement and registered the unsold securities from the 2022 Shelf Registration Statement, including those available under the ATM program. From December 2021 to June 30, 2026, we sold an aggregate of 3,183,109 shares of common stock under our Sales Agreement for net proceeds of $31.4 million, after deducting commissions. We may terminate this ATM program and the Sales Agreement at any time, pursuant to its terms.

On February 2, 2026, we completed a registered offering and issued an aggregate of 76,979,112 shares of common stock at an offering price of $1.57 per share and pre-funded warrants to purchase 18,574,120 shares of common stock at an offering price of $1.569 per pre-funded warrant. We received net proceeds of approximately $140.4 million, after deducting underwriting discounts and commissions of $9.0 million and other offering-related expenses of $0.6 million. As of June 30, 2026, 6,100,317 shares underlying these pre-funded warrants had been exercised.

In June 2026, we entered into the HSBC Loan Agreement as described above. Pursuant to the HSBC Loan Agreement, we borrowed $10.0 million of loans at closing (through our wholly owned subsidiary, ALX Oncology Inc.), the proceeds of which were used to refinance and pay all outstanding principal, interest and other amounts owing under the existing Oxford-SVB Loan Agreement and to pay closing fees and expenses. Under the terms of the HSBC Loan Agreement, subject to the satisfaction of customary conditions, we have the right to draw an additional $20.0 million through June 30, 2028. A further $20.0 million is potentially available to us, $10.0 million upon the achievement of pre-determined development milestones and $10.0 million at the HSBC Lender's sole discretion. The proceeds of the loans may be used by us for general corporate purposes. For a description of the terms of the HSBC Loan Agreement, see "Note 7. Term Loan" to our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

We believe our existing cash, cash equivalents and investments will enable us to fund our operating expenses and capital expenditure requirements through the first half of 2028. Additionally, the Company also has the ability to further utilize the ATM program. We have based these estimates on assumptions in which actuals may materially differ and we could utilize our available capital resources sooner than we expect.

Cash Flows

The following table presents a summary of the net cash flow activity for the six months ended June 30, 2026 and 2025 (in thousands):

	Six Months Ended June 30,	
	2026	**2025**
Net cash provided by (used in):		
Operating activities	$ (34,705)	$ (48,069)
Investing activities	(98,513)	49,961
Financing activities	139,732	(157)
Net increase in cash, cash equivalents and restricted cash	$ 6,514	$ 1,735

Operating Activities

In the six months ended June 30, 2026, net cash used in operating activities of $34.7 million was attributable to a net loss of $35.9 million and a change in our net operating assets and liabilities of $3.1 million, offset by non-cash charges of $4.3 million. The change in operating assets and liabilities was primarily due to (i) a decrease in accounts payable and accrued expenses and other current liabilities of $3.6 million primarily due to timing of invoices and payments, (ii) a decrease in prepaid and other current assets of $0.9 million, (iii) a decrease in other non-current liabilities of $0.7 million and (iv) a decrease in other assets of $0.3 million. Non-cash charges consisted primarily of stock-based compensation expense of $5.2 million, loss on debt extinguishment of $0.9 million, non-cash lease costs of $0.7 million, and depreciation and amortization costs of $0.2 million, offset by a gain on lease termination of $2.6 million and net accretion of discounts on investments of $0.5 million.

In the six months ended June 30, 2025, net cash used in operating activities of $48.1 million was attributable to a net loss of $56.7 million and a change in our net operating assets and liabilities of $2.5 million, offset by non-cash charges of $11.2 million. The change in operating assets and liabilities was primarily due to (i) a decrease in accounts payable, payable and accrued liabilities due to related party, and accrued expenses and other current liabilities of $1.7 million primarily due to timing of invoices and payments, (ii) a decrease in prepaid and other current assets of $0.7 million, (iii) a decrease in other non-current liabilities of $1.0 million and (iv) an increase in other assets of $0.4 million. Non-cash charges consisted primarily of stock-based compensation expense of $7.4 million, non-cash lease costs of $0.9 million, depreciation and amortization costs of $0.4 million, and lease impairment charge of $3.2 million offset by net amortization of premiums and accretion of discounts on investments of $0.8 million.

Investing Activities

In the six months ended June 30, 2026, net cash used in investing activities of $98.5 million was attributable to purchases of short-term and long-term investments of $130.2 million, offset by cash received for maturities of investments of $31.8 million.

In the six months ended June 30, 2025, net cash provided by investing activities of $50.0 million was attributable to cash received for maturities of investments of $91.2 million, offset by purchases of short-term and long-term investments of $41.2 million and purchases of property and equipment of $0.1 million.

Financing Activities

In the six months ended June 30, 2026, net cash provided by financing activities of $139.7 million was attributable to proceeds from equity offerings of $150.0 million, proceeds from issuance of term loan of $10.0 million, proceeds from exercise of stock options under equity incentive plan of $0.7 million, offset by payments for issuance costs related to equity offerings of $9.6 million, payments for early debt extinguishment of $8.2 million, principal payments on term loan of $2.6 million, principal payments on finance leases of $0.5 million, and payments for debt issuance costs of $0.1 million.

In the six months ended June 30, 2025, net cash used in financing activities of $0.2 million was attributable to principal payments on finance leases of $0.5 million offset by proceeds from our ATM offering program of $0.4 million.

Off-Balance Sheet Arrangements

During the period presented, we did not have, nor do we currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Critical Accounting Estimates

Our management's discussion and analysis of financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States, or U.S. GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported expenses during the reporting periods. These items are monitored and analyzed by us for changes in facts and circumstances, and material changes in these estimates could occur in the future. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Changes in estimates are reflected in reported results for the period in which they become known. Actual results may differ significantly from these estimates under different assumptions or conditions.

Our significant accounting policies and critical accounting estimates are more fully described in the notes to our audited consolidated financial statements and in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Estimates," respectively, in the Company's Annual Report on Form 10-K for the year ended December 31, 2025. During the six months ended June 30, 2026, there were no material changes to our critical accounting policies and estimates from those discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 9, 2026.

Recent Accounting Pronouncements

See "Note 2. Significant Accounting Policies - Recent Accounting Pronouncements" to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for more information.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities.

As of June 30, 2026, we had cash, cash equivalents and investments of $153.4 million. We generally hold our cash and cash equivalents in interest-bearing bank accounts and money market funds. We have invested primarily in U.S. Treasury securities, U.S. government agency securities, corporate debt securities, commercial paper and asset-backed securities and all our investments are classified as available-for-sale. Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates. An immediate 100 basis point change in interest rates would not have a material effect on the fair market value of our cash, cash equivalents and investments.

As of June 30, 2026, we had borrowings of $10.0 million outstanding under the HSBC Loan Agreement. Borrowings under the HSBC Loan Agreement bear interest at a floating rate per annum equal to the greater of (a) the Prime Rate (as defined in the HSBC Loan Agreement) and (b) 6.0%. An immediate 10% change in the Prime Rate would not have a material impact on our debt-related obligations, financial position or results of operations.

Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist of cash, cash equivalents and investments. The Company invests its cash equivalents in highly rated money market funds. The Company's investments consist of debt securities issued by highly rated corporate entities, the U.S. federal government or state and local governments. The Company's exposure to any individual corporate entity is limited by our investment policy. Deposits may exceed federally insured limits, and the Company is exposed to credit risk on deposits in the event of default by the financial institutions to the extent account balances exceed the amount insured by the FDIC.

The Company is continuing to monitor any events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or other companies in the financial services industry or the financial services industry generally.

During the periods presented, the Company has not experienced any realized losses on its deposits of cash, cash equivalents or investments.

Foreign Currency Risk

Our expenses are generally denominated in U.S. dollars. However, we have entered into a limited number of contracts with vendors for services with payments denominated in foreign currencies, primarily the euro. We are subject to foreign currency transaction gains or losses on our contracts denominated in foreign currencies. To date, foreign currency transaction gains and losses have not been material to our condensed consolidated financial statements, and we have not had a formal hedging program with respect to foreign currency. A 10% increase or decrease in current exchange rates would not have a material impact on our financial results.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our "disclosure controls and procedures" as of the end of the period covered by this report, pursuant to Rules 13a-15(e) and 15d-15(e) under the Exchange Act.

In connection with that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective and designed to provide reasonable assurance that the information required to be disclosed is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms as of June 30, 2026. For the purpose of this evaluation, disclosure controls and procedures means controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. These disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit is accumulated and communicated to management, including our Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer, as appropriate to allow timely decisions regarding required disclosure.

Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently a party to any material legal proceedings. From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. Regardless of outcome, litigation can have an adverse impact on us due to defense and settlement costs, diversion of management resources, negative publicity, reputational harm and other factors.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, together with the other information contained elsewhere in this Quarterly Report on Form 10-Q, including our unaudited condensed consolidated financial statements and the related notes, the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our other filings with the Securities and Exchange Commission, or SEC, before deciding whether to invest in our common stock. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations and growth prospects. In such an event, the market price of our common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations and the market price of our common stock.

Risk Factors Summary

Investing in our common stock involves a high degree of risk because our business is subject to numerous risks and uncertainties, as fully described below. These risks include, but are not limited to, the following:

- We have incurred significant net losses since our inception, and we expect to continue to incur significant net losses for the foreseeable future;
- We will require substantial additional capital to finance our operations, and such capital may not be available to us when needed or may only be available on terms that are unfavorable to us;
- We have a limited operating history, have no products approved for commercial sale, and have not generated any revenue from product sales, licenses or collaborations;
- We are substantially dependent on the success of our lead product candidate, evorpacept, also known as ALX 148, which is in clinical development and which has not completed a pivotal trial;
- The outcome of preclinical testing and early clinical trials may not be predictive of the success of later clinical trials, and the results of our clinical trials may not satisfy the requirements of the U.S. Food and Drug Administration, or FDA, or other comparable foreign regulatory authorities;
- Clinical trials of our product candidates are expensive, time consuming and difficult to design and implement and may fail to demonstrate adequate safety, efficacy and potency of our product candidates or provide the basis for marketing approval;
- Our product candidates may cause significant adverse events or other undesirable side effects when used alone or in combination with other treatments;
- The regulatory approval processes of the FDA and comparable foreign regulatory authorities are lengthy, time-consuming and inherently unpredictable, which could lead to our inability to generate product revenue;
- If we are unable to obtain, maintain and enforce patent protection and other intellectual property for our product candidates and related technology, our business could be materially harmed;
- We are highly dependent on our key personnel, and if we are not successful in attracting, motivating, and retaining highly qualified personnel, we may not be able to successfully implement our business strategy;
- We rely on third-party manufacturers for clinical supplies of our product candidates;
- The levels of our debt and compliance with the terms of our loan agreement could restrict our ability to operate our business;
- Macroeconomic conditions and global economic environment, such as inflation, interest rate changes, trade and other global disputes and interruptions, including related to tariffs and trade protection measures, U.S. federal government shutdowns, economic downturns, bank failures or instability in the financial services sector, or geopolitical risks, disasters, and medical or public health crises, such as the COVID-19 pandemic, could adversely impact our business including our ongoing and planned clinical trials and preclinical research;

- The price of our stock may be volatile, and you could lose all or part of your investment; and
- If we are unable to implement and maintain effective internal control over financial reporting in the future, investors may lose confidence in our financial reports.

Risks Related to Our Financial Position and Need for Additional Capital

We have incurred significant net losses since our inception, and we expect to continue to incur significant net losses for the foreseeable future.

We have incurred significant net losses in each reporting period since our inception, have not generated any revenue from product sales, licenses or collaborations to date and have financed our operations principally through public offerings of our common stock and private placements of our convertible preferred stock. Our net losses were $18.0 million and $25.9 million for the three months ended June 30, 2026 and 2025, respectively. As of June 30, 2026, we had an accumulated deficit of $758.7 million. We have devoted substantially all of our resources and efforts to research and development. Our product candidates, evorpacept and ALX2004, are in early-stage clinical trials. As a result, we expect that it will be several years, if ever, before we have a commercialized product and generate revenue from product sales. Even if we succeed in receiving marketing approval for and commercializing one or more of our product candidates, we expect that we will continue to incur substantial research and development and other expenses in order to discover, develop and market additional potential products.

We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future. The net losses we incur may fluctuate significantly from quarter to quarter such that a period-to-period comparison of our results of operations may not be a good indication of our future performance. The size of our future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenue. Our prior losses and expected future losses have had and will continue to have an adverse effect on our working capital, our ability to fund the development of our product candidates and our ability to achieve and maintain profitability and the performance of our stock.

We will require substantial additional capital to finance our operations. If we are unable to raise such capital when needed, or on acceptable terms, we may be forced to delay, reduce and/or eliminate one or more of our research and drug development programs or future commercialization efforts.

Developing pharmaceutical products, including conducting preclinical studies and clinical trials, is a very time-consuming, expensive and uncertain process that takes years to complete. Our operations have consumed substantial amounts of cash since inception, and we expect our expenses to increase in connection with our ongoing activities, particularly as we conduct clinical trials of, and seek marketing approval for evorpacept and ALX2004 and advance our other programs. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialization expenses related to drug sales, marketing, manufacturing and distribution activities. Our expenses could increase beyond expectations if we are required by the FDA, the European Medicines Agency, or EMA, or other regulatory agencies to perform clinical trials or preclinical studies in addition to those that we currently anticipate. Other unanticipated costs may also arise. Because the design and outcome of our planned and anticipated clinical trials are highly uncertain, we cannot reasonably estimate the actual amount of resources and funding that will be necessary to successfully complete the development and commercialization of any product candidate we develop. We have incurred and expect to continue to incur additional costs associated with operating as a public company and compliance with legal, accounting and other regulatory requirements. Accordingly, we will need to obtain substantial additional funding in order to maintain our continuing operations. If we are unable to raise capital when needed or on acceptable terms, we may be forced to delay, reduce and/or eliminate one or more of our research and drug development programs or future commercialization efforts. Further, any decline in our stock price or perceived potential decline in our stock price that may be associated with stock market volatility generally, may negatively impact our ability to raise capital.

As of June 30, 2026, we had cash, cash equivalents and investments of $153.4 million. Based on our current operating plan, we believe that our existing cash, cash equivalents, and investments and net proceeds of $140.4 million raised in our registered offering that closed in February 2026 (the February 2026 Offering) will be sufficient to fund our operations through the first half of 2028. Our estimate as to how long we expect our existing cash, cash equivalents, investments and funds available from our term loan will be sufficient to continue to fund our operations 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, such as periods of a rising rate of inflation or economic downturns, could cause us to consume capital significantly faster than we currently anticipate, and we may need to seek additional funds sooner than planned.

We plan to use our cash, cash equivalents and investments to advance the clinical development of evorpacept and ALX2004, as well as for working capital and other general corporate purposes. This may include additional preclinical research, clinical development, hiring additional personnel, capital expenditures, the potential acquisition of businesses or assets and the costs of operating as a public company, as well as for working capital and other general corporate purposes. Advancing the development of evorpacept and ALX2004, and our other programs will require a significant amount of capital. Our current cash, cash equivalents and investments on hand, may not be sufficient to fund all of the actions that are necessary to complete the development of evorpacept and ALX2004, or our other programs.

We will be required to obtain further funding through public or private equity offerings, debt financings, collaborations and licensing arrangements or other sources, which may dilute our stockholders or restrict our operating activities. Our ability to raise additional funds may be adversely impacted by market perceptions of our ability to maintain our listing on the Nasdaq. Other than the loan and security agreement the Company's wholly-owned subsidiary, ALX Oncology Inc., entered into with HSBC Ventures USA Inc. (HSBC Lender) for a secured multi-tranche term loan facility of up to $50.0 million (the HSBC Loan Agreement), we do not have any committed external source of funds. Adequate additional financing may not be available to us on acceptable terms, or at all. To the extent that we raise additional capital through the sale of equity or convertible debt securities, a stockholder's ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect one's rights as a stockholder. Debt financing may result in imposition of debt covenants, increased fixed payment obligations or other restrictions that may affect our business. For example, our HSBC Loan Agreement restricts our ability to incur additional indebtedness without the consent of the HSBC Lender. If we raise additional funds through upfront payments or milestone payments pursuant to strategic collaborations with third parties, we may have to relinquish valuable rights to our product candidates or grant licenses on terms that are not favorable to us. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans.

Our failure to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy, and we may have to delay, reduce the scope of, suspend or eliminate one or more of our research-stage programs, clinical trials or future commercialization efforts.

We have a limited operating history and have no products approved for commercial sale, which may make it difficult for you to evaluate our current business and likelihood of success and viability.

We are a clinical-stage biopharmaceutical company with a limited operating history upon which you can evaluate our business and prospects. We were incorporated and commenced operations in 2015, have no products approved for commercial sale and have not generated any revenue from product sales, licenses or collaborations. Drug development is a highly uncertain undertaking and involves a substantial degree of risk. Our operations to date have been limited to organizing and staffing our company, business planning, raising capital, identifying and developing potential product candidates and conducting preclinical and clinical trials of our product candidates, including Phase 1 and Phase 2 clinical trials of evorpacept and Phase 1 clinical trial of ALX2004. We have not yet demonstrated our ability to successfully complete any large-scale, pivotal clinical trials, obtain marketing approvals, manufacture a commercial-scale drug or arrange for a third party to do so on our behalf or conduct sales and marketing activities. As a result, it may be more difficult for you to accurately predict our likelihood of success and viability than it could be if we had a longer operating history. In addition, as a business with a limited operating history, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors and risks frequently experienced by early-stage biopharmaceutical companies in rapidly evolving fields. We also may need to transition from a company with a research focus to a company capable of supporting commercial activities. We have not yet demonstrated an ability to successfully overcome such risks and difficulties or to make such a transition. If we do not adequately address these risks and difficulties or successfully make such a transition, our business will suffer.

Our ability to generate revenue and achieve profitability depends significantly on our ability to achieve several objectives relating to the discovery, development and commercialization of our product candidates.

Our business depends entirely on the successful development and commercialization of our product candidates. We currently generate no revenue from any product sales, licenses or collaborations and do not expect to generate any revenue from the sale of product candidates in the foreseeable future. We have no products approved for commercial sale and do not anticipate generating any revenue from product sales for the next several years, if ever. Our ability to generate revenue and achieve profitability depends significantly on our ability to achieve a number of objectives, including:

- successful and timely completion of preclinical and clinical development of our product candidates, evorpacept and ALX2004, and our other future product candidates;
- establishing and maintaining relationships with contract research organizations, or CROs, and clinical sites for the clinical development of evorpacept, ALX2004 and our other future product candidates;
- timely receipt of marketing approvals from applicable regulatory authorities for any product candidates for which we successfully complete clinical development;
- the extent of any required post-marketing approval commitments to applicable regulatory authorities;
- developing an efficient and scalable manufacturing process for evorpacept, ALX2004 and any future product candidates, including establishing and maintaining commercially viable supply and manufacturing relationships with third parties to obtain finished products that are appropriately packaged for sale;
- establishing and maintaining commercially viable supply and manufacturing relationships with third parties that can provide adequate, in both amount and quality, products and services to support clinical development and meet the market demand for our product candidates, if approved;

- successful commercial launch following any marketing approval, including the development of a commercial infrastructure, whether in-house or with one or more collaborators;
- a continued acceptable safety profile following any marketing approval;
- commercial acceptance of evorpacept and ALX2004, and any future product candidates as viable treatment options by patients, the medical community and third-party payors;
- obtaining favorable coverage and adequate reimbursement by third-party payors for our product candidates;
- addressing any competing therapies and technological and market developments;
- identifying, assessing, acquiring and developing new product candidates;
- obtaining, maintaining and expanding patent protection, trade secret protection and regulatory exclusivity, both in the United States and internationally;
- protecting our rights in our intellectual property portfolio, including our licensed intellectual property;
- defending against third-party interference or infringement claims, if any;
- entering into, on favorable terms, any collaboration, licensing or other arrangements that may be necessary or desirable to develop, manufacture or commercialize our product candidates;
- negotiating favorable terms in any collaboration, licensing or other arrangements that may be necessary to develop, manufacture or commercialize our product candidate; and
- attracting, hiring and retaining qualified personnel.

We may never be successful in achieving our objectives and, even if we do, we may never generate revenue that is significant or large enough to achieve profitability. If we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would decrease the value of our company and could impair our ability to maintain or further our research and development efforts, raise additional necessary capital, grow our business and/or continue our operations.

The terms of our Loan Agreement require us to meet certain operating and financial covenants, place restrictions on our operating and financial flexibility, and may subject us to default.

In June 2026, the Company's wholly-owned subsidiary, ALX Oncology Inc., entered into the HSBC Loan Agreement, under which we have borrowed $10.0 million. Under the HSBC Loan Agreement, we may draw up to an additional $20.0 million through June 30, 2028. A further $20.0 million is potentially available to us, $10.0 million upon the achievement of pre-determined development milestones and $10.0 million at the HSBC Lender's sole discretion. The proceeds of the loans may be used by us for working capital and to fund our general business requirements.

The term loans under the HSBC Loan Agreement mature on June 1, 2030. The term loans will amortize in equal monthly installments beginning on July 1, 2028. However, upon the occurrence of the Interest Only Extension Event (as defined in the HSBC Loan Agreement), the term loans will begin to amortize in equal monthly installments beginning on July 1, 2029. The term loans accrue interest at a floating rate as described elsewhere in this report, and interest is payable monthly in arrears. The term loans once repaid or prepaid may not be reborrowed. The term loans may be prepaid in full with various prepayment premiums. Upon the earlier of prepayment or maturity of any term loan, we are required to pay a fee of 2.0% of the original principal amount of such funded term loan. We are also obligated to pay other customary fees for a loan facility of this type and size.

The term loans under the HSBC Loan Agreement are secured by substantially all of our assets, except our intellectual property, which is the subject of a negative pledge, and will be guaranteed by our future subsidiaries, subject to certain limitations.

The HSBC Loan Agreement contains customary affirmative and negative covenants, including covenants limiting our ability to, among other things, dispose of assets, effect certain mergers, incur debt, grant liens, pay dividends and distributions on our capital stock, make investments and acquisitions, and enter into transactions with affiliates, in each case subject to customary exceptions for a loan facility of this size and type.

If we default under the HSBC Loan Agreement, the HSBC Lender will be able to declare all obligations immediately due and payable and take control of our pledged assets, potentially requiring us to renegotiate our agreement on terms less favorable to us or to immediately cease operations. The events of default under the HSBC Loan Agreement include, among others, payment defaults, material misrepresentations, breaches of covenants, cross defaults with certain other material indebtedness, bankruptcy and insolvency events, and judgment defaults. The occurrence of an event of default could result in the acceleration of our obligations under the HSBC Loan Agreement, the termination of the HSBC Lender's commitments, a 3.0% increase in the applicable rate of interest and the exercise by the HSBC Lender of other rights and remedies provided for under the HSBC Loan Agreement. Any declaration by the HSBC Lender of an event of default could significantly harm our business and prospects and could cause the price of our common stock to decline.

Risks Related to the Discovery, Development and Commercialization of Our Product Candidates

We are substantially dependent on the success of our lead product candidate, evorpacept, or our second product candidate, ALX2004, which are both in clinical development and have not completed a pivotal trial. If we do not obtain regulatory approval for and successfully commercialize evorpacept or ALX2004 in one or more indications, or we experience significant delays in doing so, we may never generate any revenue or become profitable.

We do not have any products that have received regulatory approval and may never be able to develop marketable product candidates. We expect that a substantial portion of our efforts and expenses over the next several years will be devoted to the development of our product candidates, evorpacept and ALX2004, in our ongoing clinical trials. As a result, our business currently depends heavily on the successful development, regulatory approval and, if approved, commercialization of evorpacept in one or more of these indications, such as gastric/gastroesophageal junction, or GEJ, carcinoma, breast cancer, NHL or multiple myeloma. We cannot be certain that evorpacept will receive regulatory approval or will be successfully commercialized even if it receives regulatory approval. The research, testing, manufacturing, safety, efficacy and potency, labeling, approval, sale, marketing and distribution of evorpacept is, and will remain, subject to comprehensive regulation by the FDA and comparable foreign regulatory authorities. Our failure to timely complete clinical trials, obtain regulatory approval or, if approved, commercialize evorpacept, ALX2004 or any of our future product candidates, would materially harm our business, financial condition and results of operations. We are not permitted to market or promote evorpacept, ALX2004 or any other product candidate, before we receive marketing approval from the FDA and comparable foreign regulatory authorities, and we may never receive such marketing approvals. If we do not receive marketing approvals for evorpacept or ALX2004, we may not be able to continue our operations.

The outcome of preclinical testing and early clinical trials may not be predictive of the success of later clinical trials, and the results of our clinical trials may not satisfy the requirements of the FDA or other comparable foreign regulatory authorities. The clinical trials of our product candidates may not produce positive results or demonstrate adequate safety, purity and efficacy and potency to the satisfaction of regulatory authorities.

Before obtaining marketing approval from regulatory authorities for the sale of our product candidates, we must complete preclinical development and then conduct extensive clinical trials to demonstrate the safety and efficacy/potency of our product candidates. Clinical testing is expensive, difficult to design and implement, can take many years to complete, and its ultimate outcome is uncertain. A failure of one or more clinical trials can occur at any stage of the process. For example, in April 2025, we announced that topline data from our Phase 2 ASPEN-03 and ASPEN-04 clinical trials did not meet the primary endpoints, and we will no longer pursue evorpacept in combination with pembrolizumab in head and neck squamous cell carcinoma (HNSCC). The outcome of preclinical studies and early-stage clinical trials may not be predictive of the success of later clinical trials. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain approval of their drugs.

Positive or timely results from preclinical or early-stage trials do not ensure positive or timely results in future clinical trials or registrational clinical trials because product candidates in later-stage clinical trials may fail to demonstrate sufficient safety, purity and efficacy and potency to the satisfaction of the FDA or comparable international regulatory authorities, despite having progressed through preclinical studies or initial clinical trials. In addition, the FDA or any comparable international regulatory authorities may conclude that the results from our clinical trials are insufficient to support any accelerated approval that we may seek with respect to evorpacept, ALX2004 or any of our future product candidates in general or with respect to any specific indications. Product candidates that have shown promising results in early clinical trials may still suffer significant setbacks in subsequent clinical trials or registration clinical trials. For example, a number of companies in the pharmaceutical industry, including those with greater resources and experience than us, have suffered significant setbacks in advanced clinical trials, even after obtaining promising results in earlier clinical trials. Additionally, in March 2023, the FDA issued a draft guidance on clinical trial considerations for supporting accelerated approval of oncology therapeutics, noting that although single-arm trials have been commonly used to support accelerated approval, a randomized controlled trial is the preferred approach for providing a more robust efficacy and safety assessment, among other recommendations. To the extent the FDA requires us to collect additional data or to conduct additional clinical trials in accordance with the new guidance, including with respect to our single-arm ASPEN-09-Breast study in HER2-positive breast cancer, our clinical timelines may be delayed.

Clinical trials of our product candidates are expensive, time consuming and difficult to design and implement and may fail to demonstrate adequate safety, purity and efficacy and potency of our product candidates or provide the basis for marketing approval.

Before obtaining marketing approval from regulatory authorities for the sale of our product candidates, we must conduct preclinical development and then extensive clinical trials (including initiation of any pediatric study) to demonstrate their safety, purity and efficacy and potency. Clinical trials are expensive and difficult to design and implement. Clinical trials can take many years to complete, and their ultimate outcome is uncertain. A failure of one or more clinical trials can occur at any stage of the process. For example, in April 2025, we announced that topline data from our Phase 2 ASPEN-03 and ASPEN-04 clinical trials did not meet the primary endpoints, and we will no longer pursue evorpacept in combination with pembrolizumab in HNSCC. We will be required to demonstrate with substantial evidence through well-controlled clinical trials that our product candidates are safe, pure and effective or potent for use in a diverse patient population before we can seek regulatory approvals for their commercial sale. Our clinical trials may produce negative or inconclusive results and we may decide, or regulators may require us, to conduct additional and expansive preclinical or clinical testing.

We do not know whether our future clinical trials will begin or enroll subjects on time or whether our ongoing and/or future clinical trials will be completed on schedule or at all. Clinical trials can be delayed for a variety of reasons, including delays related to:

- obtaining approval to commence a clinical trial;
- reaching agreement on acceptable terms with prospective CROs and clinical trial sites;
- obtaining institutional review board approval at each clinical trial site;
- adding necessary new clinical trial sites;
- recruiting suitable subjects to participate in a trial;
- noncompliance with clinical trial protocols;
- investigational site or trial subjects withdrawing or dropping out of clinical trials at a higher rate than anticipated; and
- manufacturing sufficient quantities of product candidate for use in clinical trials.

We may experience numerous unforeseen events during, or as a result of, clinical trials that could delay or prevent receipt of marketing approval or our ability to commercialize our product candidates, including:

- receipt of feedback from regulatory authorities that requires us to modify the design of our clinical trials;
- negative or inconclusive clinical trial results or interval changes to standards of care for the treatment of specific tumor types that may require us to conduct additional clinical trials or abandon certain drug development programs;
- the number of subjects required for clinical trials is larger than anticipated, enrollment in these clinical trials is slower than anticipated or subjects dropping out of these clinical trials at a higher rate than anticipated;
- delays in clinical trials due to outbreaks or public health crises, such as the COVID-19 pandemic, that impact both trial site operations, subject selection and participation;
- third-party contractors failing to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- the suspension or termination of our clinical trials for various reasons, including non-compliance with regulatory requirements, a finding that our product candidates have undesirable side effects or other unexpected characteristics or risks;
- the cost of clinical trials of our product candidates are greater than anticipated;
- the supply or quality of our product candidates or other materials necessary to conduct clinical trials of our product candidates being insufficient or inadequate;
- any development and approval of FDA or other comparable foreign regulatory authorities required companion diagnostics necessary for use with our product candidates; and
- regulators revising the requirements for approving our product candidates.

As a result of any of these delays or other circumstances, we may incur unplanned costs, not obtain or be delayed in obtaining marketing approval, receive more limited or restrictive marketing approval, be subject to additional post-marketing testing requirements or have our drug removed from the market after obtaining marketing approval.

We do not know whether any clinical trials we may conduct will demonstrate consistent or adequate safety and efficacy sufficient to obtain marketing approval of our product candidates or to market our drugs after any such approval.

If we experience delays or difficulties in the enrollment of subjects in clinical trials and/or retention of subjects in clinical trials, our regulatory submissions or receipt of necessary marketing approvals could be delayed or prevented.

We may not be able to initiate or continue clinical trials for our product candidates if we are unable to locate and enroll a sufficient number of eligible subjects to participate in these trials as required by the FDA or comparable international regulatory authorities. Subject enrollment is a significant factor in the timing of clinical trials. If clinical trials of evorpacept and ALX2004 are focused on indications with small patient populations, our ability to enroll eligible subjects may be limited or may result in slower enrollment than we anticipate.

In the past, clinical trial enrollment and data collection has been adversely impacted by staff shortages, site closures, travel limitations and physical distancing requirements and personal safety concerns resulting from and associated with the COVID-19 pandemic.

Subject enrollment may also be affected if new standards of care become widely available or our competitors have ongoing competing clinical trials for product candidates that are under development for the same indications as our product candidates, and patients who would otherwise be eligible for our clinical trials instead enroll in clinical trials of our competitors' product candidates. In addition, regulatory requirements governing clinical trials have changed and may continue to change in the future. The timing of our clinical trials depends on our ability to recruit subjects to participate in our studies and changes to regulatory requirements, if any, governing clinical trials may impede our ability to enroll subjects. Subject enrollment may also be affected by other factors, including:

- size and nature of the patient population;
- severity of the disease under investigation;
- availability and efficacy or potency of current or newly approved drugs for the disease under investigation and other changes in standard of care that could make our clinical trials less attractive, including the drugs or other product candidates we use in our combination studies;
- patient eligibility criteria for the trial in question;
- perceived risks and benefits of the product candidate under study;
- efforts to facilitate timely enrollment in clinical trials by us and the clinical trial sites;
- patient referral practices of physicians;
- the ability to monitor subjects adequately during and after the clinical trial;
- proximity of clinical trial sites to prospective subjects;
- risk of subjects enrolled in clinical trials dropping out before completion;
- inability or delay in enrollment of subjects due to a variety of reasons, including outbreaks and public health crises, such as the COVID-19 pandemic;
- an inability to appropriately enroll an ethnically and racially diverse patient population representative of the target patient population;
- non-compliance with regulatory requirements; and
- subjects experiencing severe or unexpected adverse effects related to our product candidates.

Our inability to enroll a sufficient number of subjects in our clinical trials would result in significant delays or may require us to abandon one or more clinical trials altogether. Enrollment delays in our clinical trials may result in increased development costs for our product candidates and jeopardize our ability to obtain marketing approval for the sale of our drugs.

Interim, topline and preliminary data from our clinical trials that we announce or publish from time to time may change as more subject data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we may publicly disclose preliminary, interim or topline data from our clinical trials. These interim updates are based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. Further, interim, topline and preliminary data include certain assumptions, estimations, calculations and conclusions as part of our analyses of data available at that time, and we may not have received or had the opportunity to evaluate all data fully and carefully. As a result, the topline results that we report may differ from future results of the same trials, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Topline data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as subject enrollment continues and more subject data become available. Adverse changes between interim data and final data could significantly harm our business and prospects. Further, additional disclosure of interim data by us or by our competitors in the future could result in volatility in the price of our common stock. Some may not agree with what we determine is the material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product candidate or our business. If the preliminary or topline data that we report differ from late, final or actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for product candidates may be harmed, which could harm our business, financial condition, results of operations and prospects.

Our product candidates may cause significant adverse events, toxicities or other undesirable side effects when used alone or in combination with other approved products or investigational new drugs that may result in a safety profile that could prevent regulatory approval, prevent market acceptance, limit their commercial potential or result in significant negative consequences.

If evorpacept, ALX2004 or any of our other product candidates are associated with undesirable side effects or have unexpected characteristics in preclinical studies or clinical trials when used alone or in combination with other approved products or investigational new drugs we may need to interrupt, delay or abandon their development or limit development to more narrow uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective. For example, in ALX-Oncology-sponsored clinical trials, the most common adverse events of any grade associated with evorpacept (frequency ≥20%) are fatigue, anemia, nausea, diarrhea, constipation, and neutrophil count decrease. These events have been reported across the program in patients administered evorpacept as a single agent, in combination with pembrolizumab, trastuzumab, rituximab, azacitidine, or enfortumab vedotin and as a multiproduct regimen in combination with pembrolizumab, platinum, and 5 FU, or in combination with trastuzumab, ramucirumab, and paclitaxel, or in combination with azacitidine + venetoclax. Such side effects could also affect subject recruitment or the ability of enrolled subjects to complete the trial or result in potential product liability claims. Any adverse events as a result of evorpacept or any of our future product candidates, including in combination with therapy, may prevent us from achieving or maintaining market acceptance of the affected product candidate and may harm our business, financial condition and prospects significantly.

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

The development and commercialization of new product candidates is highly competitive. We face competition with respect to evorpacept and ALX2004, and will face competition with respect to any product candidates that we may seek to develop or commercialize in the future, from major pharmaceutical, specialty pharmaceutical and biotechnology companies among others. We compete in the segments of the pharmaceutical, biotechnology and other related markets that develop immuno-oncology therapies for the treatment of cancer. There are other companies working to develop immuno-oncology therapies for the treatment of cancer including divisions of large pharmaceutical and biotechnology companies of various sizes. Newly approved therapeutics could change the treatment paradigm or standard of care, which could negatively impact the design of our clinical trials and the prospects of our product candidates.

Some of these competitive products and therapies are based on scientific approaches that are the same as or similar to our approaches, including with respect to the targeting of the CD47 pathway, targeting epidermal growth factor receptor (EGFR) as an antibody-drug conjugate target, and others are based on entirely different approaches. We are aware that Adagene, Akesobio, Bio-Thera Solutions, Boehringer Ingelheim, Bristol Myers Squibb, Byondis, Centessa, Conjupro Biotherapeutics, CTTQ (SinoBiological), D3 Bio, Daiichi Sankyo, Exelixis, GenSci, Gilead Sciences (through its acquisition of Forty Seven), Hanchor Bio, HanxBio, Henlius, Hisun, Hutchmed, I-Mab, Ichnos, ImmuneOncia Therapeutics, ImmuneOnco Biopharma, Innovent, Kahr, LaNova, Lightchain Bioscience, Mabwell Therapeutics, Mabworks, Novimmune, OSE Immunotherapeutics, Pfizer (through its acquisition of Trillium Therapeutics), Phanes, Pyxis Oncology (through its acquisition of Apexigen), Shandong New Time, Shattuck Labs, Sorrento Therapeutics, Sumgen, SunHo Pharmaceutical, TG Therapeutics, Waterstone, and Zai Lab, among others, are developing or have begun development of drugs targeting the CD47 pathway that may have utility for the treatment of indications that we are targeting. We are also aware that Allink Biotherapeutics, Avenzo Therapeutics, BeOne, BioNTech, BlissBio, Bristol Myers Squibb with Systimmune, CSPC, Doma, GenSci, Hansoh Pharma, Henlius, Innovent, Junshi Biopharma, Miracogen, Merck, Novatim, and VelaVigo, among others, are developing or have begun development of antibody drug conjugates (ADCs) targeting EGFR. Potential competitors also include academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization.

There are already a variety of available drug therapies marketed for cancer and some of the currently approved drug therapies are branded and subject to patent protection and others are available on a generic basis. Many of these approved drugs are well established therapies and are widely accepted by physicians, patients and third-party payors. Insurers and other third-party payors may also encourage the use of generic products. We expect that if evorpacept, ALX2004 and/or any of our other future product candidates are approved, they will be priced at a significant premium over competitive generic products. This may make it difficult for us to achieve our business strategy of using our product candidates in combination with existing therapies or replacing existing therapies with our product candidates.

Many of the companies against which we are competing or against which we may compete in the future have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved drugs than we do. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel, in establishing clinical trial sites and enrolling subjects for our clinical trials and in acquiring technologies complementary to, or necessary for, our programs.

We could see a reduction or elimination of our commercial opportunity if our competitors develop and commercialize products that are safer, more effective, more convenient or less expensive than any products that we or our collaborators may develop. Our competitors also may obtain FDA or foreign regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. The key competitive factors affecting the success of all our product candidates, if approved, are likely to be their efficacy, safety, convenience, price, the level of biosimilar or generic competition and the availability of reimbursement from government and other third-party payors. The inability to compete with existing or subsequently introduced drugs would harm our business, financial condition and results of operations.

Even if our product candidates receive regulatory approval, they will be subject to significant post-marketing regulatory requirements and oversight.

Even after approval, our manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion, import, export and recordkeeping for our approved products will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as on-going compliance with current good manufacturing practices, or cGMPs, and current good clinical practices, or cGCPs, for any clinical trials that we conduct post-approval. Regulatory approvals may contain significant limitations related to use restrictions for specific target population subsets, *e.g.*, based on biomarker analyses or age groups, warnings, precautions or contraindications, or may include costly and burdensome post-approval study or risk management requirements and regulatory inspection. For example, the FDA may require a risk evaluation and mitigation strategy, or REMS, as a condition for approval of our product candidates, which could entail requirements for a medication guide, physician training and communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk mitigation tools.

In addition, manufacturers of drug products and their facilities are subject to continual review and periodic, unannounced inspections by the FDA and other regulatory authorities for compliance with cGMP regulations and standards. If we or a regulatory agency discover previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with a contract supplier, vendor, or facility where the product is manufactured or processed, a regulatory agency may impose restrictions on that product, the manufacturing facility or contractor, or us, including requiring recall or withdrawal of the product from the market or suspension of manufacturing. In addition, failure to comply with FDA, European Medicines Agency (EMA) and other comparable foreign regulatory requirements may subject our company to administrative or judicially imposed sanctions or enforcement actions, including:

- delays in or the rejection of product approvals;
- restrictions on our ability to conduct clinical trials, including full or partial clinical holds on ongoing or planned trials;
- restrictions on the products, manufacturers or manufacturing process;
- warning or untitled letters;
- civil and criminal penalties;
- injunctions;
- suspension or withdrawal of regulatory approvals;
- product seizures, detentions or import bans;
- voluntary or mandatory product recalls and publicity requirements;
- total or partial suspension of production; and
- imposition of restrictions on operations, including costly new manufacturing requirements.

The occurrence of any of these sanctions, enforcement actions or penalties described above may inhibit our ability to commercialize our product candidates, even if approved, and generate revenue.

We contract with third parties for the manufacture of our product candidates for preclinical development and clinical trials, and we expect to continue to do so for commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or drugs or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts.

We do not currently own or operate, nor do we have any plans to establish in the future, any manufacturing facilities or personnel. We rely, and expect to continue to rely, on third parties for the manufacture of our product candidates for preclinical development and clinical testing, as well as for the commercial manufacture of our drugs if any of our product candidates receive marketing approval. No assurance can be given that long-term, scalable manufacturers can be identified or that they can make clinical and commercial supplies of our product candidates that meet the product specifications of previously manufactured batches, or are of a sufficient quality, or at an appropriate scale and cost to make it commercially feasible. Such third-party manufacturers may also be subject to delays due to circumstances outside of their control for a variety of reasons, including outbreaks and public health crises, such as the COVID-19 pandemic, that could shut down or cause limited staffing of their facilities. Our reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or drugs or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts. If they are unable to do so, it could have a material adverse impact on our business.

The facilities used by contract manufacturers to manufacture our product candidates must be approved by the FDA or any applicable foreign regulatory authority pursuant to inspections that may be conducted after we submit our marketing applications to the FDA or any such foreign regulatory authority. We do not control the manufacturing process of, and will be completely dependent on, our contract manufacturers for compliance with cGMPs in connection with the manufacture of our product candidates. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or others, they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities. In addition, we have no control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or any applicable foreign regulatory authority does not approve these facilities for the manufacture of our product candidates or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact, including causing substantial delay in, our ability to develop, obtain regulatory approval for or market our product candidates. Further, our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of drug candidates or drugs, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect our business and supplies of our product candidates.

Our product candidates and any drugs that we may develop may compete with other product candidates and approved drugs for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us.

We also expect to rely on other third parties to label, package, store and distribute product candidate supplies for our clinical trials. Any performance failure on the part of our distributors could delay clinical development or marketing approval of any future product candidates or commercialization of our products, producing additional losses and depriving us of potential drug revenue.

Any performance failure on the part of our existing or future manufacturers could delay clinical development, marketing approval or commercial drug supply after marketing approval. If our current contract manufacturers cannot perform as agreed, we may be required to replace such manufacturers causing additional costs and delays in identifying and qualifying any such replacement.

Material modifications in the methods of product candidate manufacturing or formulation may result in additional costs or delay.

The manufacture of drugs is complex, and our third-party manufacturers may encounter difficulties in production. If any of our third-party manufacturers encounter such difficulties, our ability to provide adequate supply of our product candidates for clinical trials or our products for patients, if approved, could be delayed or prevented. We have previously encountered challenges in the production of a drug substance batch, and as a result incurred additional costs to address and rectify the manufacturing process. Also, as product candidates progress through preclinical and clinical trials to marketing approval and commercialization, it is common that various aspects of the development program, such as manufacturing, suppliers and formulation, are altered in an effort to optimize yield and manufacturing batch size, minimize costs and achieve consistent quality and results. Any of these changes could cause our product candidates to perform differently and affect the results of planned clinical trials or other future clinical trials conducted with the modified manufacturing, materials or process. This could delay completion of clinical trials, require the conduct of additional clinical trials, such as bridging studies to demonstrate the product is substantially equivalent to product used during earlier clinical trials or the repetition of one or more clinical trials, increase clinical trial costs, delay approval of our product candidates and jeopardize our ability to commercialize our product candidates, if approved, and generate revenue.

Development of product candidates in combination with other therapies could expose us to additional risks. Lack of third-party combination drugs may materially and adversely affect demand for our product candidates.

Even if any of our product candidates were to receive marketing approval or be commercialized for use in combination with other existing therapies, we would continue to be subject to the risks that the FDA, EMA or other comparable foreign regulatory authorities could revoke approval of the therapy used in combination with any of our product candidates, or safety, efficacy, manufacturing or supply issues could arise with these existing therapies. In addition, it is possible that existing therapies with which our product candidates are approved for use could themselves fall out of favor or be relegated to later lines of treatment. This could result in the need to identify other combination therapies for our product candidates or our own products being less successful commercially. We may also evaluate our product candidates in combination with one or more other cancer therapies that have not yet been approved for marketing by the FDA, EMA or comparable foreign regulatory authorities. We will not be able to market and sell any product candidate in combination with any such unapproved cancer therapies that do not ultimately obtain marketing approval. If the FDA, EMA or other comparable foreign regulatory authorities do not approve or revoke their approval of these other therapies, or if safety, efficacy, commercial adoption, manufacturing or supply issues arise with the therapies we choose to evaluate in combination with any other product candidate, we may be unable to obtain approval of or successfully market any one or all of the product candidates we develop.

Further, to the extent the regulatory authorities require concurrent updates to the drug labeling of an approved drug product to include the combination use to allow approval of one of our product candidates, we will need to coordinate with the third-party manufacturer regarding such combination labeling changes, which could delay or impact the approval of our product candidate. Changes in standard of care and treatment paradigm can materially and adversely affect our business and results of operations, including the design of our clinical trials. Additionally, if the third-party providers of therapies or therapies in development used in combination with our product candidates are unable to produce sufficient quantities for clinical trials or for commercialization of our product candidates, or if the cost of combination therapies are prohibitive, our development and commercialization efforts would be impaired, which would have an adverse effect on our business, financial condition, results of operations and growth prospects.

Our product candidates may be administered in combination with drugs of other pharmaceutical companies as one regimen. In addition, we currently use, and plan to use in the future, third-party drugs in our development and clinical trials as controls for our studies. As a result, the results of our clinical trials and the sales of our drugs may be affected by the availability of these third-party drugs. For instance, we have entered and may in the future enter into clinical trial collaboration and supply agreements with other pharmaceutical companies, pursuant to which our collaboration counterparties will supply doses of third-party drugs for use in certain clinical trials. If any such agreement is terminated before the trial is completed, we may need to find another source of the third-party drug in order to continue the trial.

If other pharmaceutical companies discontinue these drugs for combination therapies in the future, regimens that use these combination drugs may no longer be prescribed, and we may not be able to introduce or find an alternative drug to be used in combination with our drugs at all or in a timely manner and on a cost-effective basis. Use of new combination drugs with our approved product candidates will require further regulatory approval before we can promote such new combination therapies. As a result, demand for our product candidates may be lowered, which would in turn materially and adversely affect our business and results of operations.

We may not be able to obtain regulatory approval for our product candidates or commercialize any product candidates that may result from our development efforts, or may miss expected deadlines, if we are not able to maintain or secure agreements with the third parties that conduct the activities related to our clinical trials on acceptable terms, if these third parties do not perform their services as contractually required, or if these third parties fail to timely transfer any regulatory information held by them to us.

We rely on entities outside of our control, which may include academic institutions, CROs, hospitals, clinics and other third-party strategic partners, to monitor, support, conduct and oversee preclinical studies and clinical trials of our current and future product candidates. As a result, we have less control over the timing and cost of these studies and the ability to recruit trial subjects than if we conducted these trials with our own personnel. If we are unable to maintain or enter into agreements with these third parties on acceptable terms, or if any such engagement is terminated prematurely, we may be unable to enroll subjects on a timely basis or otherwise conduct our clinical trials as planned. In addition, there is no guarantee that these third parties will devote adequate time and resources to our clinical trials or perform as required by our contract or in accordance with regulatory requirements, including maintenance of clinical trial information regarding our product candidates. For example, these third parties may be adversely impacted by outbreaks and public health crises, such as the COVID-19 pandemic. If these third parties fail to meet expected deadlines, fail to transfer to us any regulatory information in a timely manner, fail to adhere to protocols or fail to act in accordance with regulatory requirements or our agreements with them, or if they otherwise perform in a substandard manner or in a way that compromises the quality or accuracy of their activities or the data they obtain, then clinical trials of our product candidates may be extended or delayed with additional costs incurred, or our data may be rejected by the FDA or other regulatory agencies. Ultimately, we are responsible for ensuring that each of our clinical trials is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on third parties does not relieve us of our regulatory responsibilities.

We and our CROs are required to comply with cGCPs, regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities for products in clinical development. Regulatory authorities enforce these cGCPs through periodic inspections of clinical trial sponsors, principal investigators and clinical trial sites. If we or any of our CROs fail to comply with applicable cGCPs, the clinical data generated in our clinical trials may be deemed unreliable and our submission of marketing applications may be delayed, or the FDA or foreign regulatory authority may require us to perform additional clinical trials before approving our marketing applications. Upon inspection, the FDA or foreign regulatory authority could determine that any of our clinical trials fail or have failed to comply with applicable cGCPs.

Our business also may be implicated if any of our CROs violates fraud and abuse or false claims laws and regulations or healthcare privacy and security laws.

If any of our third-party clinical trial sites terminate for any reason, we may experience the loss of follow-up information on subjects enrolled in our ongoing clinical trials unless we are able to transfer the care of those subjects to another qualified clinical trial site. Further, our CROs are not required to work indefinitely or exclusively with us. Our existing agreements with our CROs may be subject to termination by the counterparty upon the occurrence of certain circumstances. If any CRO terminates its agreement with us, the research and development of the relevant product candidate would be suspended, and our ability to research, develop and license future product candidates would be impaired. We may be required to devote additional resources to the development of our product candidates or seek a new CRO partner, and the terms of any additional arrangements that we establish may not be favorable to us. Switching or adding CROs or other service providers can involve substantial cost and require extensive management time and focus. In addition, there is a natural transition period when a new CRO or service provider commences work. As a result, delays may occur, which can materially impact our ability to meet our desired clinical development timelines. If we are required to seek alternative arrangements, the resulting delays and potential inability to find suitable replacements could materially and adversely impact our business.

Even if we receive marketing approval for any of our product candidates, we may not achieve market acceptance, which would limit the revenue that we can generate from sales of any of our approved product candidates.

Even if the FDA and applicable foreign regulatory authorities approve the marketing of any product candidates that we develop, physicians, patients, third-party payors or the medical community may not accept or use our product candidates. Efforts to educate the medical community and third-party payors on the benefits of our product candidates may require significant resources and may not be successful. Market acceptance of evorpacept and ALX2004 and any other product candidates, if any are approved, will depend on a number of factors, including, among others:

- the ability of evorpacept, ALX2004, and our other product candidates to treat cancer or other applicable targeted diseases, as compared with other available drugs, treatments or therapies;

- the timing of market introduction of the product candidate as well as competitive products;
- the clinical indications for which a product candidate is approved;
- the approval of other new therapies for the same indications;
- the prevalence and severity of any adverse side effects associated with evorpacept, ALX2004, and our other product candidates;
- limitations or warnings contained in the labeling approved for evorpacept, ALX2004, or our other product candidates by the FDA or foreign regulatory authorities;
- availability of alternative treatments and the potential and perceived advantages of our product candidates over alternative treatments;
- the size of the target patient population and the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the strength and effectiveness of marketing and distribution support and timing of market introduction of competitive products;
- publicity for our product candidates and competing products and treatments;
- pricing and cost-effectiveness in relation to alternative treatments;
- relative convenience and ease of administration;
- our ability to obtain sufficient third-party coverage or reimbursement by government, insurers or third-party payors, and the willingness of patients to pay out-of-pocket in the absence of third-party coverage; and
- the likelihood that the FDA or any foreign regulatory authority may impose additional requirements that limit the promotion, advertising, distribution or sales of our product candidates.

Adverse events in clinical trials for our product candidates or in clinical trials of others developing similar products and the resulting publicity, as well as any other adverse events in the field of immuno-oncology that may occur in the future, could result in a decrease in demand for evorpacept, ALX2004 or any other product candidate that we may develop. If public perception is influenced by claims that the use of cancer immunotherapies is unsafe, whether related to our therapies or those of our competitors, our products may not be accepted by the general public or the medical community. Future adverse events in immuno-oncology or the biopharmaceutical industry generally could also result in greater governmental regulation and stricter labeling requirements.

If any of our product candidates is approved but does not achieve an adequate level of acceptance by patients, physicians and/or third-party payors, we may not generate sufficient revenue to become or remain profitable and our business may be harmed.

We have never commercialized a product candidate and we may lack the necessary expertise, personnel and resources to successfully commercialize any of our products that receive regulatory approval.

We currently have no marketing and sales organization and we have never commercialized a product candidate. To achieve commercial success of our product candidates, if any are approved, we will have to develop our own medical affairs, sales, marketing and supply capabilities or outsource these activities to a third party.

If any of our product candidates ultimately receives regulatory approval, we may choose to establish an internal marketing and sales organization with technical expertise and supporting distribution capabilities to commercialize each such product in major markets, which will be expensive and time consuming. We have no prior experience as a company in the marketing, sale and distribution of pharmaceutical products and there are significant risks involved in building and managing a sales organization. Factors that may affect our ability to commercialize our product candidates on our own include recruiting and retaining adequate numbers of effective sales and marketing personnel, obtaining access to or persuading adequate numbers of physicians to prescribe our product candidates and other unforeseen costs associated with creating an independent sales and marketing organization. Developing a sales and marketing organization requires significant investment, is time-consuming and could delay the launch of our product candidates. We may not be able to build an effective sales and marketing organization in the United States, the European Union or other key global markets. If we are unable to build our own distribution and marketing capabilities or to find suitable partners for the commercialization of our product candidates, we may have difficulties generating revenue from them.

We may also choose to collaborate with third parties that have direct sales forces and established distribution systems, either to augment our own sales force and distribution systems or in lieu of our own sales force and distribution systems. We may not be able to enter into collaborations or hire consultants or external service providers to assist us in sales, marketing and distribution functions on acceptable financial terms, or at all. In addition, our product revenue and our profitability, if any, may be lower if we rely on third parties for these functions than if we were to market, sell and distribute any products that we develop ourselves. We likely will have little control over such third parties, and any of them may fail to devote the necessary resources and attention to sell and market our products effectively. If we are not successful in commercializing our products, either on our own or through arrangements with one or more third parties, we may not be able to generate any future product revenue and we would incur significant additional losses. We have no internal sales, marketing or distribution capabilities.

The market opportunities for the product candidates we develop, if approved, may be limited to certain smaller patient subsets.

There is no guarantee that the product candidates we develop, even if approved, would be approved for the currently proposed indications. We may have to conduct additional clinical trials that may be costly, time-consuming and subject to risk. Regulators, like the FDA, may require us to narrow our indications to smaller patient subsets, and the number of patients in such subsets may turn out to be lower than expected. If this were to occur, it could have a material adverse effect on our business.

Our current and future product candidates may have undesirable side effects that may delay or prevent marketing approval or, if approval is received, require them to be taken off the market, require them to include new safety warnings, contraindications or precautions, or otherwise limit their sales. No regulatory agency has made a determination that any of our product candidates are safe, pure, potent or effective for use by the target patient population for any indication.

Our product candidates, evorpacept and ALX2004, are at an early stage of clinical development and not all adverse effects can be predicted or anticipated. Unforeseen side effects from evorpacept, ALX2004, or any of our future product candidates may arise at any time during clinical development or, if approved by regulatory authorities, after the approved drug product has been marketed. Any undesirable or unacceptable side effects of evorpacept, ALX2004, or our future product candidates could interrupt, delay or halt clinical trials, and result in delay of, or failure to obtain, marketing approval from the FDA or comparable international regulatory authorities, or result in marketing approval from the FDA or comparable international regulatory authorities with restrictive label warnings or for limited patient populations. Ultimately, such side effects could result in product liability claims. No regulatory agency has made any determination that any of our product candidates or discovery programs is safe or effective for use by the general public for any indication.

Even if any of our product candidates receive marketing approval, if we or others later identify undesirable or unacceptable side effects caused by such products:

- regulatory authorities may require us to take our approved product off the market;
- regulatory authorities may require the addition of labeling statements, specific warnings, contraindication, precaution or field alerts to physicians and pharmacies;
- we may be required to change the way the product is administered, including changing the dose and/or schedule of administration, limit the patient population who can use the product or conduct additional clinical trials;
- we may be subject to limitations on how we may promote the product;
- sales of the product may decrease significantly;
- we may be subject to litigation or product liability claims; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the affected product or could substantially increase commercialization costs and expenses, which in turn could delay or prevent us from generating revenue from the sale of any future product candidates.

Failure to obtain or maintain adequate coverage and reimbursement for our product candidates, if approved, could limit our ability to market those products and decrease our ability to generate revenue.

The availability and adequacy of coverage and reimbursement by governmental healthcare programs such as Medicare and Medicaid, private health insurers and other third-party payors are essential for most patients to be able to afford products such as our product candidates, if approved. Our ability to achieve and maintain acceptable levels of coverage and reimbursement for products by governmental authorities, private health insurers and other organizations will have an effect on our ability to successfully commercialize our product candidates. Coverage under certain government programs, such as Medicare, Medicaid and TRICARE, may not be available for certain of our product candidates. Assuming we obtain coverage for a given product by a third-party payor, the resulting reimbursement payment rates may not be adequate or may require co-payments that patients find unacceptably high. We cannot be sure that coverage and reimbursement in the United States, the European Union or elsewhere will be available for any product that we may develop, and any reimbursement that may become available may be decreased or eliminated in the future.

Third-party payors increasingly are challenging prices charged for pharmaceutical products and services, and many third-party payors may refuse to provide coverage and reimbursement for particular drugs when an equivalent generic drug, biosimilar or a less expensive therapy is available. It is possible that a third-party payor may consider our product candidates and other therapies as substitutable and only offer to reimburse patients for the less expensive product. Even if we show improved efficacy and potency or improved convenience of administration with our product candidates, pricing of existing drugs may limit the amount we will be able to charge for our product candidates. These payors may deny or revoke the reimbursement status of a given product or establish prices for new or existing marketed products at levels that are too low to enable us to realize an appropriate return on our investment in product development. If reimbursement is not available or is available only at limited levels, we may not be able to successfully commercialize our product candidates and may not be able to obtain a satisfactory financial return on products that we may develop.

Obtaining and maintaining reimbursement status is time-consuming and costly. No uniform policy for coverage and reimbursement for products exists among third-party payors in the United States. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time-consuming and costly process that will require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance. Furthermore, rules and regulations regarding reimbursement change frequently, in some cases at short notice, and we believe that changes in these rules and regulations are likely.

Moreover, increasing efforts by governmental and third-party payors in the United States and abroad to cap or reduce healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, they may not cover or provide adequate payment for our product candidates. We expect to experience pricing pressures in connection with the sale of any of our product candidates due to the trend toward managed healthcare, the increasing influence of health maintenance organizations and additional legislative changes. The downward pressure on healthcare costs in general, particularly prescription drugs, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products. The continuing efforts of the government, insurance companies, managed care organizations and other payors of health care services to contain or reduce costs of health care may adversely affect:

- the demand for any products for which we may obtain regulatory approval;
- our ability to set a price that we believe is fair for our products;
- our ability to obtain and maintain coverage and adequate reimbursement for a product;
- our ability to generate revenue and achieve or maintain profitability; and
- the level of taxes that we are required to pay.

The FDA and other regulatory agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses.

The FDA strictly regulates manufacturers' promotional claims of drug products. In particular, a product may not be promoted for uses that are not approved by the FDA as reflected in the FDA-approved labeling. The FDA, the Department of Justice, the Inspector General of the Department of Health and Human Services, or HHS, among other government agencies, actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability, including large civil and criminal fines, penalties and enforcement actions. The FDA has also imposed consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed for companies that engaged in such prohibited activities. If we cannot successfully manage the promotion of our approved product candidates, we could become subject to significant liability, which would materially adversely affect our business and financial condition.

Risks Related to Government Regulation

Even if we receive regulatory approval to commercialize any of our product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review with respect to our drugs, which will result in significant additional expense.

Any regulatory approvals that we receive for our product candidates may be subject to limitations on the approved indicated uses for which the product may be marketed, or subject to certain conditions of approval and may contain requirements for potentially costly post-approval trials and surveillance to monitor the safety, purity and efficacy/potency of the marketed product. For any approved drug, we will be subject to ongoing regulatory obligations and extensive oversight by regulatory authorities, including with respect to manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for the product. These requirements include submissions of safety and other post-approval information and reports, as well as continued compliance with cGMPs and cGCPs for any clinical trials that we conduct post-approval. Later discovery of previously unknown problems with a drug, including adverse events of unanticipated severity or frequency, or with third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- restrictions on the marketing or manufacturing of the drug;

- withdrawal of the drug from the market or voluntary or mandatory product recalls;
- adverse publicity, fines, warning letters or holds on clinical trials;
- refusal by the FDA or any other applicable regulatory authority to approve pending applications or supplements to approved applications filed by us, or suspension or revocation of product license approvals;
- drug product seizure or detention, or refusal to permit the import or export of product candidates; and
- injunctions or the imposition of civil or criminal penalties.

The occurrence of any of the foregoing could have a material and adverse effect on our business and results of operations. Further, the policies of the FDA or other comparable foreign regulatory authorities may change, and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates or impact any already approved drugs. In June 2024, the U.S. Supreme Court overruled the *Chevron* doctrine, which gives deference to regulatory agencies' statutory interpretations in litigation against federal government agencies, such as the FDA, where the law is ambiguous. This landmark Supreme Court decision may invite more companies and other stakeholders to bring lawsuits against the FDA to challenge longstanding decisions and policies of the FDA, including FDA's statutory interpretations of market exclusivities and the "substantial evidence" requirements for drug approvals, which could undermine the FDA's authority, lead to uncertainties in the industry, and disrupt the FDA's normal operations, any of which could delay the FDA's review of our regulatory submissions. Further, changes in the leadership of the FDA and other federal agencies under the current U.S. presidential administration may lead to new policies and changes in the regulations that can increase our compliance costs or delay our clinical development and timelines. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, which would adversely affect our business, prospects and ability to generate revenue or achieve or sustain profitability.

The regulatory approval processes of the FDA and comparable foreign regulatory authorities are lengthy, time-consuming and inherently unpredictable, which could lead to our inability to generate product revenue. Even if we obtain FDA approval of any of our product candidates, we may never obtain approval or commercialize such products outside of the United States, which would limit our ability to realize their full market potential.

The time required to obtain approval by the FDA and comparable foreign regulatory authorities is unpredictable, typically takes many years following the commencement of clinical trials and depends upon numerous factors, including the type, complexity and novelty of the product candidates involved. Seeking foreign regulatory approvals could result in significant delays, difficulties and costs for us and may require additional preclinical studies or clinical trials which would be costly and time consuming. Regulatory requirements can vary widely from country to country and could delay or prevent the introduction of our product candidates in those countries. In addition, approval policies, regulations or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions, which may cause delays in the approval or the decision not to approve an application. For example, the FDA's Oncology Center of Excellence initiated Project Optimus to reform the dose optimization and dose selection paradigm in oncology drug development and Project FrontRunner to help develop and implement strategies to support approvals in the early clinical setting, among other goals. How the FDA plans to implement these goals and their impact on specific clinical programs and the industry are unclear. Regulatory authorities have substantial discretion in the approval process and may refuse to accept any application or may decide that our data are insufficient for approval and require additional preclinical, clinical or other data. Satisfying these and other regulatory requirements is costly, time consuming, uncertain and subject to unanticipated delays. Our failure to obtain regulatory approval in any country may delay or have negative effects on the process for regulatory approval in other countries. Even if we eventually complete clinical testing and receive approval of any regulatory filing for our product candidates, the FDA and comparable foreign regulatory authorities may approve our product candidates for a more limited indication or a narrower patient population than we originally requested. We have not submitted for or obtained regulatory approval for any product candidate and it is possible that we may never obtain regulatory approval for evorpacept or ALX2004, or any other product candidates we seek to develop in the future. If we fail to comply with regulatory requirements in international markets or to obtain and maintain required approvals, our target market will be reduced and our ability to realize the full market potential of our product candidates will be harmed.

Applications for our product candidates could fail to receive regulatory approval for many reasons, including but not limited to the following:

- the FDA or comparable international regulatory authorities may disagree with the design, implementation or results of our clinical trials;
- the FDA or comparable international regulatory authorities may determine that our product candidates are not safe and effective, only moderately effective or have undesirable or unintended side effects, toxicities or other characteristics that preclude our obtaining marketing approval or prevent or limit commercial use;
- the population studied in the clinical program may not be sufficiently broad or representative to assure efficacy and potency and safety in the full population for which we seek approval;

- the FDA or comparable international regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of our product candidates may not be sufficient to support the submission of a Biologics License Application, New Drug Application or other submission or to obtain regulatory approval in the United States or elsewhere;
- we may be unable to demonstrate to the FDA or comparable international regulatory authorities that a product candidate's risk-benefit ratio for its proposed indication is acceptable;
- the FDA or comparable international regulatory authorities may fail to approve the manufacturing processes, test procedures and specifications or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the approval policies or regulations of the FDA or international foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

In order to market any product candidates outside of the United States, we must establish and comply with numerous and varying regulatory requirements of other countries regarding safety and efficacy and potency and approval standards. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory approval in one country does not mean that regulatory approval will be obtained in any other country.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, government shutdowns, return-to-office policy and other policies and executive actions under the current U.S. presidential administration, including as a result of budget delays or other circumstances like the COVID-19 pandemic, and statutory, regulatory and policy changes. Average review times at the agency have fluctuated in recent years as a result. This lengthy approval process, as well as the unpredictability of the results of clinical trials, may result in our failing to obtain regulatory approval to market any of our product candidates, which would significantly harm our business, results of operations and prospects.

Further, under the new leadership at the HHS, reorganization of that department, departure of senior leadership at the FDA and other agencies under HHS, mass layoffs at HHS, government shutdown, and a lapse in U.S. government appropriations may impact operations at the FDA as well as other federal agencies, which can materially delay our timelines. The FDA may lack adequate staff and resources to meet current review, approval, and inspection schedules, which could delay our anticipated timelines. These new policies are also expected to lead to fewer agency guidance documents that could result in interference with FDA programs or lead to delays or refusals to approve products. Further, FDA's "real-time" release of newly issued Complete Response Letters associated with withdrawn or abandoned applications, if applicable to any of our product candidates, can materially impact our competitive advantage and intellectual property. It is unclear how our industry and our clinical programs will be impacted by policies or regulations implemented under the current presidential administration and the new FDA commissioner or other executive orders. To the extent the agency reorganization and other agency changes lead to disruptions in the FDA's operations, our interactions, correspondence, and regulatory review processes with the FDA may be delayed.

While we have received certain FDA Fast Track designations, such Fast Track designations may not lead to a faster development or regulatory review or approval process, and do not increase the likelihood that the drug will receive marketing approval.

The FDA granted Fast Track designation for evorpacept in combination with trastuzumab, ramucirumab and paclitaxel for the treatment of patients with HER2-overexpressing advanced gastric or GEJ adenocarcinoma with disease progression on or after prior trastuzumab, and fluoropyrimidine or platinum-containing chemotherapy in January 2020. If a product candidate is intended for the treatment of a serious condition and preclinical or clinical data demonstrate the potential to address unmet medical need for such condition, a sponsor may apply for FDA Fast Track designation. Even though we received these Fast Track designations for evorpacept, Fast Track designation does not ensure that we will receive marketing approval or that approval will be granted within any particular timeframe. We may not experience a faster development or regulatory review or approval process with Fast Track designation compared to conventional FDA procedures. In addition, the FDA may withdraw Fast Track designation if it believes that the designation is no longer supported by data from our clinical development program. Fast Track designation alone does not guarantee qualification for the FDA's priority review procedures.

While we have received certain orphan drug designations from the FDA and the European Commission, we may be unable to maintain the benefits associated with such orphan drug designation. If we decide to seek orphan drug designation for additional indications for our product candidates in the future, we may be unsuccessful.

Under the Orphan Drug Act, the FDA may designate a product candidate as an orphan drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 individuals annually in the United States. In January 2022, the FDA's Office of Orphan Products Development granted Orphan Drug Designation, ODD, to evorpacept for treatment for gastric/GEJ cancer. We may seek ODD for certain additional indications for our product candidates in the future. ODD neither shortens the development time or regulatory review time of a product candidate nor gives the product candidate any advantage in the regulatory review or approval process. Generally, if a product candidate with ODD subsequently receives the first marketing approval for the indication for which it has such designation, the drug is entitled to a period of marketing exclusivity that precludes the FDA from approving another marketing application for the same drug for the same indication for seven years. Therefore, if our competitors are able to obtain orphan product exclusivity for their product candidates in the same indications we are pursuing, we may not be able to have competing product candidates approved in those indications by the FDA for a significant period of time. There are also limited circumstances where the FDA may reduce the seven-year exclusivity for a product candidate with an orphan drug designation where other product candidates show clinical superiority to the product with orphan exclusivity or if the FDA finds that the holder of the orphan exclusivity has not shown that it can assure the availability of sufficient quantities of the orphan product to meet the needs of patients with the disease or condition for which the drug was designated. However, even if one of our product candidates receives orphan exclusivity, the FDA can still approve other drugs that have a different active ingredient for use in treating the same indication or disease. Furthermore, the FDA can waive orphan exclusivity if we are unable to manufacture a sufficient supply of our product. In response to recent litigation, the FDA clarified in a January 2023 notice that the FDA will continue tying the scope of orphan-drug exclusivity to the uses or indications for which a drug is approved, which permits other sponsors to obtain approval of a drug for new uses or indications within the same orphan designated disease or condition that have not yet been approved. The Consolidated Appropriations Act of 2026, signed into law in February 2026, codified this longstanding FDA interpretation of the Orphan Drug Act, allowing the FDA to approve multiple versions of the same orphan drug for different subindications and subpopulations. Changes in the leadership of the FDA and other federal agencies under the current U.S. presidential administration may also lead to new policies and changes in the regulations and operations of the FDA, which may impact our clinical development plans.

In June 2023, the European Commission granted ODD to evorpacept for the treatment of patients with gastric/GEJ cancer. In the European Union approved orphan medicines are granted 10 years of market exclusivity, which can be extended to 12 years if a pediatric investigation plan is completed. The market exclusivity period can be shortened if the approved orphan drug becomes commercially successful. An orphan designation can also be revoked if, for example, the prevalence of the condition increased to more than 5 per 10,000 individuals of the total population, if additional therapies are introduced after the initial designation and have improved the morbidity or mortality of a condition so that it is no longer chronically debilitating and/or life-threatening, or if we are unable to demonstrate significant benefit over existing authorized products. We can provide no assurance that we will be able to maintain all the benefits associated with the designation or that we will be successful in commercializing our product if approved.

Current and future legislation may increase the difficulty and cost for us to commercialize our products, if approved, and affect the prices we may obtain. We may face difficulties from changes to current regulations and future legislation.

Existing regulatory policies may change, and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. In June 2024, the U.S. Supreme Court overruled the *Chevron* doctrine, which may invite more companies and other stakeholders to bring lawsuits against the FDA to challenge longstanding decisions and policies of the FDA and other federal agencies, which could lead to uncertainties in the industry and disrupt the FDA's normal operations, any of which could delay the FDA's review of our regulatory submissions. We cannot predict the full impact of this decision, future judicial challenges brought against the FDA, or the nature or extent of government regulation that may arise from future legislation or administrative action. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, and we may not achieve or sustain profitability.

Third-party payors, whether domestic or foreign, or governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs. In both the United States and certain foreign jurisdictions, there have been, and likely will continue to be, legislative and regulatory proposals at the foreign, federal and state levels directed at containing or lowering the cost of healthcare. We cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect:

- the demand for our drugs, if we obtain regulatory approval;
- our ability to receive or set a price that we believe is fair for our drugs;
- our ability to generate revenue and achieve or maintain profitability;

- the level of taxes that we are required to pay; and
- the availability of capital.

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or collectively ACA, was enacted in 2010 and includes measures that have significantly changed the way healthcare is financed by both governmental and private insurers. The ACA continues to impact the U.S. pharmaceutical industry. Since its enactment, there have been judicial, executive and Congressional challenges to certain aspects of the ACA. In June 2021, the United States Supreme Court held that Texas and other challengers had no legal standing to challenge the ACA, dismissing the case without specifically ruling on the constitutionality of the ACA. Accordingly, the ACA remains in effect in its current form. It is possible that the ACA will be subject to judicial or Congressional challenges in the future. It is unclear how additional challenges and healthcare reform measures of the current U.S. presidential administration will impact the ACA. Complying with any new legislation or reversing changes implemented under the ACA could be time-intensive and expensive, resulting in a material adverse effect on our business.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. These changes include aggregate reductions to Medicare payments to providers of up to 2% per fiscal year pursuant to the Budget Control Act of 2011, which began in 2013 and will remain in effect through 2032, with the exception of temporary suspension under COVID-19 relief legislation.

There also has recently been heightened governmental scrutiny over the manner in which drug manufacturers set prices for their drugs, which has resulted in several U.S. congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs and reform government program reimbursement methodologies for drug products. For example, under the American Rescue Plan Act of 2021, effective January 1, 2024, the statutory cap on Medicaid Drug Rebate Programs rebates that manufacturers pay to state Medicaid programs was eliminated. Elimination of this cap may require pharmaceutical manufacturers to pay more in rebates than it receives on the sale of products, which could have material impact on our business. Further, in July 2021, the Biden administration released an executive order, "Promoting Competition in the American Economy," with multiple provisions aimed at increasing competition for prescription drugs. Congress is considering legislation that, if passed, could have significant impact on prices of prescription drugs covered by Medicare, including limitations on drug price increases. In August 2022, Congress passed the Inflation Reduction Act of 2022, which includes prescription drug provisions that have significant implications for the pharmaceutical industry and Medicare beneficiaries, including allowing the federal government to negotiate a maximum fair price for certain high-priced single source Medicare drugs, imposing penalties and excise tax for manufacturers that fail to comply with the drug price negotiation requirements, requiring inflation rebates for all Medicare Part B and Part D drugs, with limited exceptions, if their drug prices increase faster than inflation, and redesigning Medicare Part D to reduce out-of-pocket prescription drug costs for beneficiaries, among other changes. Only high-expenditure single-source drugs that have been approved for at least seven years (11 years for single-source biologics) can qualify for negotiation, with the negotiated price taking effect two years after the selection year. For 2026, Centers for Medicare & Medicaid Services, or CMS, selected 10 high-cost Medicare Part D drugs in 2023 and the negotiated maximum fair price for each drug has been announced. CMS has selected 15 additional Medicare Part D drugs for negotiated maximum fair pricing in 2027. For 2028, up to an additional 15 drugs, which may be covered under either Medicare Part B or Part D, will be selected, and for 2029 and subsequent years, up to 20 additional Part B or Part D drugs will be selected. Various industry stakeholders have initiated lawsuits against the federal government asserting that the price negotiation provisions of the Inflation Reduction Act are unconstitutional. In June 2026, the CMS issued a proposed rule that would codify policies established in guidance documents for the Medicare Drug Price Negotiation Program for initial price applicability year 2029 and beyond. CMS plans to release guidance to implement policies related to the effectuation of the MFP for the Medicare Drug Price Negotiation Program for 2028, consistent with the Inflation Reduction Act. Further, the current administration has issued executive orders focused on decreasing prescription drug prices, including directing the Secretary of Health and Human Services to establish a mechanism through which American patients can buy drugs directly from manufacturers who sell at a most-favored-nation price and directing the U.S. Trade Representative and Secretary of Commerce to take action to ensure foreign countries are not engaged in practices that purposefully and unfairly undercut market prices and drive price hikes in the United States. The One Big Beautiful Bill Act, which was signed into law in July 2025, includes provisions that will impact the U.S. healthcare system in various ways, including by cuts to Medicaid and introducing new participant work and eligibility requirements for Medicaid coverage, which are expected to significantly change the administration and applicability of Medicaid coverage. In November 2025, CMS announced a voluntary initiative called the GENEROUS Model (GENErating cost Reductions fOr U.S. Medicaid Model) to introduce the option of most-favored-nation pricing to the Medicaid program, whereby a drug manufacturer may voluntarily offer supplemental rebates to participating state Medicaid programs for a manufacturer's covered outpatient drugs. Government agreements with pharmaceutical companies and other measures that use most-favored-nation pricing targets for prescription drugs, including the use of international pricing reference to set drug prices in the United States, or that increase generic and biosimilar drug entry sooner than expected, can have a material adverse effect on our industry, ability to set adequate pricing for new drugs to recover R&D costs, ability to attract potential investors and potential buyers in the future. We cannot predict the full impact of the executive orders focused on reducing prescription drug prices or increasing domestic drug manufacturing capacity, or other measures that may be implemented by the current administration related to drug pricing, drug supply chain and manufacturing in the United States. The impact of ongoing and future judicial challenges as well as other legislative, executive, and administrative actions and agency rules implemented by the current U.S. presidential administration on us and the pharmaceutical industry as a whole is unclear. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our product candidates if approved.

At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures and, in some cases, designed to encourage importation from other countries and bulk purchasing. For example, a number of states are considering or have recently enacted state drug price transparency and reporting laws that could substantially increase our compliance burdens and expose us to greater liability under such state laws once we begin commercialization. FDA has authorized the state of Florida to develop Section 804 Importation Programs to import certain prescription drugs from Canada for a limited period to help reduce drug costs, provided that Florida's Agency for Health Care Administration meets the requirements set forth by the FDA. Other states may follow Florida. We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our product candidates or additional pricing pressures.

The ACA, as well as other healthcare reform measures that may be adopted in the future, may result in additional reductions in Medicare and other healthcare funding, more rigorous coverage criteria, lower reimbursement and new payment methodologies. This could lower the price that we receive for any approved drug product. Any denial in coverage or reduction in reimbursement from Medicare or other government funded programs may result in a similar denial or reduction in payments from private payors, which may prevent us from being able to generate sufficient revenue, attain profitability or commercialize our product candidates, if approved.

In the European Union, similar political, economic and regulatory developments may affect our ability to profitably commercialize our current or any future product candidates. In addition to continuing pressure on prices, price controls and cost containment measures, legislative developments at the European Union or member state level may result in significant additional requirements or obstacles that may increase our operating costs. In international markets, reimbursement and healthcare payment systems vary significantly by country, and many countries have instituted price ceilings on specific products and therapies. Our future product candidates, if any, might not be considered medically reasonable and necessary for a specific indication or cost-effective by third-party payors, an adequate level of reimbursement might not be available for such product candidates and third-party payors' reimbursement policies might adversely affect our ability to sell any future product candidates profitably.

Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a product candidate in a particular country, but then be subject to price regulations that delay the commercial launch of the product candidate, possibly for lengthy time periods, and negatively impact the revenue that are generated from the sale of the product in that country. If reimbursement of such product candidates is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, or if there is competition from lower-priced cross-border sales, our profitability will be negatively affected.

We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, our product candidates may lose any marketing approval that may have been obtained and we may not achieve or sustain profitability, which would adversely affect our business.

Our business operations and current and future relationships with investigators, health care professionals, consultants, third-party payors and customers will be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, health information privacy and security laws and other healthcare laws and regulations. If we are unable to comply, or have not fully complied, with such laws, we could face substantial penalties.

Although we do not currently have any products on the market, our operations may be directly, or indirectly through our prescribers, consultants, customers and third-party payors, subject to various U.S. federal and state healthcare laws and regulations, including, without limitation, the U.S. federal Anti-Kickback Statute, the U.S. federal civil and criminal false claims laws and the Physician Payments Sunshine Act and regulations. Healthcare providers and others play a primary role in the recommendation and prescription of any products for which we obtain marketing approval. These laws may impact, among other things, our current business operations, including our clinical research activities and proposed sales, marketing and education programs and constrain the business of financial arrangements and relationships with healthcare providers, physicians and other parties through which we market, sell and distribute our products for which we obtain marketing approval. In addition, we may be subject to patient data privacy and security regulation by both the U.S. federal government and the states in which we conduct our business. Finally, we may be subject to additional healthcare, statutory and regulatory requirements and enforcement by foreign regulatory authorities in jurisdictions in which we conduct our business. The laws that may affect our ability to operate are described in the following paragraphs:

- The U.S. federal Anti-Kickback Statute prohibits, among other things, persons or entities from knowingly and willfully soliciting, offering, receiving or paying any remuneration (including any kickback, bribe or certain rebates), directly or indirectly, overtly or covertly, in cash or in kind, to induce or reward either the referral of an individual for, or the purchase, lease, order or recommendation of, any good, facility, item or service, for which payment may be made, in whole or in part, under U.S. federal and state healthcare programs such as Medicare and Medicaid. Moreover, the ACA provides that the government may assert that a violation of the federal Anti-Kickback Statute also constitutes a false or fraudulent claim for purposes of the civil False Claims Act, or FCA.
- The federal civil and criminal false claims, including the civil FCA, that can be enforced by private citizens through civil whistleblower or qui tam actions, prohibit individuals or entities from, among other things, knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false or fraudulent or making a false statement to avoid, decrease or conceal an obligation to pay money to the federal government. No specific intent to defraud is required under the civil FCA. The criminal FCA provides for criminal penalties for submitting false claims, including imprisonment and criminal fines.

- The Civil Monetary Penalty Act of 1981 and implementing regulations impose penalties against any person or entity that, among other things, is determined to have presented or caused to be presented a claim to a federal healthcare program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent, or offering or transferring remuneration to a federal healthcare beneficiary that a person knows or should know is likely to influence the beneficiary's decision to order or receive items or services reimbursable by the government from a particular provider or supplier.
- The Health Insurance Portability and Accountability Act, or HIPAA, imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement, in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the U.S. federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and its implementing regulations, as amended again by the Modifications to the HIPAA Privacy, Security, Enforcement and Breach Notification Rules Under HITECH and the Genetic Information Nondiscrimination Act and Other Modifications to the HIPAA Rules, commonly referred to as the Final HIPAA Omnibus Rule, published in January 2013, impose certain obligations, including mandatory contractual terms, on covered entities subject to the Final HIPAA Omnibus Rule, *i.e.*, health plans, healthcare clearinghouses and healthcare providers, and their business associates that perform certain services for or on their behalf involving the use or disclosure of individually identifiable health information as well as their covered subcontractors with respect to safeguarding the privacy, security and transmission of individually identifiable health information.
- The U.S. Federal Food, Drug and Cosmetic Act prohibits, among other things, the adulteration or misbranding of drugs, biologics and medical devices.
- The federal Physician Payments Sunshine Act requires applicable manufacturers of covered drugs, medical devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program, with specific exceptions, to annually report to CMS information regarding payments and other transfers of value made to covered recipients, including physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician healthcare professionals (such as physician assistants and nurse practitioners, among others), and teaching hospitals as well as information regarding ownership and investment interests held by physicians and their immediate family members.
- The distribution of pharmaceutical products is subject to additional requirements and regulations, including extensive record-keeping, licensing, price reporting, storage and security requirements intended to prevent the unauthorized sale of pharmaceutical products. Pricing and rebate programs must also comply with the Medicaid rebate requirements of the U.S. Omnibus Budget Reconciliation Act of 1990 and more recent requirements in the ACA. If products are made available to authorized users of the Federal Supply Schedule of the General Services Administration, additional laws and requirements apply. Manufacturing, sales, promotion and other activities also are potentially subject to federal and state consumer protection and unfair competition laws.
- Analogous state laws and regulations impose additional obligations, including: state anti-kickback and false claims laws, which may apply to our business practices, including, but not limited to, research, distribution, sales and marketing arrangements and claims involving healthcare items or services reimbursed by any third-party payor, including private insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the U.S. federal government, or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws and regulations that require drug manufacturers to file reports relating to pricing and marketing information, which requires tracking gifts and other remuneration and items of value provided to healthcare professionals and entities; state and local laws requiring the registration of pharmaceutical sales representatives; and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.
- European and other foreign law equivalents of each of the laws also impose legal requirements, including reporting requirements detailing interactions with and payments to healthcare providers.

Ensuring that our internal operations and future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that may apply to us, we may be subject to significant penalties, including civil, criminal and administrative penalties, damages, fines, exclusion from U.S. government funded healthcare programs, such as Medicare and Medicaid, or similar programs in other countries or jurisdictions, disgorgement, imprisonment, contractual damages, reputational harm, diminished profits, additional reporting requirements and oversight, and the delay, reduction, termination or restructuring of our operations. Further, defending against any such actions can be costly and time-consuming, and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. If any of the physicians or other providers or entities with whom we expect to do business is found not to be in compliance with applicable laws, they may be subject to significant criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs and imprisonment. If any of the above occur, it could adversely affect our ability to operate our business and our results of operations.

If we, our employees, independent contractors, principal investigators, consultants, vendors or agents acting on our behalf fail to comply with healthcare laws and regulatory requirements, we could be subject to fines, penalties or enforcement actions, or incur costs that could have a material adverse effect on our business.

We are exposed to the risk of employee fraud or other misconduct as well as risks of noncompliance by contractors or agents acting on our behalf. Misconduct by employees and independent contractors, such as principal investigators, consultants and vendors, could include intentional failures to comply with FDA regulations, to provide accurate information to the FDA, to comply with health care fraud and abuse laws, to report financial information or data accurately or to disclose unauthorized activities to us. In particular, research, sales, marketing and business arrangements in the health care industry are subject to extensive laws intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws may restrict or prohibit a wide range of research, pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee and independent contractor misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. We have adopted a written code of business conduct and ethics, but it is not always possible to identify and deter employee or independent contractor misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant fines, exclusion from participation in government-funded healthcare programs, or other sanctions.

If we do not comply with laws regulating the protection of the environment and health and human safety, our business could be adversely affected.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our research and development involve, and may in the future involve, the use of potentially hazardous materials and chemicals. Our operations may produce hazardous waste products. Although we believe that our safety procedures for handling and disposing of these materials comply with the standards mandated by local, state and federal laws and regulations, the risk of accidental contamination or injury from these materials cannot be eliminated. If an accident occurs, we could be held liable for resulting damages, which could be substantial. We are also subject to numerous environmental, health and workplace safety laws and regulations and fire and building codes, including those governing laboratory procedures, exposure to blood-borne pathogens, use and storage of flammable agents and the handling of biohazardous materials. Although we maintain workers' compensation insurance as prescribed by the State of California to cover us for costs and expenses, we may incur costs and expenses due to injuries to our employees resulting from the use of these materials, as this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us. Additional laws and regulations affecting our operations may be adopted in the future. Current or future laws and regulations may impair our research, development or commercialization efforts. We may incur substantial costs to comply with, and substantial fines or penalties if we violate, any of these laws or regulations.

Disruptions at the FDA, SEC or other government agencies caused by funding shortages or global health concerns could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, the ability to hire and retain key personnel, return-to-office policies and other executive actions by the current U.S. presidential administration, and changes in the leadership and operations of the FDA. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund research and development activities, is subject to the political process, which is inherently fluid and unpredictable. For example, the U.S. government has shut down in the past, forcing regulatory authorities such as the FDA and SEC to furlough employees, and in response to the COVID-19 pandemic, the FDA has postponed certain inspections. If global health concerns or other causes continue to prevent the FDA or other regulatory authorities from conducting their normal operations, such as regular inspections, reviews, or other regulatory activities in a timely manner, or if the FDA and other agencies experience other delays, backlogs or disruptions, it could significantly impact the ability of the FDA or other regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Our business activities may be subject to the Foreign Corrupt Practices Act and similar anti-bribery and anti-corruption laws, as well as U.S. and certain foreign export controls, trade sanctions and import laws and regulations, all of which can subject us to criminal liability and other serious consequences for violations.

Our business activities may be subject to the Foreign Corrupt Practices Act, or FCPA, and similar anti-bribery or anti-corruption laws, regulations or rules of other countries in which we operate. These laws generally prohibit companies and their employees and third party business partners, representatives and agents from engaging in corruption and bribery, including offering, promising, giving or authorizing the provision of anything of value, either directly or indirectly, to a government official or commercial party in order to influence official action, direct business to any person, gain any improper advantage, or obtain or retain business. The FCPA also requires public companies to make and keep books and records that accurately and fairly reflect the transactions of the corporation and to devise and maintain an adequate system of internal accounting controls. Our business is heavily regulated and therefore involves significant interaction with government officials, including officials of non-U.S. governments.

Additionally, in many countries, healthcare providers are employed by the government, and the purchasers of biopharmaceuticals are government entities. As a result, our dealings with these providers and purchasers are subject to regulation and such healthcare providers and employees of such purchasers may be considered “foreign officials” as defined in the FCPA. In addition to our own employees, we leverage third parties to conduct our business abroad, such as obtaining government licenses and approvals. We and our third-party business partners, representatives and agents may have direct or indirect interactions with officials and employees of government agencies, state-owned or affiliated entities and we may be held liable for the corrupt or other illegal activities of our employees, our third-party business partners, representatives and agents, even if we do not explicitly authorize such activities. There is no certainty that our employees or the employees of our third-party business partners, representatives and agents will comply with all applicable laws and regulations, particularly given the high level of complexity of these laws. Violations of these laws and regulations could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, debarment from U.S. government contracts, substantial diversion of management’s attention, significant legal fees and fines, severe criminal or civil sanctions against us, our officers or our employees, disgorgement and other penalties and remedial measures and prohibitions on the conduct of our business. Any such violations could include prohibitions on our ability to offer our products in one or more countries and could materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, and our business, prospects, operating results, financial condition and stock price.

In addition, our products may be subject to U.S. and foreign export controls, trade sanctions and import laws and regulations, including increased tariffs. Governmental regulation of the import or export of our products, including the potential negative impact of tariff increases, or our failure to obtain any required import or export authorization for our products, when applicable, could harm our business. Furthermore, U.S. export control laws and economic sanctions prohibit the provision of certain products and services to countries, governments and persons targeted by U.S. sanctions. If we fail to comply with export and import regulations and such economic sanctions, penalties could be imposed, including fines and/or denial of certain export privileges.

Data collection under European and U.S. laws is governed by restrictive regulations addressing the collection, use, processing and, in the case of Europe, cross-border transfer, of personal information (i.e., information that relates to an identified or identifiable individual).

We may collect, process, use or transfer personal information from individuals located in the European Economic Area, or EEA, Switzerland and the United Kingdom in connection with our business, including in connection with conducting clinical trials in these regions.

Additionally, if any of our product candidates are approved, we may seek to commercialize those products in the EEA or the United Kingdom or Switzerland. The collection and use of personal information (which includes health data) in the EEA is governed, in part, by the provisions of the General Data Protection Regulation (EU) 2016/679, or the GDPR, or its UK equivalent, the UK General Data Protection Regulation, or, together with the UK's Data Protection Act 2018, the UK GDPR, or the new Swiss Federal Act on Data Protection, or FADP. These regulations impose requirements relating to having a legal basis for processing personal information and transferring such information outside of the EEA, the United Kingdom and Switzerland, respectively, as applicable, including to the United States, informing concerned individuals about the processing of their personal information, keeping personal information secure, having data processing agreements with third parties who process personal information on our behalf, responding to individuals' requests to exercise their rights in respect of their personal information, reporting security breaches involving personal information to the competent national data protection authority and affected individuals, appointing data protection officers, conducting data protection impact assessments and record-keeping.

Any actual or alleged failure to comply with the GDPR, UK GDPR, FADP, or other data protection laws may result in regulatory inquiries and other proceedings, substantial fines, other administrative penalties and civil claims being brought against us, which could have a material adverse effect on our business, financial condition and results of operations.

The GDPR, UK GDPR and FADP also restrict the transfer of personal information outside of the EEA, United Kingdom and Switzerland, respectively, unless appropriate safeguards are in place.

One primary set of safeguards, the Standard Contractual Clauses adopted by the European Commission, has been updated recently. With regard to data transfers outside of the EEA to the United States, in March 2022, the European Union and United States established a new framework for personal information transfers, the EU-U.S. Data Privacy Framework, or the EU-U.S. DPF. A related framework, the Swiss-U.S. Data Privacy Framework, or Swiss-U.S. DPF, also was established, and was the subject of an adequacy decision by the Swiss Federal Council on August 14, 2024. On July 10, 2023, the European Commission adopted an adequacy decision relating to the EU-U.S. DPF. Additionally, a UK Extension to the EU-U.S. DPF, became effective on October 12, 2023. We are evaluating whether to make use of the EU-U.S. DPF and the UK Extension to the EU-U.S. DPF to transfer personal information from the EEA to the United States.

Data protection regulation in the United Kingdom is subject to some uncertainty. Although the European Commission granted "adequacy" status to the United Kingdom in June 2021, and personal information can flow from the European Union to the United Kingdom and back, the United Kingdom may change its policy with respect to the export of personal information to third countries, such as the United States. The United Kingdom made targeted amendments to the UK GDPR in the UK Data (Use and Access) Act 2025, or DUAA, which was enacted on June 19, 2025. The European Commission has renewed the UK's adequacy decision after assessing the DUAA through December 2031, but it may be modified or revoked in the interim. In addition, in February 2022, the United Kingdom's Information Commissioner's Office issued new Standard Contractual Clauses for the transfer of personal information outside of the United Kingdom. The data transfers enforcement landscape and the longer-term stability of the EU-U.S. DPF and related programs remain uncertain, which could require us to modify our policies and practices and increase our compliance costs.

The EU also has implemented new and revised laws and regulations relating to cybersecurity, including the Network and Information Security Directive II, or NIS2, adopted in 2023, which aims to enhance cybersecurity across critical infrastructure and essential services in the EU. NIS2 provides for all EU member states to have issued implementing legislation by October 2024; however, several EU member states have not finalized their respective legislation and guidance.

We may, therefore, incur liabilities, expenses, costs, and other operational losses under the GDPR, the UK GDPR, the FADP, and applicable laws and regulations of European Union member states in connection with any measures we take to comply with them.

In addition, U.S. states are adopting new laws or amending existing laws, requiring attention to frequently changing regulatory requirements related to personal information. For example, California enacted the California Consumer Privacy Act, or the CCPA, in 2018, which took effect on January 1, 2020 and has been dubbed the first "GDPR-like" law in the United States. The CCPA gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing and receive detailed information about how their personal information is used by requiring covered companies to provide new disclosures to California consumers (as that term is broadly defined and which can include any of our current or future employees who may be California residents or any other California residents whose data we collect or process) and provide such residents new ways to opt out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation.

Additionally, the California Privacy Rights Act, or the CPRA, was approved by California voters in November 2020. The CPRA modified and augmented the CCPA significantly, effective as of January 1, 2023, resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply. Numerous other states have proposed, and in certain cases enacted similar laws, including comprehensive privacy laws similar to the CCPA enacted in Alabama, Colorado, Connecticut, Delaware, Florida, Indiana, Iowa, Kentucky, Maryland, Minnesota, Montana, Nebraska, New Hampshire, New Jersey, Oklahoma, Oregon, Rhode Island, Tennessee, Texas, Utah, Vermont, and Virginia. Other states have proposed, and in certain cases enacted, legislation addressing privacy and cybersecurity in the context of specific subject matter such as biometrics and health-related personal information. The U.S. Department of Justice also has issued rules regarding certain bulk sensitive personal data transfers. As we expand our operations, preclinical studies and clinical trials, these new state laws and other state laws and regulations relating to privacy, data security, and the collection, use, transfer, and other processing of data may increase our compliance costs and potential liability. Laws and regulations relating to these matters are not consistent across jurisdictions, and they may impose conflicting or uncertain obligations. Compliance with these and any other applicable laws and regulations relating to these matters is a rigorous, costly and time-intensive process, and we may be required to put in place additional mechanisms to address new and changing obligations under these laws and regulations. Actual or alleged noncompliance with any such laws and regulations may lead to regulatory investigations, enforcement actions, claims and litigation, and if we fail to comply with any such laws or regulations, we may face significant fines and penalties. Any of these could adversely affect our business, financial condition and results of operations.

Risks Related to Intellectual Property

If we are unable to obtain, maintain and enforce patent protection for our product candidates and related technology, our business could be materially harmed.

Our strategy depends on our ability to identify, seek, obtain and maintain patent protection for our product candidates and other research and development discoveries. Our patent portfolio is relatively small compared to many large and more established pharmaceutical and biotechnology companies. As our patent portfolio grows, we expect patent protection will continue to be an important part of our strategy. The patent protection process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications or maintain and enforce any patents that may issue from such patent applications, at a reasonable cost or in a timely manner or in all jurisdictions where protection may be commercially advantageous. It is also possible that we will fail to identify patentable aspects of our research and development discoveries in a timely manner to obtain patent protection. Moreover, in some circumstances, we may not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the patents, covering technology that we have licensed from third parties. Therefore, our in-licensed patents and patent applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. Our patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless, and until, patents issue from such applications, and then only to the extent the issued claims cover the technology. The patent applications that we own or in-license may fail to result in issued patents with claims that cover our current and future product candidates in the United States or in foreign countries or may fail to effectively prevent third parties from commercializing competitive product candidates.

The patent position of biotechnology companies generally is highly uncertain, involves complex legal and factual questions, and has in recent years been the subject of much litigation. We may be subject to a third-party pre-issuance submission of prior art to the U.S. Patent and Trademark Office, or USPTO, and such prior art may affect the scope of any allowable claims or it may prevent our patent applications from issuing as patents. Further, the issuance of a patent does not ensure that it is valid or enforceable, nor is the issuance conclusive as to inventorship or the scope of any claims. Third parties may challenge the validity, enforceability or scope of our issued patents or claim that they should be inventors on such patents, and such patents may be narrowed, invalidated, circumvented or deemed unenforceable and such third parties may gain rights to such patents. We could also become involved in reexamination, *inter partes* review, post-grant review, opposition or derivation proceedings challenging our patent rights or the patent rights of others.

In addition, changes in law may introduce uncertainty in the enforceability or scope of patents we own. If our patents are narrowed, invalidated or held unenforceable, third parties may be able to commercialize our technology or products and compete directly with us without payment to us. There is no assurance that all potentially relevant prior art relating to our patents and patent applications has been found, and such prior art could potentially invalidate one or more of our patents or prevent a patent from issuing from one or more of our pending patent applications. There is also no assurance that there is no prior art that may ultimately be found to affect the validity or enforceability of a claim. Furthermore, even if our patents are unchallenged, they may not adequately protect our intellectual property, provide exclusivity for our product candidates, prevent others from designing around our claims or provide us with a competitive advantage. The legal systems of certain countries do not favor the aggressive enforcement of patents, and the laws of foreign countries may not allow us to protect our inventions with patents to the same extent as the laws of the United States. Because patent applications in the United States and many foreign jurisdictions are typically not published until 18 months after filing, or in some cases not at all, and because publications of discoveries in scientific literature lag behind actual discoveries, we cannot be certain that we were the first to make the inventions claimed in our issued patents or pending patent applications, or that we were the first to file for protection of the inventions set forth in our patents or patent applications. As a result, we may not be able to obtain or maintain protection for certain inventions.

For all of the foregoing reasons, the issuance, validity, enforceability, scope and commercial value of our patents in the United States and in foreign countries cannot be predicted with certainty and, as a result, any patents that we own or license may not provide sufficient protection against competitors. We may not be able to obtain or maintain patent protection from our pending patent applications, from those we may file in the future, or from those we may license from third parties. Moreover, even if we are able to obtain patent protection, such patent protection may be of insufficient scope to achieve our business objectives. In addition, the issuance of a patent does not give us the right to practice the patented invention. Third parties may have blocking patents that could prevent us from marketing our own patented product and practicing our own patented technology.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies to develop their own products in jurisdictions where we have not obtained patent protection and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States. These products may compete with our current or future products, if any, and our patents or other intellectual property rights may not be valid or sufficient to prevent them from competing.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Beginning June 1, 2023, European patent applications and patents may be subjected to the jurisdiction of the Unified Patent Court, or UPC. Also, European patent applications will have the option, upon grant of a patent, of becoming a Unitary Patent, which will be subject to the jurisdiction of the UPC. The UPC and Unitary Patent are significant changes in European patent practice. As the UPC is a new court system, there is no precedent for the court, increasing the uncertainty of any litigation in the UPC. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any court proceedings to enforce our intellectual property rights, and the damages or other remedies awarded to us, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Geopolitical actions in the United States and in foreign countries could increase the uncertainties and costs surrounding the prosecution or maintenance of our patent applications or those of any current or future licensors and the maintenance, enforcement or defense of our issued patents or those of any current or future licensors.

Additionally, the requirements for patentability may differ in certain countries. For example, in certain countries, there is no link between regulatory approval of a drug and its patent status, and patenting of medical uses of a claimed drug are prohibited. In addition, certain countries in Europe and other countries, including China, have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In those countries, we and our licensors may have limited remedies if patents are infringed or if we or our licensors are compelled to grant a license to a third party, which could materially diminish the value of those patents. This could limit our potential revenue opportunities. Accordingly, our efforts to enforce intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we own or license.

Obtaining and maintaining our patent protection depends on compliance with various procedural, documentary, fee payment and other requirements imposed by regulations and governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents or applications will be due to the USPTO and various foreign patent offices at various points over the lifetime of our patents or applications. We have systems in place to remind us to pay these fees, and we rely on our outside patent annuity service to pay these fees automatically when due, but we must notify the provider of any new patents or applications. Additionally, the USPTO and various foreign patent offices require compliance with many procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with rules applicable to the particular jurisdiction. However, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If such an event were to occur, it could have a material adverse effect on our business.

Changes in patent laws or patent jurisprudence could diminish the value of patents in general, thereby impairing our ability to protect our product candidates.

The patent positions of biotechnology companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. Changes in either the patent laws or in the interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property. We cannot predict the breadth of claims that may be allowed or found to be enforceable in our patents or in third-party patents. The United States has enacted and implemented wide-ranging patent reform legislation. Further, recent U.S. Supreme Court rulings have either narrowed the scope of patent protection available in certain circumstances or weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the validity, scope and value of patents, once obtained.

For our U.S. patent applications containing a priority claim after March 16, 2013, there is a higher level of uncertainty in the patent law. In September 2011, the Leahy-Smith America Invents Act, also known as the America Invents Act, or AIA, was signed into law. The AIA includes a number of significant changes to U.S. patent law, including provisions that affect the way patent applications are prosecuted and may also affect patent litigation. The AIA and its implementation may increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have an adverse effect on our business. An important change introduced by the AIA is that, as of March 16, 2013, the United States transitioned to a "first-to-file" system for deciding which party should be granted a patent when two or more patent applications are filed by different parties disclosing or claiming the same invention. A third party that has filed, or does file a patent application in the USPTO after March 16, 2013 but before us, could be awarded a patent covering a given invention, even if we had made the invention before it was made by the third party. This requires us to be cognizant going forward of the time from invention to filing of a patent application.

Among some of the other changes introduced by the AIA are changes that limit where a patentee may file a patent infringement suit and providing opportunities for third parties to file third party submissions of prior art to the USPTO during patent prosecution and to challenge any issued patent in the USPTO (*e.g.*, via post-grant reviews or *inter partes* reviews). Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in U.S. federal court necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action.

Depending on decisions by the U.S. Congress, the U.S. federal courts, the USPTO or similar authorities in foreign jurisdictions, the laws and regulations governing patents could change in unpredictable ways that may weaken our and our licensors' ability to obtain new patents or to enforce existing patents we and our licensors or partners may obtain in the future.

Our patents covering one or more of our product candidates could be found invalid or unenforceable if challenged.

Any of our intellectual property rights could be challenged or invalidated despite measures we take to obtain patent and other intellectual property protection with respect to our product candidates and proprietary technology. For example, if we were to initiate legal proceedings against a third party to enforce a patent covering one of our product candidates, the defendant could counterclaim that our patent is invalid and/or unenforceable. In patent litigation in the United States and in some other jurisdictions, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, for example, lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld material information from the USPTO, or the applicable foreign counterpart, or made a misleading statement, during prosecution. A litigant or the USPTO itself could challenge our patents on this basis even if we believe that we have conducted our patent prosecution in accordance with the duty of candor and in good faith. The outcome following such a challenge is unpredictable.

With respect to challenges to the validity of our patents, for example, there might be invalidating prior art, of which the patent examiner and we were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on a product candidate. Even if a defendant does not prevail on a legal assertion of invalidity and/or unenforceability, our patent claims may be construed in a manner that would limit our ability to enforce such claims against the defendant and others. The cost of defending such a challenge, particularly in a foreign jurisdiction, and any resulting loss of patent protection could have a material adverse impact on one or more of our product candidates and our business.

Enforcing our intellectual property rights against third parties may also cause such third parties to file other counterclaims against us, which could be costly to defend, particularly in a foreign jurisdiction, and could require us to pay substantial damages, cease the sale of certain products or enter into a license agreement and pay royalties (which may not be possible on commercially reasonable terms or at all). Any efforts to enforce our intellectual property rights are also likely to be costly and may divert the efforts of our scientific and management personnel.

Patent terms may be inadequate to protect our competitive position on our product candidates for an adequate amount of time.

Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U.S. non-provisional filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our product candidates are obtained, once the patent life has expired, we may be open to competition from competitive products, including biosimilars. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

Patent protection, prosecution, assertion and defense for some of our product candidates may be dependent on third parties.

There may be times in the future when certain patents that relate to our product candidates or any approved products are controlled by our licensees or licensors, such as with respect to our license agreements. Although we may, under such arrangements, have rights to consult with our strategic partners on actions taken as well as back-up rights of prosecution and enforcement, we have in the past and may in the future relinquish rights to prosecute and maintain patents and patent applications within our portfolio as well as the ability to assert such patents against infringers. If any current or future licensee or licensor with rights to prosecute, assert or defend patents related to our product candidates fails to appropriately prosecute and maintain patent protection for patents covering any of our product candidates, or if patents covering any of our product candidates are asserted against infringers or defended against claims of invalidity or unenforceability in a manner which adversely affects such coverage, our ability to develop and commercialize any such product candidate may be adversely affected and we may not be able to prevent competitors from making, using and selling competing products.

If we are unable to protect the confidentiality of our trade secrets and proprietary information or obtain proper assignment of such intellectual property, the value of our technology and products could be adversely affected.

In addition to patent protection, we also rely on other proprietary rights, including protection of trade secrets and other proprietary information. Trade secrets and know-how can be difficult to protect. Trade secrets and know-how can also in some instances be independently derived or reverse-engineered by a third party. We maintain the confidentiality of trade secrets and proprietary information in part by entering into confidentiality agreements with our employees, consultants, other service providers, including former service provider Tallac Therapeutics, strategic partners and others upon the commencement of their relationships with us. These agreements require that all confidential information developed by the individual or made known to the individual by us during the course of the individual's relationship with us be kept confidential and not disclosed to third parties. Our agreements with employees and our personnel policies in addition to our service provider agreements, such as the Tallac Services Agreement, also provide that any inventions conceived by the individual in the course of rendering services to us shall be our exclusive property. However, we may not obtain these agreements in all circumstances, and even when we obtain these agreements, individuals with whom we have these agreements may not comply with their terms. Any of the parties to these agreements may breach such agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. In the event of unauthorized use or disclosure of our trade secrets or proprietary information, these agreements, even if obtained, may not provide meaningful protection, particularly for our trade secrets or other confidential information. We may also become involved in inventorship disputes relating to inventions and patents developed by our employees, consultants, contractors and other service providers, including former service provider Tallac Therapeutics, under such agreements. To the extent that our employees, consultants, contractors or other service providers use technology or know-how owned by third parties in their work for us, disputes may arise between us and those third parties as to the rights in related inventions. To the extent that an individual who is not obligated to assign rights in intellectual property to us is rightfully an inventor of intellectual property, we may need to obtain an assignment or a license to that intellectual property from that individual, or a third party or from that individual's assignee. Such assignment or license may not be available on commercially reasonable terms or at all.

Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming and the outcome is unpredictable. In addition, some courts in the United States and certain foreign jurisdictions are less willing or unwilling to protect trade secrets. The disclosure of our trade secrets would impair our competitive position and may materially harm our business, financial condition and results of operations. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to maintain trade secret protection could adversely affect our competitive business position. In addition, if any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent such third party, or those to whom they communicate such technology or information, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor or if we otherwise lose protection for our trade secrets or proprietary know-how, the value of this information may be greatly reduced, and our business and competitive position could be harmed. Adequate remedies may not exist in the event of unauthorized use or disclosure of our proprietary information.

We may become involved in lawsuits to protect or enforce our patents and trade secrets, which could be expensive, time-consuming and unsuccessful.

Third parties may seek approval to market their own products similar to or otherwise competitive with our product candidates or biosimilar versions of any approved product candidates. In these circumstances, we may need to defend or assert our patents, including by filing lawsuits alleging patent infringement. If we were to initiate legal proceedings against a third party to enforce a patent covering our product candidates, the defendant could counterclaim that the patent covering our product candidate is invalid and/or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Grounds for an invalidity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, written description or enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. The outcome following legal assertions of invalidity and unenforceability is unpredictable. In any of these types of proceedings, a court or agency with jurisdiction may find our patents invalid or unenforceable. Even if we have valid and enforceable patents, these patents still may not provide protection against competing products sufficient to achieve our business objectives.

Even after they have issued, our patents and any patents that we license may be challenged, narrowed, invalidated or circumvented. If our patents are invalidated or otherwise limited or will expire prior to the commercialization of our product candidates, other companies may be better able to develop products that compete with ours, which could adversely affect our competitive business position, business prospects and financial condition. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

The following are examples of litigation and other adversarial proceedings or disputes that we could become a party to involving our patents or patents licensed to us:

- we may initiate litigation or other proceedings against third parties to enforce our patent and trade secret rights;
- third parties may initiate litigation or other proceedings seeking to invalidate patents owned by or licensed to us or to obtain a declaratory judgment that their product or technology does not infringe our patents or patents licensed to us;
- third parties may initiate opposition or other proceedings challenging the validity or scope of our patent rights, requiring us and/or licensors to participate in such proceedings to defend the validity and scope of our patents;
- there may be a challenge or dispute regarding inventorship or ownership of patents or trade secrets currently identified as being owned by or licensed to us, including disputes that may arise from our previous reliance on Tallac Therapeutics as the sole provider of our preclinical research services and the intellectual property generated under the Tallac Services Agreement; or
- third parties may seek approval to market biosimilar versions of our future approved products prior to the expiration of relevant patents owned by or licensed to us under the Biologics Price Competition and Innovation Act of 2009, requiring us to defend our patents, including by filing lawsuits alleging patent infringement.

Any litigation or other proceedings would be costly and could affect our results of operations and divert the attention of our management and scientific personnel. Some of our competitors may be able to sustain the cost of such litigation and proceedings more effectively than we can because of their substantially greater resources. There is a risk that a court would decide that we are infringing the third party's patents and would order us to stop the activities covered by the patents. In that event, we may not have a viable alternative to the technology protected by the patent and may need to halt work on the affected product candidate or cease commercialization of an approved drug. In addition, there is a risk that a court will order us to pay third party damages or some other monetary award, depending upon the jurisdiction. An adverse outcome in any litigation or other proceeding could subject us to significant liabilities to third parties, potentially including treble damages and attorneys' fees if we are found to have willfully infringed, and we may be required to cease using the technology that is at issue or to license the technology from third parties. We may not be able to obtain any required licenses on commercially acceptable terms or at all. We may not be able to prevent, alone or with our licensors, infringement or misappropriation of our intellectual property rights, particularly in countries where the laws may not protect those rights as fully as in the United States. Any litigation or other proceedings to enforce our intellectual property rights may fail, and even if successful, may result in substantial costs and distract our management and other employees.

In addition, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have an adverse effect on the price of our common stock. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise additional funds or on our business, results of operations, financial condition and prospects. Any of these outcomes could have a material adverse effect on our business.

We may be subject to claims that we or our employees or consultants have wrongfully used or disclosed alleged trade secrets or other proprietary information of our employees' or consultants' former employers or their clients.

We employ individuals who were previously or concurrently employed at research institutions and/or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that these employees, or we, have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers, or that patents and applications we have filed to protect inventions of these employees, even those related to one or more of our product candidates, are rightfully owned by their former or concurrent employer. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, trade secrets or other proprietary information could be awarded to a third party, and we could be required to obtain a license from such third party to commercialize our technology or products. Such license may not be available on commercially reasonable terms or at all. A loss of key research personnel or their work product could limit our ability to commercialize, or prevent us from commercializing, our current or future technologies or product candidates, which could materially harm our business. Even if we are successful in defending against these claims, litigation would expose us to the risk described above under "We may become involved in lawsuits to protect or enforce our patents and trade secrets, which could be expensive, time-consuming and unsuccessful."

Our commercial success depends in part on our ability to operate without infringing the patents and other proprietary rights of third parties.

Our success will depend in part on our ability to operate without infringing the proprietary rights of third parties. Other entities may have or obtain patents or proprietary rights that could limit our ability to make, use, sell, offer for sale or import our future approved products or impair our competitive position. Our research, development and commercialization activities may be subject to claims that we infringe or otherwise violate patents or other intellectual property rights owned or controlled by third parties.

We are aware of third-party patents and patent applications containing claims in the immuno-oncology field based on scientific approaches that are the same as or similar to our approach, including with respect to the targeting of the CD47 and signal regulatory protein alpha, or SIRPα, pathways, and others that are based on entirely different approaches. These patents and applications could potentially be construed to cover our product candidates and their use. For example, we are aware of U.S. patent 10,907,209 owned by University Health Network, or UHN, and The Hospital for Sick Children that may encompass certain therapies for the treatment of cancer using polypeptides comprising soluble human SIRPα, as well as related applications in other jurisdictions. This patent relates to the treatment of cancer with polypeptides comprising soluble human SIRPα. Pfizer, through its acquisition of Trillium Therapeutics, has an exclusive license to the U.S. patent and related applications. The European counterpart patent (EP 2 429 574) was subject to European Patent Office opposition proceedings, which resulted in the patent being upheld in amended form. Additionally, we are aware of a second European Patent (EP 2 995 315), a divisional of European patent (EP 2 429 574), granted to UHN and The Hospital for Sick Children. This patent relates to the eradication of hematological CD47+ cancer cells and tumors with polypeptides comprising soluble human SIRPα, or a CD47-binding fragment thereof. This patent was upheld as granted by the European Patent Office Opposition Division on November 28, 2025. This decision is currently under appeal. The patent claims of both EP 2 429 574 and EP 2 995 315 could potentially limit our ability to pursue evorpacept in certain indications in certain territories in the EU in the future unless we obtain a license under these patents, these patents are determined to be invalid or unenforceable by the European Patent Office or a national court in one or more relevant territories, these patents are revoked or otherwise limited by the European Patent Office or a national court, or until these patents expire. A license may however not be available on commercially reasonable terms or at all. With respect to U.S. patent 10,907,209, we believe that we do not infringe claims listed in this U.S. patent. Further, with respect to the development of our ALX2004 program, many companies have filed, and continue to file, patent applications related to ADCs and components thereof that are similar to our approach. As the biotechnology industry expands and more patents are issued, the risk increases that we may be subject to claims of infringement of the patent rights of third parties. There is no assurance that there are not third-party patents or patent applications of which we are aware, but which we do not believe are relevant to our business, which may, nonetheless, ultimately be found to limit our ability to make, use, sell, offer for sale or import our future approved products or impair our competitive position.

Third parties may have or obtain valid and enforceable patents or proprietary rights that could block us from developing product candidates. These patents may not expire before we receive any marketing approval for our product candidates, and they could delay the commercial launch of one or more future product candidates. If our product candidates were to be found to infringe any such patents, and we were unable to invalidate those patents, or if licenses for them are not available on commercially reasonable terms or at all, our business, financial condition and results of operations could be materially harmed. Furthermore, even if a license is available, it may be non-exclusive, which could result in our competitors gaining access to the same intellectual property. Our failure to maintain a license to any technology that we require may also materially harm our business, financial condition and results of operations, and we would be exposed to a threat of litigation.

Any litigation resulting from claims of infringement or failure to license patents and proprietary rights of others would expose us to the risk described above under "We may become involved in lawsuits to protect or enforce our patents and trade secrets, which could be expensive, time consuming and unsuccessful." Any of the aforementioned threats to our competitive advantage could have a material adverse effect on our business.

Our intellectual property rights will not necessarily provide us with competitive advantages.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. The following examples are illustrative:

- others may be able to make products that are similar to our product candidates but that are not covered by the claims of the patents that we own or have exclusively licensed;
- others may independently develop similar or alternative technologies without infringing our intellectual property rights;
- issued patents that we own or have exclusively licensed may not provide us with competitive advantages, or may be held invalid or unenforceable, as a result of legal challenges by our competitors;
- we may obtain patents for product candidates many years before we obtain marketing approval for such product candidates and because patents have a limited life, which may begin to run prior to the commercial sale of the related product, the commercial value of our patents may be limited;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may fail to develop additional proprietary technologies that are patentable;
- the laws of certain foreign countries may not protect our intellectual property rights to the same extent as the laws of the United States, or we may fail to apply for or obtain adequate intellectual property protection in all the jurisdictions in which we operate; and
- the patents of others may have an adverse effect on our business, for example by preventing us from marketing one or more of our product candidates for one or more indications.

Any of the aforementioned threats to our competitive advantage could have a material adverse effect on our business.

We will need to obtain FDA approval for any proposed product candidate names, and any failure or delay associated with product candidate name approval may adversely affect our business.

Any proprietary name or trademark we intend to use for our product candidates will require approval from the FDA regardless of whether we have secured a formal trademark registration from the USPTO. The FDA typically conducts a review of proposed product candidate names, including an evaluation of the potential for confusion with other product names and potential pharmacy dispensing errors. The FDA may also object to a product name if it believes the name inappropriately implies certain medical claims or contributes to an overstatement of efficacy. If the FDA objects to any product candidate names we propose, we may be required to adopt an alternative name for our product candidates. If we adopt an alternative name, we will lose the benefit of any existing trademark applications for such product candidate and may be required to expend significant additional resources in an effort to identify a suitable product name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA. We may be unable to build a successful brand identity for a new trademark in a timely manner or at all, which would limit our ability to commercialize our product candidates.

Our rights to develop and commercialize our product candidates may be subject, in part, to the terms and conditions of agreements with others.

Our current agreements do not, and future agreements we may enter into in the future may not, provide exclusive rights to use certain intellectual property and technology retained by a collaborator in all relevant fields of use and in all territories in which we may wish to develop or commercialize our technology and products in the future. As a result, we may not be able to prevent competitors or other third parties from developing and commercializing competitive products that utilize technology retained by such collaborators to the extent such products are not also covered by our intellectual property.

We may need to obtain additional intellectual property rights from others to advance our research or allow commercialization of product candidates we may develop. We may be unable to obtain additional intellectual property rights at a reasonable cost or on reasonable terms, if at all. In that event, we may be required to expend significant time and resources to redesign our technology, product candidates or the methods for manufacturing them or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis. If we are unable to do so, we may be unable to develop or commercialize the affected product candidates, which could harm our business, financial condition, results of operations and prospects significantly. We cannot provide any assurances that third-party patents do not exist which might be enforced against our current technology, manufacturing methods, product candidates or future methods or products resulting in either an injunction prohibiting our manufacture or future sales, or, with respect to our future sales, an obligation on our part to pay royalties and/or other forms of compensation to third parties, which could be significant.

Furthermore, our current or our future collaborators' patents may be subject to a reservation of rights by one or more third parties. The U.S. government may have certain rights to resulting intellectual property. When new technologies are developed with U.S. government funding, the U.S. government generally obtains certain rights in any resulting patents, including a non-exclusive license authorizing the U.S. government to use the invention or to have others use the invention on its behalf. The U.S. government's rights may also permit it to disclose the funded inventions and technology to third parties and to exercise march-in rights to use or allow third parties to use the technology developed using U.S. government funding. The U.S. government may exercise its march-in rights if it determines that action is necessary because we fail to achieve the practical application of the government funded technology, or because action is necessary to alleviate health or safety needs, to meet requirements of federal regulations, or to give preference to U.S. industry. In addition, our rights in such inventions may be subject to certain requirements to manufacture products embodying such inventions in facilities in the United States in certain circumstances and if this requirement is not waived. Any exercise by the U.S. government of such rights or by any third-party of its reserved rights could have a material adverse effect on our competitive position, business, financial condition, results of operations and prospects.

If we fail to comply with our obligations in agreements under which we option or license intellectual property rights from collaborators or licensors or otherwise experience disruptions to our business relationships with future collaborators or licensors, we could lose intellectual property rights that are important to our business.

Our current agreements do, and our future agreements may, impose various economic, development, diligence, commercialization and other obligations on us. Such agreements may also require us to meet development timelines, or to exercise commercially reasonable efforts to develop and commercialize licensed products. It might be concluded that we have materially breached our obligations under such agreements and licensors or collaborators might therefore terminate or seek damages under the agreements, thereby removing or limiting our ability to develop and commercialize products and technology covered by these agreements. Termination of these agreements could cause us to lose the rights to certain patents or other intellectual property, or the underlying patents could fail to provide the intended exclusivity, and competitors or other third parties may have the freedom to seek regulatory approval of, and to market, products similar to or identical to ours and we may be required to cease our development and commercialization of certain of our product candidates. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations and growth prospects.

Moreover, disputes may arise regarding intellectual property subject to a collaboration agreement, including:

- the scope of the option or license rights granted under the agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe on intellectual property of the collaborator that is not subject to the option or license rights granted under the agreement;
- the sublicensing of patent and other rights under our collaborative development relationships;
- our diligence obligations under the agreement and what activities satisfy those diligence obligations;
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our collaborators and us and our other partners; and
- the priority of invention of patented technology.

We may enter into agreements to option or license intellectual property or technology from third parties that are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations and growth prospects. Moreover, if disputes over intellectual property that we have optioned or licensed prevent or impair our ability to maintain such arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates, which could have a material adverse effect on our business, financial conditions, results of operations and growth prospects.

Risks Related to Our Operations

In order to successfully implement our plans and strategies, we will need to grow the size of our organization, and we may experience difficulties in managing this growth.

As of June 30, 2026, we had 48 employees, including 32 employees engaged in research and development. In order to successfully implement our development and commercialization plans and strategies, and as we continue to operate as a public company, we expect we will need additional managerial, scientific, technical, medical, operational, sales, marketing, financial and other personnel. Future growth may impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, retaining and motivating additional employees;

- managing our internal development efforts effectively, including the clinical and FDA review process for evorpacept, ALX2004 and any other future product candidates, while complying with applicable contractual obligations to contractors and other third parties; and
- maintaining and updating our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to successfully develop and, if approved, commercialize evorpacept and ALX2004, and any other future product candidates will depend, in part, on our ability to effectively manage any future growth, which may require our management team to divert its attention away from day-to-day activities of the business and devote a substantial amount of time to the added responsibilities associated with managing these growth activities.

We currently rely, and for the foreseeable future will continue to rely, in substantial part on specific independent organizations, advisors and consultants to provide certain services, including substantially all aspects of clinical management and manufacturing. We cannot assure you that the services of independent organizations, advisors and consultants will continue to be available to us on a timely basis when needed, or that we can find qualified replacements. In addition, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided by third-party service providers is compromised for any reason, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain marketing approval of evorpacept, ALX2004 and any other future product candidates or otherwise advance our business. We cannot assure you that we will be able to manage our existing third-party service providers or find other qualified outside contractors and consultants on economically reasonable terms, or at all.

If we are not able to effectively maintain our organization by retaining employees or expand our organization by hiring new employees and/or engaging additional third-party service providers, we may not be able to successfully implement the tasks necessary to further develop and commercialize evorpacept and ALX2004, and other future product candidates and, accordingly, may not achieve our research, development and commercialization goals.

Our product candidates are based on novel technologies, which makes it difficult to predict the time and cost of product candidate development.

We have concentrated our product research and development efforts on our novel approaches, and our future success depends on the successful development of our product candidates, evorpacept and ALX2004, and any future product candidates that we develop. There can be no assurance that any development problems we experience in the future related to our novel approaches will not cause significant delays or unanticipated costs or that such development problems can be solved. We may also experience delays in developing a sustainable, reproducible and scalable manufacturing process or transferring that process to commercial partners, which may prevent us from completing our clinical trials or commercializing our product candidates on a timely or profitable basis, if at all.

We are highly dependent on our key personnel, and if we are not successful in attracting, motivating and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

Our ability to compete in the highly competitive biotechnology and life science industries depends upon our ability to attract, motivate and retain highly qualified managerial, scientific and medical personnel. We are highly dependent on our management and our scientific, technical, business and medical personnel. The loss of the services provided by any of our executive officers, other key employees and other scientific and medical advisors, our inability to find suitable replacements, and the impacts of any executive officer changes, could result in delays in the development of our product candidates and harm our business. Additionally, layoffs or furloughs, including the previously completed RIF, pausing recruiting efforts, or employee attrition could also create delays in the development of our product candidates, yield unintended consequences and costs, such as the loss of institutional knowledge and expertise, attrition beyond the intended reduction in force, the distraction of employees and reduced employee morale, which could all adversely affect our reputation as an employer, making it more difficult for us to hire new employees in the future and harm our business.

We conduct our operations at our facility in the San Francisco Bay Area of California, a region that is headquarters to many other biopharmaceutical companies and many academic and research institutions. To succeed, we must recruit, retain, manage and motivate qualified clinical, scientific, manufacturing and sales and marketing personnel, and we face significant competition for experienced personnel. We expect that we may need to recruit talent from outside of our region and doing so may be costly and difficult. In addition, we will need to expand and effectively manage our managerial, operational, financial, development and other resources in order to successfully pursue our research, development and commercialization efforts for our existing and future product candidates. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited talent pool in our industry due to the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize products. Competition for skilled personnel is intense and the turnover rate can be high, which may limit our ability to hire and retain highly qualified personnel on acceptable terms or at all. Additionally, the U.S. has recently experienced historically high levels of inflation and an acute workforce shortage generally, which has created a hyper-competitive wage environment that may increase our operating costs.

Many of the other biotechnology companies that we compete against for qualified personnel have considerably more financial and other resources, different risk profiles and a more extended history in the industry than we do. They also may provide more diverse opportunities and better prospects for career advancement. Some of these characteristics may be more appealing to high-quality candidates than what we can offer. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition to competition for personnel, the San Francisco Bay Area in particular is characterized by a high cost of living. We could in the future have difficulty attracting experienced personnel to our company and may be required to expend significant financial resources in our employee recruitment and retention efforts. To induce valuable employees to remain at our company, in addition to salary and cash incentives, we have provided equity grants that vest over time. The value to employees of these equity grants that vest over time may be significantly affected by movements in our stock price that are beyond our control and therefore any declining value in our equity grants could negatively impact our ability to successfully retain existing employees or effectively recruit new employees. Although we have employment agreements with our key employees, these employment agreements provide for at-will employment, which means that any of our employees could leave our employment at any time, with or without notice. If we are unable to attract and incentivize quality personnel on acceptable terms, or at all, it may cause our business and operating results to suffer.

Our international operations may expose us to business, regulatory, political, operational, financial, pricing and reimbursement risks associated with doing business outside of the United States.

Our predecessor company, which after our internal reorganization is now our wholly-owned subsidiary, was an Irish private company limited by shares. Our business is subject to risks associated with conducting business internationally. Some of our subsidiaries and operations, in addition to suppliers, industry partners and clinical study centers, are located outside of the United States. Furthermore, our business strategy incorporates potential international expansion as we seek to obtain regulatory approval for, and commercialize, our product candidates in patient populations outside the United States. If approved, we expect to hire sales representatives and conduct physician and patient association outreach activities outside of the United States. Doing business internationally involves a number of risks and complexities, including but not limited to:

- multiple, conflicting and changing laws and regulations such as privacy regulations, tax laws, export and import restrictions, including changes in tariff and trade policies, employment laws, regulatory requirements and other governmental approvals, permits and licenses, including within the European Union and in the United Kingdom as a result of Brexit;
- our failure to obtain and maintain regulatory approvals for the use of our products in various countries;
- rejection or qualification of foreign clinical trial data by the competent authorities of other countries;
- complexities and difficulties in obtaining, maintaining, protecting and enforcing our intellectual property, including as a result of potentially relevant third-party patent rights;
- difficulties in staffing and managing foreign operations;
- complexities associated with managing multiple payor reimbursement regimes, government payors or patient self-pay systems;
- limits in our ability to penetrate international markets;
- financial risks, such as longer payment cycles, difficulty collecting accounts receivable, the impact of local and regional financial crises on demand and payment for our drugs;
- exposure to foreign currency exchange rate fluctuations;
- political and economic instability, such as the geopolitical unrest and regional economic disruptions caused by Russia's war with Ukraine, and war and instability in Israel, Iran, and the surrounding region, and including wars, terrorism and political unrest, boycotts, curtailment of trade and other business restrictions;
- natural disasters, such as a fire, an earthquake or a flood, or outbreaks or public health crises, such as the COVID-19 pandemic;
- a security breach or incident or a related breach of our information systems or data;
- certain expenses including, among others, expenses for travel, translation and insurance; and
- regulatory and compliance risks that relate to anti-corruption compliance and record-keeping that may fall within the purview of the FCPA, its accounting provisions or its anti-bribery provisions, or provisions of anti-corruption or anti-bribery laws in other countries.

Any of these factors could harm our future international expansion and operations and, consequently, our results of operations.

If any of the third parties that we rely on for various operational and administrative aspects of our business fail to provide timely, accurate and ongoing service or if the technology systems and infrastructure suffer outages that we are unable to mitigate, our business may be adversely affected.

We currently rely upon third-party consultants and contractors to provide specific operational and administrative services, including research and clinical consultation and management. The failure of any of these third parties to provide accurate and timely service may adversely impact our business operations. In addition, if such third-party service providers were to cease operations, temporarily or permanently, face financial distress or other business disruption, increase their fees or if our relationships with these providers deteriorate, we could suffer increased costs until an equivalent provider could be found, if at all, or we could develop internal capabilities, if ever. In addition, if we are unsuccessful in choosing or finding high-quality partners, if we fail to negotiate cost-effective relationships with them, or if we ineffectively manage these relationships, it could have an adverse impact on our business and financial performance.

Further, our operations depend on the continuing and efficient operation of our information technology, communications systems and infrastructure, and on cloud-based platforms. Any of these systems and infrastructure are vulnerable to damage or interruption from earthquakes, vandalism, sabotage, terrorist attacks, floods, fires, power outages, telecommunications failures, computer viruses or other deliberate attempts to harm the systems. The occurrence of a natural or intentional disaster, any decision to close a facility we are using without adequate notice, or particularly an unanticipated problem at a cloud-based virtual server facility, could result in harmful interruptions in our service, resulting in adverse effects to our business.

We may become exposed to costly and damaging product liability claims, either when testing our product candidates in the clinic or at the commercial stage, and our product liability insurance may not cover all damages from such claims.

We are exposed to potential product liability and professional indemnity risks that are inherent in the research, development, manufacturing, marketing and use of pharmaceutical products. We currently have no products that have been approved for commercial sale. However, the current and future use of product candidates by us in clinical trials and the sale of any approved products in the future, may expose us to liability claims. These claims might be made by patients that use the product, healthcare providers, pharmaceutical companies or others selling such products. In addition, we have agreed to indemnify various counterparties related to our product candidates against certain liability claims and any agreements or collaborations in the future may include such indemnification obligations. Any claims against us, or with respect to which we are obligated to provide indemnification, regardless of their merit, could be difficult and costly to defend or settle and could compromise the market acceptance of our product candidates or any prospects for commercialization of our product candidates, if approved.

Although the clinical trial process is designed to identify and assess potential side effects, it is always possible that a drug, even after regulatory approval, may exhibit unforeseen side effects. If any of our product candidates were to cause adverse side effects during clinical trials or after approval of the product candidate, we may be exposed to substantial liabilities. Physicians and patients may not comply with any warnings that identify known potential adverse effects or that certain patients should not use our drugs for various reasons.

Although we maintain product liability insurance coverage, such insurance may not be adequate to cover all liabilities that we may incur. We may need to increase our insurance coverage each time we commence a clinical trial and if we successfully commercialize any product candidate. As the expense of insurance coverage is increasing, we may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise. If a successful product liability claim or series of claims is brought against us for uninsured liabilities or in excess of insured liabilities, our assets may not be sufficient to cover such claims and our business operations could be impaired.

We may expend our limited resources to pursue a particular product candidate or indication and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on research programs that we identify for specific indications. As a result, we may forego or delay pursuit of opportunities with other product candidates or for other indications that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial therapies or profitable market opportunities.

Our spending on current and future research and development programs, such as evorpacept, for specific indications may not yield any commercially viable products. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate. For example, we entered into clinical trial collaborations with our collaborators, including Sanofi, Jazz and the investigator-sponsored trials, to supply evorpacept for clinical trials to advance new combination therapies. We have limited control over the amount and timing of resources that our collaborators dedicate to the development of our products. Any termination or disruption of collaborations could result in delays in the development of products, increases in our costs to develop the products or the termination of development of a product.

We may seek to enter into collaborations, including strategic collaborations, licenses and other similar arrangements related to our product candidates and may not be successful in doing so, and even if we are, we may not be able to maintain or realize the benefits of such relationships. If we are not able to establish future collaborations, we may have to alter some of our future development and commercialization plans and our business could be adversely affected.

We may seek to enter into collaborations, licenses and other similar arrangements for the development or commercialization of our product candidates, due to strategic advantages to partnering with third parties and capital costs required to develop or commercialize the product candidate in such markets. For instance, we entered into a collaboration agreement with Tallac Therapeutics pursuant to which we expect to jointly develop, manufacture, and commercialize a novel cancer immunotherapy. We may not be successful in our efforts to establish such collaborations for our product candidates because our product candidates may be deemed to be at too early of a stage of development for collaborative effort or third parties may not view our product candidates as having the requisite potential to demonstrate safety and efficacy or significant commercial opportunity. Further, any future collaboration agreements may restrict us from entering into additional agreements with potential collaborators. We cannot be certain that, following a strategic transaction or license, we will achieve an economic benefit that justifies such transaction.

Even if we are successful in our efforts to establish such collaborations, the terms that we agree upon may not be favorable to us, and we may not be able to maintain such collaborations if, for example, development of a product candidate is delayed, the safety of a product candidate is questioned or sales of an approved product are unsatisfactory. We also may not be able to realize the benefit of such collaborations if we are unable to successfully integrate them with our existing operations and company culture. In any such collaborations, we may likely have limited control over the amount and timing of resources that our collaborators dedicate to the development or commercialization of any product candidates we may seek to develop with them. We cannot predict the success of any collaboration that we may enter into.

We face significant competition in seeking appropriate collaborators and a number of more established companies may also be pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive. These established companies may have a competitive advantage over us due to their size, financial resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. Whether we reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of a number of factors. Those factors may include the design or results of clinical trials, the likelihood of approval by the FDA or comparable foreign regulatory authorities, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to patients, competing products, the existence of uncertainty with respect to our ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge and industry and market conditions generally. The collaborator may also consider alternative product candidates or technologies for similar indications that may be available to collaborate on and whether such a collaboration could be more attractive than the one with us for our product candidate. Collaborations are complex and time-consuming to negotiate and document. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators.

We may not be able to negotiate further collaborations on a timely basis, on acceptable terms, or at all. We also may find that our programs require the use of proprietary rights held by third parties, and the growth of our business may depend in part on our ability to acquire, in-license or use these proprietary rights. Even if we are able to obtain a license to intellectual property of interest, we may not be able to secure exclusive rights, in which case others could use the same rights and compete with us. Our future collaboration partners may not prioritize our product candidates or otherwise not effectively pursue the development of our product candidates which may delay, reduce or terminate the development of such product candidate, reduce or delay its development program, or delay its potential commercialization. Further, if we are unable to successfully obtain rights to required third-party intellectual property rights or maintain the existing intellectual property rights we have, we may have to delay, reduce or terminate the development of such product candidate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities or increase our expenditures and undertake development or commercialization activities at our own expense. Any of the foregoing factors would likely harm our ability to execute our business plans. If we elect to increase our expenditures to fund development or commercialization activities on our own, we may need to obtain additional capital, which may not be available to us on acceptable terms or at all. If we do not have sufficient funds, we may not be able to further develop our product candidates or bring them to market and generate product revenue.

We may acquire businesses or assets and we may not realize the benefits of such acquisitions.

We may acquire businesses or assets or create joint ventures with third parties that we believe may complement our existing product candidates. For example, in October 2021, we acquired ScalmiBio, Inc., or ScalmiBio. We are developing new anti-cancer drug candidates based on ScalmiBio's platform, and the acquisition of ScalmiBio enhanced our internal research and development capabilities. In order to realize the continuing benefits of the ScalmiBio acquisition, we will need to continue to make a substantial investment of time and resources to support research and development efforts. Additionally, we may not be able to realize the benefit of acquiring businesses or assets or joint ventures if we are not able to successfully integrate them with our existing operations and company culture. We may encounter difficulties in developing, manufacturing and marketing any new product candidates resulting from an acquisition, which may delay or prevent us from realizing their expected benefits.

Also, the anticipated benefit of any joint venture or acquisition may not materialize, and any potential or future joint venture or acquisition may be prohibited. Additionally, future acquisitions or dispositions could result in potentially dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, any of which could harm our financial condition. We cannot predict the number, timing or size of future joint ventures or acquisitions, or the effect that any such transactions might have on our operating results.

Our ability to utilize our net operating loss carryforwards and certain other tax attributes may be limited.

Under the U.S. Internal Revenue Code of 1986, as amended, if a corporation undergoes an "ownership change" (generally defined as a greater than 50% change (by value) in the ownership of its equity by its shareholders holding 5% or more over a rolling three-year period), the corporation's ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes to offset its post-change income and taxes may be limited. We may have experienced such ownership changes in the past, and we may experience ownership changes in the future, in either case as a result of shifts in our stock ownership, some of which are outside our control. As of December 31, 2025, we had net operating loss carryforwards of approximately $305.4 million and $69.0 million for U.S. federal and state income tax purposes, respectively. Our ability to utilize those net operating loss carryforwards could be limited by an "ownership change" as described above, which could result in increased tax liability to our company. The federal net operating losses carry forward indefinitely but may only offset 80% of taxable income in periods of future utilization. The state net operating loss carryforwards will begin to expire in 2038. Other limitations may apply under state law. For example, California legislation suspends the use of state net operating losses by taxpayers with net business income or modified adjusted gross income of $1 million or more for tax years beginning on or after January 1, 2024 and before January 1, 2027.

Changes in tax laws or in their implementation or interpretation may adversely affect our business and financial condition.

We are or may become subject to income and non-income taxes in the United States under federal, state and local jurisdictions and in certain foreign jurisdictions in which we operate. Tax laws, regulations and administrative practices in these jurisdictions may be subject to significant change, with or without advance notice. For example, the Organisation for Economic Co-operation and Development, or OECD, has proposed implementing a global minimum tax of 15%, or Pillar Two, which has been implemented into the domestic laws of European Union member countries and is being considered for implementation by other countries. However, on January 5, 2026, the OECD announced a side-by-side elective safe harbor that exempts U.S.-parented multinational businesses from certain provisions of Pillar Two for fiscal years beginning on or after January 1, 2026. Changes in tax laws, regulations, or rulings, changes in interpretations of existing laws and regulations, or changes in accounting principles could negatively and materially affect our financial position, cash flows, and results of operations.

Risks Related to Ownership of Our Common Stock

We do not know whether an active, liquid and orderly trading market will be sustained for our common stock.

Prior to our initial public offering, no market for shares of our common stock existed. Although our common stock is listed on the Nasdaq Global Select Market, the market for our shares has demonstrated varying levels of trading activity. It is possible that in one or more future periods our results of operations and progression of our product pipeline may not meet the expectations of public market analysts and investors, and, as a result of these and other factors, the price of our common stock may fall.

If we sell shares of our common stock in future financings, stockholders may experience immediate dilution and, as a result, our stock price may decline.

We may from time-to-time issue additional shares of common stock at a discount from the current trading price of our common stock. As a result, our stockholders would experience immediate dilution upon the purchase of any shares of our common stock sold at such discount. In addition, as opportunities present themselves, we may enter into financing or similar arrangements in the future, including the issuance of debt securities, preferred stock or common stock. For example, our 2025 Shelf Registration Statement provides for aggregate offerings of up to $364.1 million of the Company's securities inclusive of up to $119.1 million of shares of our common stock through the at-the-market, or ATM, offering. From December 2021 to June 30, 2026, we sold an aggregate of 3,183,109 shares of common stock under our ATM offering. On October 10, 2023, we completed a registered offering (the October 2023 Offering) for the issuance and sale of an aggregate of 8,663,793 shares of common stock at an offering price of $6.38 per share and pre-funded warrants to purchase 1,250,000 shares of common stock at an offering price of $6.379 per pre-funded warrant. On February 2, 2026, we completed the February 2026 Offering for the issuance and sale of an aggregate of 76,979,112 shares of common stock at an offering price of $1.57 per share and pre-funded warrants to purchase 18,574,120 shares of common stock at an offering price of $1.569 per pre-funded warrant. Our stockholders may be further diluted by the exercise of the pre-funded warrants issued in the October 2023 Offering and February 2026 Offering. As of June 30, 2026, 6,100,317 shares underlying the pre-funded warrants had been exercised. If we issue common stock or securities convertible into common stock, our stockholders will experience additional dilution and our stock price may decline.

The price of our stock may be volatile, and you could lose all or part of your investment.

The trading price of our common stock has been and may be highly volatile and subject to wide fluctuations in response to various factors, some of which are beyond our control. In addition to those discussed in this "Risk Factors" section and elsewhere in this Quarterly Report on Form 10-Q, the following factors may cause the market price of our common stock to fluctuate:

- results and timing of our preclinical studies and clinical trials and studies and trials of our competitors;
- failure or discontinuation of any of our development programs;
- issues in manufacturing our product candidates or any future approved products;
- regulatory developments or enforcement in the United States and foreign countries with respect to our product candidates or our competitors' products;
- competition from existing products or new products that may emerge;
- actual or anticipated changes in our growth and development relative to our competitors;
- developments or disputes concerning patents or other proprietary rights;
- introduction of new product candidates or technological innovations by us or our competitors;
- announcements by us, our future strategic partners or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;
- actual or anticipated changes in estimates or recommendations by securities analysts, if any cover our common stock;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;
- public concern over our product candidates or any future approved products;
- litigation;
- future sales of our common stock by us, our insiders or our other stockholders including pursuant to the existing primary and secondary shelf registration statements that we have filed with the SEC;
- expiration of market stand-off or lock-up agreements;
- share price and volume fluctuations attributable to inconsistent trading volume levels of our shares;
- market perceptions of our ability to maintain our listing on Nasdaq;
- additions or departures of key personnel;
- announcement of actual or anticipated reduction in force, including the RIF;
- changes in the structure of health care payment systems in the United States or overseas;
- failure of any of our product candidates, if approved, to achieve commercial success;

- macroeconomic conditions and global economic environment, such as inflation, interest rate changes, trade and other global disputes and interruptions, including related to tariffs and trade protection measures, U.S. federal government shutdowns, economic downturns, bank failures or instability in the financial services sector, or geopolitical risks, disasters, and medical or public health crises, such as the COVID-19 pandemic;
- period-to-period fluctuations in our financial condition and results of operations, including the timing of payment or receipt of any future milestone or other payments under commercialization or licensing agreements;
- announcements or expectations of additional financing efforts;
- overall fluctuations in U.S. equity markets, general market conditions and market conditions for biotechnology stocks; and
- other factors that may be unanticipated or out of our control.

In addition, the stock market has recently experienced significant volatility, particularly with respect to biotechnology and other life sciences company stocks. The volatility of biotechnology and other life sciences company stock often does not relate to the operating performance of the companies presented by the stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit and divert the time and attention of our management, which could seriously harm our business.

The realization of any of the above risks or any of a broad range of other risks, including those described in this "Risk Factors" section, could have a dramatic and adverse impact on the market price of our common stock.

If we are unable to maintain listing of our securities on the Nasdaq Global Select Market or another reputable stock exchange, it may be more difficult for our stockholders to sell their securities.

Nasdaq requires listing issuers to comply with certain standards in order to remain listed on its exchange. If, for any reason, Nasdaq should delist our securities from trading on its exchange and we are unable to obtain listing on another reputable national securities exchange, it could have a materially adverse effect on our ability to raise additional funds as well as on the price and liquidity of our common stock.

For example, if at any time the bid price of our common stock closes below $1.00 per share for more than 30 consecutive business days, we may be subject to delisting from the Nasdaq Global Select Market. On April 23, 2025, we received a notice from Nasdaq notifying us that we have not been in compliance with the minimum bid price requirement for continued listing on the Nasdaq Global Select Market set forth in Nasdaq Listing Rule 5450(a)(1) for a period of 30 consecutive business days. In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we have been provided a compliance period of 180 calendar days from the date of the Notice, or until October 20, 2025, to regain compliance (subject to any additional 180-day compliance period which may be available to us). To regain compliance with Nasdaq's minimum bid price requirement, the closing price per share of our common stock must be at least $1.00 per share for a minimum of ten consecutive business days during the 180-calendar day compliance period, unless the Staff exercises its discretion to extend this ten-business day period. In September 2025, we received written confirmation from the Staff of Nasdaq that we had regained compliance with the minimum bid price requirement, as the closing bid price of our common stock had been at $1.00 per share or greater for ten consecutive business days. However, there can be no assurance that we will be able to maintain compliance with the minimum bid price requirement or other Nasdaq listing standards. To the extent that we are unable to maintain compliance with Nasdaq listing standards, there is a risk that our common stock may be delisted from Nasdaq, which would adversely impact liquidity of our common stock and potentially result in even lower bid prices for our common stock.

Our operating results may fluctuate significantly, which makes our future operating results difficult to predict and could cause our operating results to fall below expectations or our guidance.

Our quarterly and annual operating results may fluctuate significantly in the future, which makes it difficult for us to predict our future operating results. From time to time, we may enter into license or collaboration agreements or strategic partnerships with other companies that include development funding and significant upfront and milestone payments and/or royalties, which may become an important source of our revenue. These upfront and milestone payments may vary significantly from period to period and any such variance could cause a significant fluctuation in our operating results from one period to the next.

In addition, we measure compensation cost for stock-based awards made to employees at the grant date of the award, based on the fair value of the award as determined by our board of directors, and recognize the cost as an expense over the employee's requisite service period. As the variables that we use as a basis for valuing these awards change over time, including our underlying stock price and stock price volatility, the magnitude of the expense that we must recognize may vary significantly.

Furthermore, our operating results may fluctuate due to a variety of other factors, many of which are outside of our control and may be difficult to predict, including the following:

- the timing and cost of, and level of investment in, research and development activities relating to our current product candidates and any future product candidates and research-stage programs, which will change from time to time. For example, inflationary pressures have increased and we expect will continue to increase costs for our clinical trials;

- our ability to enroll subjects in clinical trials and the timing of enrollment;
- the cost of manufacturing our current product candidates and any future product candidates, which may vary depending on FDA, EMA or other comparable foreign regulatory authority guidelines and requirements, the quantity of production and the terms of our agreements with manufacturers;
- expenditures that we will or may incur to acquire or develop additional product candidates and technologies or other assets;
- the timing and outcomes of clinical trials for evorpacept and ALX2004, and any of our other product candidates, or competing product candidates;
- the need to conduct unanticipated clinical trials or trials that are larger or more complex than anticipated;
- competition from existing and potential future products that compete with evorpacept, ALX2004 and any of our other product candidates, and changes in the competitive landscape of our industry, including consolidation among our competitors or partners;
- any delays in regulatory review or approval of evorpacept, ALX2004 or any of our other product candidates;
- the level of demand for evorpacept, ALX2004 and any of our other product candidates, if approved, which may fluctuate significantly and be difficult to predict;
- the risk/benefit profile, cost and reimbursement policies with respect to our product candidates, if approved, and existing and potential future products that compete with evorpacept, ALX2004 and any of our other product candidates;
- our ability to commercialize evorpacept, ALX2004, and any of our other product candidates, if approved, inside and outside of the United States, either independently or working with third parties;
- our ability to establish and maintain collaborations, licensing or other arrangements;
- our ability to adequately support future growth;
- any increase in interest expense due to an increase in the floating rate under the HSBC Loan Agreement as described elsewhere in this Quarterly Report on Form 10-Q;
- potential unforeseen business disruptions that increase our costs or expenses;
- future accounting pronouncements or changes in our accounting policies;
- a weak or declining economy resulting from adverse macroeconomic conditions such as inflation, interest rate changes, uncertainty in the financial services industry, trade and other global disputes and interruptions, including related to tariffs and trade protection measures, U.S. federal government shutdowns, and any U.S. federal government debt default due to a failure to increase the debt ceiling; and
- the impact of outbreaks or public health crises, such as the COVID-19 pandemic, geopolitical unrest related to Russia's conflict with Ukraine, war and instability in Israel, Iran, and the surrounding region, and bank failures or instability in the financial services sector on the global economy.

The cumulative effect of these factors could result in large fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparing our operating results on a period-to-period basis may not be meaningful. Investors should not rely on our past results as an indication of our future performance. This variability and unpredictability could also result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall below the expectations of analysts or investors or below any forecasts we may provide to the market, or if the forecasts we provide to the market are below the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met any previously publicly stated guidance we may provide.

These and other risks associated with our planned international operations may materially adversely affect our ability to attain profitable operations. Further, there is currently significant uncertainty about the future relationship between the United States and various other countries, most significantly China, with respect to trade policies, treaties, tariffs, taxes, and other limitations on cross-border operations. For example, the President recently signed into law the 2026 National Defense Authorization Act, which includes Section 851 regarding a "[p]rohibition on contracting with certain biotechnology providers" (the BIOSECURE Act), which restricts federal government contracts, grants, and loans from being issued to companies that use biotechnology equipment or services from any designated "biotechnology company of concern," as part of such companies' performance of those agreements with the U.S. government. This legislation, including its implementing regulations, or similar legislation in the future, could adversely impact our current or future third-party arrangements with certain companies, including those in China or Chinese-owned U.S. companies. Once the implementing regulations of Section 851 come into effect, which will be no later than the second half of 2028, some of our business partners may be designated as biotechnology companies of concern through the criteria and process established by the implementing regulations. Even if we do not seek any covered federal government contracts, grants, or loans, it is possible that commercial partners, government agencies, or other third parties may view our business less favorably if we contract with entities that ultimately become biotechnology companies of concern.

In addition, in February and April 2025, the current U.S. presidential administration imposed new tariffs on China and China responded with tariffs on select U.S. goods. While we cannot predict what actions may ultimately be taken with respect to trade relations between the United States and China or other countries, if we are unable to obtain or use services or products from existing service providers, including those of contract development and manufacturing organizations, or if alternative service providers cannot be secured at an acceptable cost or at all, or if such actions cause broader disruption in drug manufacturing and related industries that impact drug product availability or pricing, our business, liquidity, financial condition, and/or results of operations would be materially and adversely affected.

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

Sales of a substantial number of shares of our common stock in the public market could occur at any time. If our stockholders sell, or the market perceives that our stockholders intend to sell, a substantial amount of our common stock in the public market, the market price of our common stock could decline significantly.

Shares issued upon the exercise of stock options outstanding under our equity incentive plans or pursuant to future awards granted under those plans will become available for sale in the public market to the extent permitted by the provisions of applicable vesting schedules and Rule 144 and Rule 701 under the Securities Act of 1933, as amended, or the Securities Act.

On October 10, 2023, we completed the October 2023 Offering and on February 2, 2026, we completed the February 2026 Offering. Our stockholders may be further diluted by the exercise of the pre-funded warrants issued in the October 2023 Offering and February 2026 Offering. As of June 30, 2026, 6,100,317 shares underlying the pre-funded warrants had been exercised. Furthermore, we currently have an effective resale shelf registration statement which enables the selling stockholders thereunder, three of our largest stockholders, to sell shares in the public market which could cause our stock price to decline. In addition, any future sales of shares of common stock or other securities under our 2025 Shelf Registration Statement, including pursuant to our ATM facility, could put downward pressure on our stock price. Moreover, certain holders of our common stock have rights, subject to conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. Registration of these shares under the Securities Act would result in the shares becoming freely tradeable in the public market, subject to the restrictions of Rule 144 in the case of our affiliates. If any of these additional shares are sold, or if it is perceived that they will be sold, in the public market, the market price of our common stock could decline.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our share price and trading volume could decline.

The trading market for our common stock depends on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. We cannot assure you that analysts will cover us or provide favorable coverage. If no or few securities or industry analysts commence coverage of us, the trading price for our stock would be negatively impacted. If one or more of the analysts who cover us downgrade our stock or change their opinion of our common stock, our share price would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

We have incurred and will continue to incur significant increased costs and management resources as a result of operating as a public company.

We have incurred and will continue to incur significant legal, accounting, compliance and other expenses as a public company. Our management and other personnel need to devote a substantial amount of time and incur significant expense in connection with compliance initiatives. For example, as a public company, we must maintain additional internal controls and disclosure controls and procedures and have retained a transfer agent and adopted an insider trading policy. As a public company, we bear all of the internal and external costs of preparing and distributing periodic public reports in compliance with our obligations under the securities laws.

We maintain an enterprise resource planning, or ERP, system, which is designed to combine and streamline the management of our financial, accounting, human resources, sales and marketing and other functions, enabling us to manage operations and track performance more effectively. The ERP system has and will continue to require the investment of significant financial and human resources in order to ensure effective use of the system. Additionally, in the future, we may be limited in our ability to convert any business that we acquire to the ERP. Any disruptions or difficulties in using an ERP system could adversely affect our internal controls and harm our business, including our ability to forecast or make sales and collect our receivables. Moreover, such disruption or difficulties could result in unanticipated costs and diversion of management attention.

In addition, regulations and standards relating to corporate governance and public disclosure, including the Sarbanes-Oxley Act, or SOX, and the related rules and regulations implemented by the SEC and the Nasdaq Stock Market LLC, or Nasdaq, have and will continue to increase legal and financial compliance costs and make some compliance activities more time-consuming. We have invested and will continue to invest additional resources to comply with evolving laws, regulations and standards, and this investment will result in increased general and administrative expenses and may divert management's time and attention from our other business activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, regulatory authorities may initiate legal proceedings against us, and our business may be harmed. As a public company, we maintain directors' and officers' insurance coverage, which has significantly increased in recent years. In the future, it may be more expensive or more difficult for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

While we were a large-accelerated filer for fiscal year 2022, we have been a "non-accelerated filer" since fiscal year 2023 and we anticipate we will continue to be one throughout fiscal year 2026. This status could make our common stock less attractive to investors.

Each year, we re-evaluate our SEC filing status. Accordingly, we are a non-accelerated filer, and due to our public float as of June 30, 2025, we anticipate we will be a non-accelerated filer throughout calendar year 2026. This will be re-evaluated each June 30. Pursuant to Section 404(a) of SOX, we are required to furnish a report by our management on our internal control over financial reporting. However, while we remain a non-accelerated filer, we will not be required to include an attestation report issued by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. If, after our next June 30 re-evaluation, we are no longer a non-accelerated filer, we would be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm and adhere to earlier filing dates based on our determined status beginning with our Form 10-K for the fiscal year. We cannot predict if investors will find our common stock less attractive if we choose to rely on this exemption. If some investors find our common stock less attractive as a result of our non-accelerated filer status, there may be a less active trading market for our common stock and our stock price may be more volatile and may decline.

Market conditions and changing circumstances could impair our ability to access our existing cash, cash equivalents and investments and to timely pay key vendors and others.

Market conditions and changing circumstances, some of which may be beyond our control, could impair our ability to access our existing cash, cash equivalents and investments and to timely pay key vendors and others. For example, in March 2023, SVB, where we maintain certain immaterial accounts, was placed into receivership with the FDIC, and all funds held at SVB were temporarily inaccessible to SVB's customers. If other banks and financial institutions with whom we have banking relationships enter receivership or become insolvent in the future, we may be unable to access, or we may lose, some or all of our existing cash, cash equivalents and investments, to the extent those funds are not insured or otherwise protected by the FDIC. In addition, in such circumstances we might not be able to timely pay key vendors, employees, and others. We regularly maintain cash balances that are not insured or are in excess of the FDIC's insurance limit. In addition, any U.S. federal government debt default due to a failure to increase the debt ceiling may lead to lack of access to our investments in U.S. treasury securities or losses or lower returns on such investments, in addition to broader macroeconomic risk that would follow any such default. Any delay in our ability to access our cash, cash equivalents and investments, or the loss of some or all of such funds, or inability to pay key vendors and others timely, could have a material adverse effect on our operations and cause us to seek additional capital sooner than planned.

We do not anticipate paying cash dividends and, accordingly, stockholders must rely on share appreciation for any return on their investment.

We have never paid any dividends on our capital stock. We currently intend to retain our future earnings, if any, to fund the development and growth of our businesses and do not anticipate that we will declare or pay any cash dividends on our capital stock in the foreseeable future. As a result, capital appreciation, if any, of our common stock will be your sole source of gain on your investment for the foreseeable future. Investors seeking cash dividends should not invest in our common stock.

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

To the extent that we raise additional capital through the sale of equity or convertible debt securities, a stockholder's ownership interest will be diluted, and the terms of these new securities may include liquidation or other preferences that adversely affect one's rights as a common stockholder. Sales of equity securities may be made under our 2025 Shelf Registration Statement and pursuant to our related ATM facility described therein. Additionally, our stockholders may be further diluted by the exercise of the pre-funded warrants issued in the October 2023 Offering and the February 2026 Offering. As of June 30, 2026, 6,100,317 shares underlying the pre-funded warrants had been exercised. Debt financing, if available, may involve fixed payment obligations or agreements that include covenants limiting or restricting our ability to take specific actions such as incurring additional debt, making capital expenditures or declaring dividends. The HSBC Loan Agreement with the HSBC Lender restricts our ability to incur additional indebtedness without the consent of the HSBC Lender. If we raise additional funds through partnerships, collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, product candidates or future revenue streams, or grant licenses on terms that are not favorable to us. We cannot assure you that we will be able to obtain additional funding if and when necessary. If we are unable to obtain adequate financing on a timely basis, we could be required to delay, scale back or eliminate one or more of our clinical or discovery programs or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans.

Delaware law and provisions in our amended and restated certificate of incorporation and bylaws might discourage, delay or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our common stock. These provisions may also prevent or frustrate attempts by our stockholders to replace or remove our management. Therefore, these provisions could adversely affect the price of our common stock. Among other things, our charter documents:

- establish that our board of directors is divided into three classes, with each class serving staggered three-year terms;
- provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum;
- provide that our directors may only be removed for cause;
- eliminate cumulative voting in the election of directors;
- authorize our board of directors to issue shares of convertible preferred stock and determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval;
- provide our board of directors with the exclusive right to elect a director to fill a vacancy or newly created directorship;
- permit stockholders to only take actions at a duly called annual or special meeting and not by written consent;
- prohibit stockholders from calling a special meeting of stockholders;
- require that stockholders give advance notice to nominate directors or submit proposals for consideration at stockholder meetings;
- authorize our board of directors to amend the bylaws; and
- require the affirmative vote of at least 66 2/3% or more of the outstanding shares of common stock to amend many of the provisions described above.

In addition, Section 203 of the General Corporation Law of the State of Delaware prohibits a publicly-held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person who together with its affiliates owns, or within the last three years has owned, 15% of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner.

Any provision of our amended and restated certificate of incorporation, amended and restated bylaws or Delaware law that has the effect of delaying or preventing a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our capital stock and could also affect the price that some investors are willing to pay for our common stock.

Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware and the federal district courts of the United States will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another State court in Delaware or the federal district court for the District of Delaware) is the exclusive forum for the following (except for any claim as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than such court or for which such court does not have subject matter jurisdiction):

- any derivative action or proceeding brought on behalf of us;
- any action asserting a claim of breach of a fiduciary duty;
- any action asserting a claim against us arising under the Delaware General Corporation Law, or DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws, as either may be amended from time to time; and
- any action asserting a claim against us that is governed by the internal affairs doctrine.

This provision would not apply to suits brought to enforce a duty or liability created by the Securities Exchange Act of 1934, as amended, or Exchange Act, or any other claim for which the U.S. federal courts have exclusive jurisdiction.

Our amended and restated bylaws further provide that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings. It is possible that a court could find these types of provisions to be inapplicable or unenforceable, and if a court were to find either exclusive-forum provision in our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

If we are unable to maintain effective internal control over financial reporting in the future, investors may lose confidence in the accuracy and completeness of our financial reports, and the market price of our common stock may be materially adversely affected.

In the past, we experienced material weaknesses in our internal control over financial reporting, which have since been remediated for a number of years. If in the future, we have a material weakness in our internal controls over financial reporting, we may not be able to prevent or detect errors on a timely basis and our consolidated financial statements may be materially misstated. We or our independent registered public accounting firm, if required, may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting, which could harm our operating results, cause investors to lose confidence in our reported financial information and cause the trading price of our stock to fall. In addition, as a public company we are required to file accurate and timely quarterly and annual reports with the SEC under the Exchange Act. Any failure to report our financial results on an accurate and timely basis could result in sanctions, lawsuits, delisting of our shares from The Nasdaq Global Select Market or other adverse consequences that would materially harm our business. In addition, we could become subject to investigations by the stock exchange on which our securities are listed, the SEC, and other regulatory authorities, and become subject to litigation from investors and stockholders, which could harm our reputation and our financial condition, or divert financial and management resources from our core business.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud, which would harm our business and the trading price of our common stock.

Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations. In addition, any testing by our independent registered public accounting firm in connection with Section 404(b) of SOX, as long as such attestation report is required pursuant to such section by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be significant deficiencies or material weaknesses or that may require prospective or retroactive changes to our consolidated financial statements or identify other areas for further attention or improvement. As discussed above, we have identified material weaknesses in the past which have since been remediated for a number of years. However, our remediation of previous material weaknesses may not prevent any future deficiency in our internal control over financial reporting. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock.

Any failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, financial condition and results of operations and the trading price of our common stock.

We are required to disclose material changes made in our internal controls over financing reporting and procedures on a quarterly basis and our management are required to assess the effectiveness of these controls annually. We were no longer an "emerging growth company" as of December 31, 2021 and as such, pursuant to Section 404(b) of SOX, our independent registered public accounting firm attested to the effectiveness of our internal control over financial reporting as of December 31, 2021. However, we became a "non-accelerated filer" for fiscal year 2023. While we remain a non-accelerated filer, we will not be required to include an attestation report issued by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. Upon a change in status to an accelerated or large-accelerated filer, our independent registered public accounting firm would be required to attest to the effectiveness of our internal control over financial reporting as of the filing of the Form 10-K of that year. An independent assessment of the effectiveness of our internal controls could detect problems that our management's assessment might not and therefore we may be less likely to detect deficiencies in our internal controls over financial reporting in the future and during any fiscal year for which we remain a non-accelerated filer.

We are organized in a holding company structure and we are, and will be, dependent upon the results of operations and cash flows of our subsidiaries and distributions we receive from our subsidiaries.

ALX Oncology Holdings Inc. is a holding company that currently has no material assets other than cash and our ownership of all of the equity issued by ALX Oncology Limited. As such, ALX Oncology Holdings Inc. will have no independent means of generating revenue or cash flow, and our ability to pay our taxes and operating expenses or declare and pay dividends in the future, if any, will be dependent upon the results of operations and cash flows of ALX Oncology Limited and its consolidated subsidiaries, including any distributions we receive from ALX Oncology Limited. There can be no assurance that our direct and indirect subsidiaries will generate sufficient cash flow to distribute funds to us or that applicable law and contractual restrictions, such as negative covenants in any debt instruments, will permit such distributions. In addition, in the event that the board of directors and stockholders of ALX Oncology Holdings Inc. were to approve a sale of all of our equity in ALX Oncology Limited or any of our other indirect subsidiaries, your equity interest would be in a holding company with no material assets other than those assets and other consideration received in such transaction.

General Risks

Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses.

Our operations, and those of our service providers and suppliers and other contractors and consultants, could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, medical or public health crises, such as the COVID-19 pandemic, and other natural or man-made disasters such as the ongoing geopolitical unrest related to Russia's war with Ukraine, war and instability in Israel, Iran, and the surrounding region, or business interruptions, for which we are partly uninsured. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses. We rely on third-party manufacturers to produce and process our product candidates. Our ability to obtain clinical supplies of our product candidates could be disrupted if the operations of these suppliers are affected by a man-made or natural disaster or other business interruption.

The majority of our operations including our corporate headquarters are located in the San Francisco Bay Area in California. Damage or extended periods of interruption to our corporate, development or research facilities due to fire, natural disaster, power loss, communications failure, unauthorized entry or other events could cause us to cease or delay development of some or all of our product candidates. Although we maintain property damage and business interruption insurance coverage on these facilities, our insurance might not cover all losses under such circumstances and our business may be seriously harmed by such delays and interruption.

We may experience disruptions and delays or incur financial damages as a result of system failures or security breaches or incidents.

Despite our implementation of security measures, any of the computer systems and networks belonging to or used by us or our employees and our CROs and other third-party service providers are vulnerable to damage and disruption from computer viruses, ransomware and other malicious code, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failure, as well as security breaches and incidents from inadvertent or intentional actions, or from cyber-attacks by malicious third parties (including supply chain cyber-attacks, denial-of-service attacks, social engineering and other means to affect service reliability and threaten the confidentiality, integrity and availability of information), which may compromise system infrastructure or lead to the loss, destruction, alteration, prevention of access to, disclosure, or dissemination of, or damage or unauthorized access to, our data (including trade secrets or other confidential information, intellectual property, proprietary business information, and personal information) or data that is processed or maintained on our behalf, or other assets, which could result in financial, legal, business and reputational harm to us. Any system failure, accident or security breach or incident that causes interruptions in our own or in our CROs' or other third-party service providers' operations could result in a material disruption of our drug discovery and development programs or other aspects of our operations. We may be more susceptible to security breaches and other security incidents while a large percentage of our employees continue to work from home for some portion of time because we and our service providers have less capability to monitor and enforce policies for those employees. Also, ongoing geopolitical unrest and related events such as Russia's war with Ukraine and war and instability in Israel, Iran, and the surrounding region may subject us and our CROs and other third-party service providers to heightened risks of cyber-attacks and security breaches and incidents, any of which could materially disrupt our drug discovery and development programs or other aspects of our operations.

A system failure or security breach or incident that leads to the loss, corruption or unavailability of clinical trial data from completed, ongoing, or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs in order to recover or reproduce the lost, corrupted, or unavailable data. In addition, if any disruption or security breach or incident results in loss, destruction, alteration, or unavailability of, or damage or unauthorized access to, our data or applications or unauthorized access to, disclosure, dissemination or other processing of confidential or proprietary information that we or our third-party service providers process, including personal information related to the subjects in our clinical trials, we may incur liability as a result, our drug discovery programs and competitive position may be adversely affected and further development of our product candidates may be delayed. Any such disruption, failure or security breach or incident could also cause us to incur additional costs to remedy the damages that arise from such disruption, failure or security breach or incident. Additionally, in the event of any such disruption, failure or security breach or incident, or any perception that one has occurred, we could be exposed to claims, demands, and litigation and governmental investigations and other proceedings, the further development and commercialization of our product candidates could be delayed, and we could be subject to significant liabilities, including fines or penalties for any noncompliance with certain state, federal and/or international privacy and security laws. We expect to incur significant costs in an effort to detect and prevent security breaches and incidents, and we may face increased costs and requirements to expend substantial resources in the event of an actual or perceived security breach or incident.

Our insurance policies may not be adequate to compensate us for the potential losses arising from any such disruption, failure or security breach or incident. In addition, such insurance may not be available to us in the future on economically reasonable terms, or at all. Further, our insurance may not cover all claims made against us and could have high deductibles in any event, and defending a suit, regardless of its merit, could be costly and divert management attention.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

We are subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to reasonably assure that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified by SEC rules and regulations. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

These inherent limitations include the facts that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by the collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

We may be subject to securities litigation, which is expensive and could divert management attention.

The market price of our common stock has experienced significant fluctuations in the past year and may be volatile in the future. In the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert management's attention from the business, which could seriously harm our business.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Use of Proceeds from Initial Public Offering of Common Stock

There has been no material change in the planned use of proceeds from our initial public offering as described in our final prospectus filed with the SEC on July 17, 2020 pursuant to Rule 424(b)(4). We invested the funds received in accordance with our investment policy. None of such payments were direct or indirect payments to any of our directors or officers (or their associates), to persons owning ten percent or more of our common stock or to any other affiliates.

Unregistered Sales of Equity Securities

None.

Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During our last fiscal quarter, none of our officers or directors, as defined in Rule 16a-1(f), adopted and/or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Regulation S-K Item 408.

Item 6. Exhibits

NUMBER	EXHIBIT TITLE	INCORPORATED BY REFERENCE				FILED HEREWITH
		FORM	FILE NO.	EXHIBIT	FILING DATE	
10.1+	2020 Employee Stock Purchase Plan, as amended					X
10.2+#	Loan and Security Agreement, dated as of June 25, 2026, among ALX Oncology Inc., as borrower, and ALX Oncology Holdings Inc. and ALX Oncology Limited, each as guarantors, and HSBC Ventures USA Inc., as bank.					X
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
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.					X
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.					X
101.INS	Inline XBRL Instance Document. - the Instance Document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and included in exhibit 101)					X

Certain exhibits and schedules have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any omitted exhibit or schedule to the SEC upon its request.

+ Indicates management contract or compensatory plan.

* The certifications attached as Exhibit 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of the registrant under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

SIGNATURES

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

ALX ONCOLOGY HOLDINGS INC.

Date: August 6, 2026

By: /s/ Jason Lettmann

Jason Lettmann
Chief Executive Officer
(Principal Executive Officer)

Date: August 6, 2026

By: /s/ Harish Shantharam

Harish Shantharam
Chief Financial Officer
(Principal Financial Officer)

Date: August 6, 2026

By: /s/ Shelly Wong

Shelly Wong
Senior Vice President, Finance and Chief Accounting Officer
(Principal Accounting Officer)

ALX ONCOLOGY HOLDINGS INC.

2020 EMPLOYEE STOCK PURCHASE PLAN

As amended June 10, 2026

1. Purpose. The purpose of the Plan is to provide employees of the Company and its Designated Companies with an opportunity to purchase Common Stock through accumulated Contributions. The Company intends for the Plan to have two components: a component that is intended to qualify as an "employee stock purchase plan" under Code Section 423 (the "423 Component") and a component that is not intended to qualify as an "employee stock purchase plan" under Code Section 423 (the "Non-423 Component"). The provisions of the 423 Component, accordingly, will be construed so as to extend and limit Plan participation in a uniform and nondiscriminatory basis consistent with the requirements of Code Section 423. In addition, this Plan authorizes the grant of an option to purchase shares of Common Stock under the Non-423 Component that does not qualify as an "employee stock purchase plan" under Code Section 423; an option granted under the Non-423 Component will provide for substantially the same benefits as an option granted under the 423 Component, except that a Non-423 Component option may include features necessary to comply with applicable non-U.S. laws pursuant to rules, procedures or sub-plans adopted by the Administrator. Except as otherwise provided herein or by the Administrator, the Non-423 Component will operate and be administered in the same manner as the 423 Component.

2. Definitions.

(a) "Administrator" means the Board or any Committee designated by the Board to administer the Plan pursuant to Section 4.

(b) "Amendment Date" means June 10, 2026.

(c) "Applicable Laws" means the legal and regulatory requirements relating to the administration of equity-based awards, including but not limited to the related issuance of shares of Common Stock, including but not limited to, under U.S. federal and state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any non-U.S. country or jurisdiction where options are, or will be, granted under the Plan.

(d) "Board" means the Board of Directors of the Company.

(e) "Change in Control" means the occurrence of any of the following events:

(i) Change in Ownership of the Company. A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than fifty percent (50%) of the total voting power of the stock of the Company; provided, however, that for purposes of this subsection (i), the acquisition of additional stock by any one Person, who is considered to own more than fifty percent (50%) of the total voting power of the stock of the Company will not be considered a Change in Control; provided, further, that any change in the ownership of the stock of the Company as a result of a private financing of the

Company that is approved by the Board also will not be considered a Change in Control. Further, if the stockholders of the Company immediately before such change in ownership continue to retain immediately after the change in ownership, in substantially the same proportions as their ownership of shares of the Company's voting stock immediately prior to the change in ownership, direct or indirect beneficial ownership of fifty percent (50%) or more of the total voting power of the stock of the Company or of the ultimate parent entity of the Company, such event will not be considered a Change in Control under this subsection (i). For this purpose, indirect beneficial ownership will include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company, as the case may be, either directly or through one or more subsidiary corporations or other business entities; or

(ii) Change in Effective Control of the Company. A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this subsection (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii) Change in Ownership of a Substantial Portion of the Company's Assets. A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the twelve (12) month period ending on the date of the most recent acquisition by such Person) assets from the Company that have a total gross fair market value equal to or more than fifty percent (50%) of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions; provided, however, that for purposes of this subsection (iii), the following will not constitute a change in the ownership of a substantial portion of the Company's assets: (A) a transfer to an entity that is controlled by the Company's stockholders immediately after the transfer, or (B) a transfer of assets by the Company to: (I) a stockholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company's stock, (II) an entity, fifty percent (50%) or more of the total value or voting power of which is owned, directly or indirectly, by the Company, (III) a Person, that owns, directly or indirectly, fifty percent (50%) or more of the total value or voting power of all the outstanding stock of the Company, or (IV) an entity, at least fifty percent (50%) of the total value or voting power of which is owned, directly or indirectly, by a Person described in subsection (iii)(B)(III). For purposes of this subsection (iii), gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Section 2(e), persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

Notwithstanding the foregoing, a transaction will not be deemed a Change in Control unless the transaction qualifies as a change in control event within the meaning of Section 409A.

Further and for the avoidance of doubt, a transaction will not constitute a Change in Control if: (i) its sole purpose is to change the jurisdiction of the Company's incorporation, or (ii) its

sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(f) "Code" means the U.S. Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder will include such section or regulation, any valid regulation or other official applicable guidance promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

(g) "Committee" means a committee of the Board appointed in accordance with Section 4 hereof.

(h) "Common Stock" means the common stock of the Company.

(i) "Company" means ALX Oncology Holdings Inc., a Delaware corporation, or any successor thereto.

(j) "Compensation" means an Eligible Employee's base straight time gross earnings, but exclusive of payments for overtime, shift premium, commissions, incentive compensation, equity compensation, bonuses and other similar compensation. The Administrator, in its discretion, may, on a uniform and nondiscriminatory basis, establish a different definition of Compensation for a subsequent Offering Period.

(k) "Contributions" means the payroll deductions and other additional payments that the Company may permit to be made by a Participant to fund the exercise of options granted pursuant to the Plan.

(l) "Designated Company" means any Subsidiary that has been designated by the Administrator from time to time in its sole discretion as eligible to participate in the Plan. For purposes of the 423 Component, only the Company and its Subsidiaries may be Designated Companies, provided, however that at any given time, a Subsidiary that is a Designated Company under the 423 Component will not be a Designated Company under the Non-423 Component.

(m) "Director" means a member of the Board.

(n) "Eligible Employee" means any individual who is a common law employee providing services to the Company or a Designated Company and is customarily employed for at least twenty (20) hours per week and more than five (5) months in any calendar year by the Employer, or any lesser number of hours per week and/or number of months in any calendar year established by the Administrator (if required under Applicable Laws) for purposes of any separate Offering or for Participants in the Non-423 Component. For purposes of the Plan, the employment relationship will be treated as continuing intact while the individual is on sick leave or other leave of absence that the Employer approves or is legally protected under Applicable Laws with respect to the Participant's participation in the Plan. Where the period of leave exceeds three (3) months and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship will be deemed to have terminated three (3) months and one (1) day following the commencement of such leave. The Administrator, in its discretion, from time to time may, prior to an Enrollment Date for all options to be granted on such Enrollment Date in an Offering, determine (for each Offering

under the 423 Component, on a uniform and nondiscriminatory basis or as otherwise permitted by U.S. Treasury Regulations Section 1.423-2) that the definition of Eligible Employee will or will not include an individual if he or she: (i) has not completed at least two (2) years of service since his or her last hire date (or such lesser period of time as may be determined by the Administrator in its discretion), (ii) customarily works not more than twenty (20) hours per week (or such lesser period of time as may be determined by the Administrator in its discretion), (iii) customarily works not more than five (5) months per calendar year (or such lesser period of time as may be determined by the Administrator in its discretion), (iv) is a highly compensated employee within the meaning of Code Section 414(q), or (v) is a highly compensated employee within the meaning of Code Section 414(q) with compensation above a certain level or is an officer or subject to the disclosure requirements of Section 16(a) of the Exchange Act, provided the exclusion is applied with respect to each Offering under the 423 Component in an identical manner to all highly compensated individuals of the Employer whose employees are participating in that Offering. Each exclusion will be applied with respect to an Offering under the 423 Component in a manner complying with U.S. Treasury Regulations Section 1.423-2(e)(2)(ii). Such exclusions may be applied with respect to an Offering under the Non-423 Component without regard to the limitations of U.S. Treasury Regulations Section 1.423-2.

(o) "Employer" means the employer of the applicable Eligible Employee(s).

(p) "Enrollment Date" means the first Trading Day of each Offering Period.

(q) "Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, including the rules and regulations promulgated thereunder.

(r) "Exercise Date" means the last Trading Day of a Purchase Period. Notwithstanding the foregoing, in the event that an Offering Period is terminated prior to its expiration pursuant to Section 18, the Administrator, in its sole discretion, may determine that any Purchase Period also terminating under such Offering Period will terminate without options being exercised on the Exercise Date that otherwise would have occurred on the last Trading Day of such Purchase Period.

(s) "Fair Market Value" means, as of any date and unless the Administrator determines otherwise, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the New York Stock Exchange or the Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market of The Nasdaq Stock Market, its Fair Market Value will be the closing sales price for such stock (or, if no closing sales price was reported on that date, as applicable, on the last Trading Day such closing sales price was reported) as quoted on such exchange or system on the date of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a share of Common Stock will be the mean between the high bid and low asked prices for the Common Stock on the day of determination (or if no bids and asks were reported on that date, as applicable, on the last Trading Day such bids and

asks were reported), as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value thereof will be determined in good faith by the Administrator.

The determination of fair market value for purposes of tax withholding may be made in the Administrator's discretion subject to Applicable Laws and is not required to be consistent with the determination of Fair Market Value for other purposes.

(t) "Fiscal Year" means the fiscal year of the Company.

(u) "New Exercise Date" means a new Exercise Date if the Administrator shortens any Offering Period then in progress.

(v) "Offering" means an offer under the Plan of an option that may be exercised during an Offering Period as further described in Section 6. For purposes of the Plan, the Administrator may designate separate Offerings under the Plan (the terms of which need not be identical) in which Eligible Employees of one or more Employers will participate, even if the dates of the applicable Offering Periods of each such Offering are identical and the provisions of the Plan will separately apply to each Offering. To the extent permitted by U.S. Treasury Regulations Section 1.423-2(a)(1), the terms of each Offering need not be identical provided that the terms of the Plan and an Offering together satisfy U.S. Treasury Regulations Section 1.423-2(a)(2) and (a)(3).

(w) "Offering Period" means a period beginning on such date as may be determined by the Administrator, in its discretion, and ending on such Exercise Date as may be determined by the Administrator, in its discretion, during which an option granted pursuant to the Plan may be exercised. The duration and timing of Offering Periods may be changed pursuant to Sections 6 and 18.

(x) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Code Section 424(e).

(y) "Participant" means an Eligible Employee that participates in the Plan.

(z) "Plan" means this ALX Oncology Holding Inc. Employee Stock Purchase Plan, as it may be amended from time to time.

(aa) "Purchase Period" means the period during an Offering Period and during which shares of Common Stock may be purchased on behalf of Participants thereunder in accordance with the terms of the Plan. Purchase Periods will have such duration as determined by the Administrator, commencing after one Exercise Date and ending with the next Exercise Date, except that the first Purchase Period of any Offering Period will commence on the Enrollment Date and end with the next Exercise Date. Unless the Administrator provides otherwise, a Purchase Period in an Offering Period will have the same duration as, and coincide with the length of, such Offering Period.

(bb) "Purchase Price" means an amount equal to eighty-five percent (85%) of the Fair Market Value of a share of Common Stock on the Enrollment Date or on the Exercise Date, whichever is lower; provided however, that the Purchase Price may be determined for any Offering

Period by the Administrator subject to compliance with Code Section 423 (or any successor rule or provision or any other Applicable Laws, regulation or stock exchange rule) or pursuant to Section 18.

(cc) "Registration Date" means the effective date of the first registration statement that is filed by the Company and declared effective pursuant to Section 12(b) of the Exchange Act, with respect to any class of the Company's securities.

(dd) "Section 409A" means Code Section 409A and the Treasury Regulations and guidance thereunder, and any state law equivalent, as each may be promulgated, amended or modified from time to time.

(ee) "Subsidiary" means a "subsidiary corporation," whether now or hereafter existing, as defined in Code Section 424(f).

(ff) "Trading Day" means a day that the primary stock exchange, national market system, or other trading platform, as applicable, upon which the Common Stock is listed (or otherwise trades regularly, as determined by the Administrator, in its sole discretion) is open for trading.

(gg) "U.S. Treasury Regulations" means the Treasury Regulations of the Code. Reference to a specific Treasury Regulation or Section of the Code will include such Treasury Regulation or Section, any valid regulation promulgated under such Section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such Section or regulation.

3. Stock.

(a) Stock Subject to the Plan. Subject to adjustment upon changes in capitalization of the Company as provided in Section 17 hereof, the maximum number of shares of Common Stock that will be made available for sale under the Plan will be 400,000 shares of Common Stock.

(b) Automatic Share Reserve Increase. Subject to adjustment upon change in capitalization of the Company as provided in Section 17 hereof, the number of shares of Common Stock available for issuance under the Plan will be increased on the first day of each Fiscal Year beginning with the 2021 Fiscal Year equal to the least of (a) 800,000 shares of Common Stock, (b) one percent (1%) of the outstanding shares of Common Stock on the last day of the immediately preceding Fiscal Year, or (c) such number of Shares determined by the Board no later than the last day of the immediately preceding Fiscal Year. The shares of Common Stock may be authorized, but unissued, or reacquired Common Stock.

4. Administration. The Plan will be administered by the Board or a Committee appointed by the Board, which Committee will be constituted to comply with Applicable Laws. The Administrator will have full and exclusive discretionary authority to

(a) construe, interpret and apply the terms of the Plan,

(b) delegate ministerial duties to any of the Company's employees,

(c) designate separate Offerings under the Plan,

(d) designate Subsidiaries as participating in the 423 Component or Non-423 Component,

(e) determine eligibility,

(f) adjudicate all disputed claims filed under the Plan, and

(g) establish such procedures that it deems necessary or advisable for the administration of the Plan (including, without limitation, to adopt such procedures, sub-plans, and appendices to the enrollment agreement as are necessary or appropriate to permit the participation in the Plan by employees who are foreign nationals or employed outside the U.S., the terms of which sub-plans and appendices may take precedence over other provisions of this Plan, with the exception of Section 3 hereof, but unless otherwise superseded by the terms of such sub-plan or appendix, the provisions of this Plan will govern the operation of such sub-plan or appendix). Unless otherwise determined by the Administrator, the Eligible Employees eligible to participate in each sub-plan will participate in a separate Offering under the 423 Component, or if the terms would not qualify under the 423 Component, in the Non-423 Component, in either case unless such designation would cause the 423 Component to violate the requirements of Code Section 423.

Without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules and procedures regarding eligibility to participate, the definition of Compensation, handling of Contributions, making of Contributions to the Plan (including, without limitation, in forms other than payroll deductions), establishment of bank or trust accounts to hold Contributions, payment of interest, conversion of local currency, obligations to pay payroll tax, determination of beneficiary designation requirements, withholding procedures and handling of stock certificates that vary with applicable local requirements. The Administrator also is authorized to determine that, to the extent permitted by U.S. Treasury Regulations Section 1.423-2(f), the terms of an option granted under the Plan or an Offering to citizens or residents of a non-U.S. jurisdiction will be less favorable than the terms of options granted under the Plan or the same Offering to employees resident solely in the U.S. Every finding, decision and determination made by the Administrator will, to the full extent permitted by law, be final and binding upon all parties.

5. Eligibility.

(a) Offering Periods. Any Eligible Employee on a given Enrollment Date will be eligible to participate in the Plan, subject to the requirements of Section 7.

(b) Non-U.S. Employees. Eligible Employees who are citizens or residents of a non-U.S. jurisdiction (without regard to whether they also are citizens or residents of the United States or resident aliens (within the meaning of Code Section 7701(b)(1)(A))) may be excluded from participation in the Plan or an Offering if the participation of such Eligible Employees is prohibited under the laws of the applicable jurisdiction or if complying with the laws of the applicable jurisdiction would cause the Plan or an Offering to violate Code Section 423. In the case of the Non-423 Component, an Eligible Employee may be excluded from participation in the Plan or an Offering if the Administrator has determined that participation of such Eligible Employee is not advisable or practicable.

(c) Limitations. Any provisions of the Plan to the contrary notwithstanding, no Eligible Employee will be granted an option under the Plan (i) to the extent that, immediately after the grant, such Eligible Employee (or any other person whose stock would be attributed to such Eligible Employee pursuant to Code Section 424(d)) would own capital stock of the Company or any Parent or Subsidiary of the Company and/or hold outstanding options to purchase such stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the capital stock of the Company or of any Parent or Subsidiary of the Company, or (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans (as defined in Code Section 423) of the Company or any Parent or Subsidiary of the Company accrues at a rate, which exceeds twenty-five thousand dollars ($25,000) worth of stock (determined at the Fair Market Value of the stock at the time such option is granted) for each calendar year in which such option is outstanding at any time, as determined in accordance with Code Section 423 and the regulations thereunder.

6. Offering Periods. The Plan will be implemented by Offering Periods as established by the Administrator from time to time. Offering Periods will expire on the earliest to occur of (a) the completion of the purchase of shares on the last Exercise Date occurring within twenty-seven (27) months of the applicable Enrollment Date on which the option to purchase shares was granted under the Plan, or (b) such shorter period established prior to the Enrollment Date of the Offering Period by the Administrator, from time to time, in its discretion, on a uniform and nondiscriminatory basis, for all options to be granted on such Enrollment Date. The Administrator will have the power to change the duration of Offering Periods (including the commencement dates thereof) with respect to future Offerings without stockholder approval if such change is announced prior to the scheduled beginning of the first Offering Period to be affected thereafter; provided, however, that no Offering Period may last more than twenty-seven (27) months.

7. Participation. An Eligible Employee may participate in the Plan by (i) submitting to the Company's stock administration office (or its designee), a properly completed subscription agreement authorizing Contributions in the form provided by the Administrator for such purpose, or (ii) following an electronic or other enrollment procedure determined by the Administrator, in either case, on or before a date determined by the Administrator prior to an applicable Enrollment Date.

8. Contributions.

(a) Contribution Amounts. At the time a Participant enrolls in the Plan pursuant to Section 7, he or she will elect to have Contributions (in the form of payroll deductions or otherwise, to the extent permitted by the Administrator) made on each pay day during the Offering Period in an amount not exceeding fifteen percent (15%) of the Compensation, which he or she receives on each pay day during the Offering Period; provided, however, that should a pay day occur on an Exercise Date, a Participant will have any Contributions made on such day applied to his or her account under the then-current Purchase Period or Offering Period.

(b) Contribution Methods. The Administrator, in its sole discretion, may permit all Participants in a specified Offering to contribute amounts to the Plan through payment by cash, check or other means set forth in the subscription agreement prior to each Exercise Date of each Offering Period. A Participant's subscription agreement will remain in effect for successive Offering Periods unless terminated as provided in Section 12 hereof.

(i) In the event Contributions are made in the form of payroll deductions, such payroll deductions for a Participant will commence on the first pay day following the Enrollment Date and will end on the last pay day on or prior to the last Exercise Date of such Offering Period to which such authorization is applicable, unless sooner terminated by the Participant as provided in Section 12 hereof.

(ii) All Contributions made for a Participant will be credited to his or her account under the Plan and Contributions will be made in whole percentages of his or her Compensation only. A Participant may not make any additional payments into such account.

(c) Participant Changes to Contributions. A Participant may discontinue his or her participation in the Plan as provided under Section 12. Until and unless determined otherwise by the Administrator, in its sole discretion, during any Offering Period, a Participant may not increase the rate of his or her Contributions and may decrease the rate of his or her Contributions only one (1) time, provided that such decrease is to a Contribution rate of zero percent (0%). In addition, until and unless determined otherwise by the Administrator, in its sole discretion, during any Offering Period, a Participant may increase or decrease the rate of his or her Contributions (as a whole percent to a rate between zero percent (0%) and the maximum percentage specified in Section 8(a)), which Contribution rate adjustment will become effective upon the commencement of the next Offering Period and remain in effect for subsequent Offering Periods and, except as set forth in the immediately preceding sentence, any such adjustment will not affect the Contribution rate for any ongoing Offering Period.

(i) A Participant may make a Contribution rate adjustment pursuant to this Section 8(c) by (A) properly completing and submitting to the Company's stock administration office (or its designee), a new subscription agreement authorizing the change in Contribution rate in the form provided by the Administrator for such purpose, or (B) following an electronic or other procedure prescribed by the Administrator, in either case, on or before a date determined by the Administrator prior to (x) the scheduled beginning of the first Offering Period to be affected or (y) an applicable Exercise Date, as applicable. If a Participant has not followed such procedures to change the rate of Contributions, the rate of his or her Contributions will continue at the originally elected rate throughout the Offering Period and future Offering Periods (unless the Participant's participation is terminated as provided in Sections 12 or 13).

(ii) The Administrator may, in its sole discretion, limit or amend the nature and/or number of Contribution rate changes (including to permit, prohibit and/or limit increases and/or decreases to rate changes) that may be made by Participants during any Purchase Period or Offering Period, and may establish such other conditions or limitations as it deems appropriate for Plan administration.

(iii) Any change in Contribution rate made pursuant to this Section 8(c)(iii) will be effective as of the first full payroll period following five (5) business days after the date on which the change is made by the Participant (unless the Administrator, in its sole discretion, elects to process a given change in Contribution rate earlier).

(d) Other Contribution Changes. Notwithstanding the foregoing, to the extent necessary to comply with Code Section 423(b)(8) and Section 5(c) hereof (which generally limit

participation in an Offering Period pursuant to certain Applicable Laws), a Participant's Contributions may be decreased to zero percent (0%) by the Administrator at any time during an Offering Period (or a Purchase Period, as applicable). Subject to Code Section 423(b)(8) and Section 5(c) hereof, Contributions will recommence at the rate originally elected by the Participant effective as of the beginning of the first Offering Period (or Purchase Period, as applicable) scheduled to end in the following calendar year, unless the Participant's participation has terminated as provided in Sections 12 or 13.

(e) Cash Contributions. Notwithstanding any provisions to the contrary in the Plan, the Administrator may allow Participants to participate in the Plan via cash contributions instead of payroll deductions if (i) payroll deductions are not permitted or advisable under Applicable Laws, (ii) the Administrator determines that cash contributions are permissible for Participants participating in the 423 Component and/or (iii) the Participants are participating in the Non-423 Component.

(f) Tax Withholdings. At the time the option is exercised, in whole or in part, or at the time some or all of the Common Stock issued under the Plan is disposed of (or at any other time that a taxable event related to the Plan occurs), the Participant must make adequate provision for the Company's or Employer's federal, state, local or any other tax liability payable to any authority including taxes imposed by jurisdictions outside of the U.S., national insurance, social security or other tax withholding or payment on account obligations, if any, which arise upon the exercise of the option or the disposition of the Common Stock (or any other time that a taxable event related to the Plan occurs). At any time, the Company or the Employer may, but will not be obligated to, withhold from the Participant's compensation the amount necessary for the Company or the Employer to meet applicable withholding obligations, including any withholding required to make available to the Company or the Employer any tax deductions or benefits attributable to the sale or early disposition of Common Stock by the Eligible Employee. In addition, the Company or the Employer may, but will not be obligated to, withhold from the proceeds of the sale of Common Stock or use any other method of withholding the Company or the Employer deems appropriate to the extent permitted by U.S. Treasury Regulations Section 1.423-2(f).

(g) Use of Funds. The Company may use all Contributions received or held by it under the Plan for any corporate purpose, and the Company will not be obligated to segregate such Contributions except under Offerings or for Participants in the Non-423 Component for which Applicable Laws require that Contributions to the Plan by Participants be segregated from the Company's general corporate funds and/or deposited with an independent third party, provided that, if such segregation or deposit with an independent third party is required by Applicable Laws, it will apply to all Participants in the relevant Offering under the 423 Component, except to the extent otherwise permitted by U.S. Treasury Regulations Section 1.423-2(f). Until shares of Common Stock are issued, Participants will have only the rights of an unsecured creditor with respect to such shares.

9. Grant of Option. On the Enrollment Date of each Offering Period, each Eligible Employee participating in such Offering Period will be granted an option to purchase on each Exercise Date during such Offering Period (at the applicable Purchase Price) up to a number of shares of Common Stock determined by dividing such Eligible Employee's Contributions accumulated prior to such Exercise Date and retained in the Eligible Employee's account as of the Exercise Date by the applicable Purchase Price.

(a) Certain Option Limits. In no event will an Eligible Employee be permitted to purchase during each Offering Period commencing on or after the Amendment Date more than 10,000 shares of Common Stock (subject to any adjustment pursuant to Section 17), and provided further that such purchase will be subject to the limitations set forth in Sections 3 and 5(c) and in the subscription agreement. The Administrator, in its absolute discretion, may increase or decrease the maximum number of shares of Common Stock that an Eligible Employee may purchase during each Purchase Period or Offering Period, as applicable. For clarity, any Offering Period in effect as of the Amendment Date that commenced prior to such date will be subject to terms of this Section 9 as in effect on the Enrollment Date of such Offering Period.

(b) Option Receipt. The Eligible Employee may accept the grant of an option under the Plan by electing to participate in the Plan in accordance with the requirements of Section 7.

(c) Option Term. Exercise of the option will occur as provided in Section 10, unless the Participant's participation has terminated pursuant to Sections 12 or 13. The option will expire on the last day of the Offering Period.

10. Exercise of Option.

(a) Automatic Exercise. Unless a Participant's participation in the Plan has terminated as provided in Sections 12 and 13, his or her option for the purchase of shares of Common Stock will be exercised automatically on the Exercise Date, and the maximum number of full shares subject to the option will be purchased for such Participant at the applicable Purchase Price with the accumulated Contributions from his or her account. No fractional shares of Common Stock will be purchased; any Contributions accumulated in a Participant's account, which are not sufficient to purchase a full share will be retained in the Participant's account for the subsequent Purchase Period or Offering Period, as applicable, subject to earlier withdrawal by the Participant as provided in Sections 12 or 13. Any other funds left over in a Participant's account after the Exercise Date will be returned to the Participant. During a Participant's lifetime, a Participant's option to purchase shares of Common Stock hereunder is exercisable only by him or her.

(b) Pro Rata Allocations. If the Administrator determines that, on a given Exercise Date, the number of shares of Common Stock with respect to which options are to be exercised may exceed (i) the number of shares of Common Stock that were available for sale under the Plan on the Enrollment Date of the applicable Offering Period, or (ii) the number of shares of Common Stock available for sale under the Plan on such Exercise Date, the Administrator may in its sole discretion (x) provide that the Company will make a pro rata allocation of the shares of Common Stock available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as will be practicable and as it will determine in its sole discretion to be equitable among all Participants exercising options to purchase Common Stock on such Exercise Date, and continue all Offering Periods then in effect or (y) provide that the Company will make a pro rata allocation of the shares of Common Stock available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as will be practicable and as it will determine in its sole discretion to be equitable among all participants exercising options to purchase Common Stock on such Exercise Date, and terminate any or all Offering Periods then in effect pursuant to Section 18. The Company may make a pro rata allocation of the shares of Common Stock available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional

shares of Common Stock for issuance under the Plan by the Company's stockholders subsequent to such Enrollment Date.

11. Delivery. As soon as reasonably practicable after each Exercise Date on which a purchase of shares of Common Stock occurs, the Company will arrange the delivery to each Participant of the shares purchased upon exercise of his or her option in a form determined by the Administrator (in its sole discretion) and pursuant to rules established by the Administrator. The Company may permit or require that shares be deposited directly with a broker designated by the Company or with a trustee or designated agent of the Company, and the Company may utilize electronic or automated methods of share transfer. The Company may require that shares be retained with such broker, trustee or agent for a designated period of time and/or may establish other procedures to permit tracking of disqualifying dispositions or other dispositions of such shares. No Participant will have any voting, dividend, or other stockholder rights with respect to shares of Common Stock subject to any option granted under the Plan until such shares have been purchased and delivered to the Participant as provided in this Section 11.

12. Withdrawal.

(a) Withdrawal Procedures. A Participant may withdraw all but not less than all the Contributions credited to his or her account and not yet used to exercise his or her option under the Plan at any time by (i) submitting to the Company's stock administration office (or its designee) a written notice of withdrawal in the form determined by the Administrator for such purpose (which may be similar to the form attached hereto as Exhibit B), or (ii) following an electronic or other withdrawal procedure determined by the Administrator. The Administrator may set forth a deadline of when a withdrawal must occur to be effective prior to a given Exercise Date in accordance with policies it may approve from time to time. All of the Participant's Contributions credited to his or her account will be paid to such Participant as soon as administratively practicable after receipt of notice of withdrawal and such Participant's option for the Offering Period will be automatically terminated, and no further Contributions for the purchase of shares will be made for such Offering Period. If a Participant withdraws from an Offering Period, Contributions will not resume at the beginning of the succeeding Offering Period, unless the Participant re-enrolls in the Plan in accordance with the provisions of Section 7.

(b) No Effect on Future Participation. A Participant's withdrawal from an Offering Period will not have any effect upon his or her eligibility to participate in any similar plan that may hereafter be adopted by the Company or in succeeding Offering Periods that commence after the termination of the Offering Period from which the Participant withdraws.

13. Termination of Employment. Upon a Participant's ceasing to be an Eligible Employee, for any reason, he or she will be deemed to have elected to withdraw from the Plan and the Contributions credited to such Participant's account during the Offering Period but not yet used to purchase shares of Common Stock under the Plan will be returned to such Participant, or, in the case of his or her death, to the person or persons entitled thereto, and such Participant's option will be automatically terminated. Unless determined otherwise by the Administrator in a manner that, with respect to an Offering under the 423 Component, is permitted by, and compliant with, Code Section 423, a Participant whose employment transfers between entities through a termination with an immediate rehire (with no break in service) by the Company or a Designated Company will not be

treated as terminated under the Plan; however, if a Participant transfers from an Offering under the 423 Component to the Non-423 Component, the exercise of the option will be qualified under the 423 Component only to the extent it complies with Code Section 423; further, no Participant will be deemed to switch from an Offering under the Non-423 Component to an Offering under the 423 Component or vice versa unless (and then only to the extent) such switch would not cause the 423 Component or any option thereunder to fail to comply with Code Section 423.

14.Section 409A. The Plan is intended to be exempt from the application of Section 409A, and, to the extent not exempt, is intended to comply with Section 409A and any ambiguities herein will be interpreted to so be exempt from, or comply with, Section 409A. In furtherance of the foregoing and notwithstanding any provision in the Plan to the contrary, if the Administrator determines that an option granted under the Plan may be subject to Section 409A or that any provision in the Plan would cause an option under the Plan to be subject to Section 409A, the Administrator may amend the terms of the Plan and/or of an outstanding option granted under the Plan, or take such other action the Administrator determines is necessary or appropriate, in each case, without the Participant's consent, to exempt any outstanding option or future option that may be granted under the Plan from or to allow any such options to comply with Section 409A, but only to the extent any such amendments or action by the Administrator would not violate Section 409A. Notwithstanding the foregoing, the Company and any of its Parent or Subsidiaries will have no liability, obligation or responsibility to reimburse, indemnify, or hold harmless a Participant or any other party if the option to purchase Common Stock under the Plan that is intended to be exempt from or compliant with Section 409A is not so exempt or compliant or for any action taken by the Administrator with respect thereto. The Company makes no representation that the option to purchase Common Stock under the Plan is compliant with Section 409A.

15.Rights as Stockholder. Until the shares of Common Stock are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), a Participant will have only the rights of an unsecured creditor with respect to such shares, and no right to vote or receive dividends or any other rights as a stockholder will exist with respect to such shares. Shares of Common Stock to be delivered to a Participant under the Plan will be registered in the name of the Participant or, if so required under Applicable Laws, in the name of the Participant and his or her spouse.

16.Transferability. Neither Contributions credited to a Participant's account nor any rights with regard to the exercise of an option or to receive shares of Common Stock under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will or the laws of descent and distribution) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition will be without effect, except that the Company may treat such act as an election to withdraw funds from an Offering Period in accordance with Section 12 hereof.

17.Adjustments, Dissolution, Liquidation, Merger or Change in Control.

(a) Adjustments. In the event that any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, reclassification, repurchase, or exchange of Common Stock or other securities of the Company, or other change in the corporate structure of the Company affecting the Common Stock occurs (other than any ordinary

dividends or other ordinary distributions), the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will adjust the number and class of Common Stock that may be delivered under the Plan, the Purchase Price per share, the class and the number of shares of Common Stock covered by each option under the Plan that has not yet been exercised, and the numerical share limits of Sections 3, 8(g), and 9(a).

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, any Offering Period then in progress will be shortened by setting a New Exercise Date, and will terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Administrator. The New Exercise Date will be before the date of the Company's proposed dissolution or liquidation. The Administrator will notify each Participant in writing or electronically, prior to the New Exercise Date, that the Exercise Date for the Participant's option has been changed to the New Exercise Date and that the Participant's option will be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 12 hereof.

(c) Merger or Change in Control. In the event of a merger of the Company with or into another corporation or other entity or Change in Control, each outstanding option will be assumed or an equivalent option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the option, the Offering Period with respect to which such option relates will be shortened by setting a New Exercise Date on which such Offering Period will end. The New Exercise Date will occur before the date of the Company's proposed merger or Change in Control. The Administrator will notify each Participant in writing or electronically prior to the New Exercise Date, that the Exercise Date for the Participant's option has been changed to the New Exercise Date and that the Participant's option will be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 12 hereof.

18. Amendment or Termination.

(a) Amendment, Suspension, Termination. The Administrator, in its sole discretion, may amend, suspend, or terminate the Plan, or any part thereof, at any time and for any reason. If the Plan is terminated, the Administrator, in its discretion, may elect to terminate all outstanding Offering Periods either immediately or upon completion of the purchase of shares of Common Stock on the next Exercise Date (which may be sooner than originally scheduled, if determined by the Administrator in its discretion), or may elect to permit Offering Periods to expire in accordance with their terms (and subject to any adjustment pursuant to Section 17). If the Offering Periods are terminated prior to expiration, all amounts then credited to Participants' accounts that have not been used to purchase shares of Common Stock will be returned to the Participants (without interest thereon, except as otherwise required under Applicable Laws, as further set forth in Section 22 hereof) as soon as administratively practicable.

(b) Certain Administrator Changes. Without stockholder consent and without limiting Section 18(a), the Administrator will be entitled to change the Offering Periods and any Purchase Periods, designate separate Offerings, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange rate applicable to amounts withheld in a currency other than U.S. dollars, permit Contributions in excess of the amount designated

by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed Contribution elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with Contribution amounts, and establish such other limitations or procedures as the Administrator determines in its sole discretion advisable that are consistent with the Plan.

(c) Changes Due to Accounting Consequences. In the event the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Administrator may, in its discretion and, to the extent necessary or desirable, modify, amend or terminate the Plan to reduce or eliminate such accounting consequence including, but not limited to:

(i) amending the Plan to conform with the safe harbor definition under the Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto), including with respect to an Offering Period underway at the time;

(ii) altering the Purchase Price for any Purchase Period or Offering Period including a Purchase Period or Offering Period underway at the time of the change in Purchase Price;

(iii) shortening any Purchase Period or Offering Period by setting a New Exercise Date, including a Purchase Period or Offering Period underway at the time of the Administrator action;

(iv) reducing the maximum percentage of Compensation a Participant may elect to set aside as Contributions; and

(v) reducing the maximum number of shares of Common Stock a Participant may purchase during any Purchase Period or Offering Period.

Such modifications or amendments will not require stockholder approval or the consent of any Plan Participants.

19. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares of Common Stock will not be issued with respect to an option unless the exercise of such option and the issuance and delivery of such shares pursuant thereto will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an option, the Company may require the person exercising such option to represent and warrant at the time of any such exercise that the shares are being purchased only for investment and without any present intention to sell or distribute such shares if, in the opinion of counsel for the Company, such a representation is required.

20. Term of Plan. The Plan will become effective upon the later to occur of (a) its adoption by the Board or (b) the business day immediately prior to the Registration Date. It will continue in effect for a term of twenty (20) years, unless sooner terminated under Section 18.

21. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

22. Interest. No interest will accrue on the Contributions of a participant in the Plan, except as may be required by Applicable Laws, as determined by the Company, and if so required by the laws of a particular jurisdiction, will apply, with respect to Offerings under the 423 Component, to all Participants in the relevant Offering, except to the extent otherwise permitted by U.S. Treasury Regulations Section 1.423-2(f).

23. No Effect on Employment. Neither the Plan nor any option under the Plan will confer upon any Participant any right with respect to continuing the Participant's employment with the Company or its Subsidiaries or Parents, as applicable, nor will they interfere in any way with the Participant's right or the right of the Company and its Subsidiaries or Parents, as applicable, to terminate such employment relationship at any time, free from any liability or any claim under the Plan.

24. Reports. Individual accounts will be maintained for each Participant in the Plan. Statements of account will be given to participating Eligible Employees at least annually, which statements will set forth the amounts of Contributions, the Purchase Price, the number of shares of Common Stock purchased and the remaining cash balance, if any.

25. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan will be deemed to have been duly given when received in the form and manner specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

26. Legal Construction.

(a) Gender and Number. Except where otherwise indicated by the context, any feminine term used herein also will include the masculine and any masculine term used herein also will include the feminine; the plural will include the singular and the singular will include the plural.

(b) Severability. If any provision of the Plan is or becomes or is deemed to be invalid, illegal, or unenforceable for any reason in any jurisdiction or as to any Participant, such invalidity, illegality, or unenforceability will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as to such jurisdiction or Participant as if the invalid, illegal, or unenforceable provision had not been included.

(c) Governing Law. The Plan will be governed by, and construed in accordance with, the laws of the State of Delaware, but without regard to its conflict of law provisions.

(d) Headings. Headings are provided herein for convenience only, and will not serve as a basis for interpretation of the Plan.

27. Compliance with Applicable Laws. The terms of this Plan are intended to comply with all Applicable Laws and will be construed accordingly.

28. Automatic Transfer to Low Price Offering Period. Unless determined otherwise by the Administrator, this Section 28 applies to an Offering Period to the extent such Offering Period provides for more than one (1) Exercise Date within such Offering Period. To the extent permitted by Applicable Laws, if the Fair Market Value of a share of Common Stock on any Exercise Date in an Offering Period is less than the Fair Market Value of a share of Common Stock on the Enrollment Date of such Offering Period, then all Participants in such Offering Period will be withdrawn automatically from such Offering Period immediately after the exercise of their option on such Exercise Date and automatically re-enrolled in the immediately following Offering Period as of the first day thereof.

* * *

EXHIBIT A

ALX ONCOLOGY HOLDINGS INC.

2020 EMPLOYEE STOCK PURCHASE PLAN

SUBSCRIPTION AGREEMENT

_____ Original Application Offering Date: _____

_____ Change in Payroll Deduction Rate

1. _____ hereby elects to participate in the ALX Oncology Holdings Inc. 2020 Employee Stock Purchase Plan (the "Plan") and subscribes to purchase shares of the Company's Common Stock in accordance with this Subscription Agreement and the Plan. Any capitalized terms not specifically defined in this Subscription Agreement will have the meaning ascribed to them under the Plan.

2. I hereby authorize and consent to payroll deductions from each paycheck in the amount of ____% of my Compensation on each payday (from 0% to 15%) during the Offering Period in accordance with the Plan. (Please note that no fractional percentages are permitted.) I understand that only my first, one election to decrease the rate of my payroll deductions may be applied with respect to an ongoing Offering Period in accordance with the terms of the Plan, and any subsequent election to decrease the rate of my payroll deductions during the same Offering Period, and any election to increase the rate of my payroll deductions during any Offering Period, will not be applied to the ongoing Offering Period.

3. I understand that said payroll deductions will be accumulated for the purchase of shares of Common Stock at the applicable Purchase Price determined in accordance with the Plan. I understand that if I do not withdraw from an Offering Period, any accumulated payroll deductions will be used to automatically exercise my option and purchase Common Stock under the Plan. I further understand that if I am outside of the U.S., my payroll deductions will be converted to U.S. dollars at an exchange rate selected by the Company on the purchase date.

4. I have received a copy of the complete Plan and its accompanying prospectus. I understand that my participation in the Plan is in all respects subject to the terms of the Plan.

5. Shares of Common Stock purchased for me under the Plan should be issued in the name(s) of _____ (Eligible Employee or Eligible Employee and spouse only).

6. If I am a U.S. taxpayer, I understand that if I dispose of any shares received by me pursuant to the Plan within two (2) years after the Offering Date (the first day of the Offering Period during which I purchased such shares) or one (1) year after the Exercise Date, I will be treated for

federal income tax purposes as having received ordinary income at the time of such disposition in an amount equal to the excess of the fair market value of the shares at the time such shares were purchased by me over the price that I paid for the shares. I hereby agree to notify the Company in writing within thirty (30) days after the date of any disposition of my shares and I will make adequate provision for federal, state or other tax withholding obligations, if any, which arise upon the disposition of the Common Stock. The Company may, but will not be obligated to, withhold from my compensation the amount necessary to meet any applicable withholding obligation including any withholding necessary to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Common Stock by me. If I dispose of such shares at any time after the expiration of the two (2) year and one (1) year holding periods, I understand that I will be treated for federal income tax purposes as having received income only at the time of such disposition, and that such income will be taxed as ordinary income only to the extent of an amount equal to the lesser of (a) the excess of the fair market value of the shares at the time of such disposition over the purchase price which I paid for the shares, or (b) fifteen percent (15%) of the fair market value of the shares on the first day of the Offering Period. The remainder of the gain, if any, recognized on such disposition will be taxed as capital gain.

7. For employees that may be subject to tax in non U.S. jurisdictions, I acknowledge and agree that, regardless of any action taken by the Company or any Designated Company with respect to any or all income tax, social security, social insurances, National Insurance Contributions, payroll tax, fringe benefit, or other tax-related items related to my participation in the Plan and legally applicable to me including, without limitation, in connection with the grant of such options, the purchase or sale of shares of Common Stock acquired under the Plan and/or the receipt of any dividends on such shares ("Tax-Related Items"), the ultimate liability for all Tax-Related Items is and remains my responsibility and may exceed the amount actually withheld by the Company or a Designated Company. Furthermore, I acknowledge that the Company and/or any Designated Company (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the options under the Plan and (b) do not commit to and are under no obligation to structure the terms of the grant of options or any aspect of my participation in the Plan to reduce or eliminate my liability for Tax-Related Items or achieve any particular tax result. Further, if I have become subject to tax in more than one jurisdiction between the date of my enrollment and the date of any relevant taxable or tax withholding event, as applicable, I acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the purchase of shares of Common Stock under the Plan or any other relevant taxable or tax withholding event, as applicable, I agree to make adequate arrangements satisfactory to the Company and/or the applicable Designated Company to satisfy all Tax-Related Items. In this regard, I authorize the Company and/or the applicable Designated Company, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (a) withholding from my wages or Compensation paid to me by the Company and/or the applicable Designated Company; or (b) withholding from proceeds of the sale of the shares of Common Stock purchased under the Plan either through a voluntary sale or through a mandatory sale arranged by the Company (on my behalf pursuant to this authorization).

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable maximum withholding rates, in which case I will receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent.

Finally, I agree to pay to the Company or the applicable Designated Company any amount of Tax-Related Items that the Company or the applicable Designated Company may be required to withhold as a result of my participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to purchase shares of Common Stock under the Plan on my behalf and/or refuse to issue or deliver the shares or the proceeds of the sale of shares if I fail to comply with my obligations in connection with the Tax-Related Items.

8. By electing to participate in the Plan, I acknowledge, understand and agree that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent provided for in the Plan;

(b) all decisions with respect to future grants under the Plan, if applicable, will be at the sole discretion of the Company;

(c) the grant of options under the Plan will not create a right to employment or be interpreted as forming or amending an employment or service contract with the Company, or any Designated Company, and will not interfere with the ability of the Company or any Designated Company, as applicable, to terminate my employment (if any);

(d) I am voluntarily participating in the Plan;

(e) the options granted under the Plan and the shares of Common Stock underlying such options, and the income and value of same, are not intended to replace any pension rights or compensation;

(f) the options granted under the Plan and the shares of Common Stock underlying such options, and the income and value of same, are not part of my normal or expected compensation for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;

(g) the future value of the shares of Common Stock offered under the Plan is unknown, indeterminable and cannot be predicted with certainty;

(h) the shares of Common Stock that I acquire under the Plan may increase or decrease in value, even below the Purchase Price;

(i) no claim or entitlement to compensation or damages will arise from the forfeiture of options granted to me under the Plan as a result of the termination of my status as an

Eligible Employee (for any reason whatsoever, and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where I am employed or the terms of my employment agreement, if any) and, in consideration of the grant of options under the Plan to which I am otherwise not entitled, I irrevocably agree never to institute a claim against the Company, or any Designated Company, waive my ability, if any, to bring such claim, and release the Company, and any Designated Company from any such claim that may arise; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, I will be deemed irrevocably to have agreed to not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim; and

(j) in the event of the termination of my status as an Eligible Employee (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where I am employed or the terms of my employment agreement, if any), my right to participate in the Plan and any options granted to me under the Plan, if any, will terminate effective as of the date that I am no longer actively employed by the Company or one of its Designated Companies and, in any event, will not be extended by any notice period mandated under the employment laws in the jurisdiction in which I am employed or the terms of my employment agreement, if any (*e.g.*, active employment would not include a period of "garden leave" or similar period pursuant to the employment laws in the jurisdiction in which I am employed or the terms of my employment agreement, if any); the Company will have the exclusive discretion to determine when I am no longer actively employed for purposes of my participation in the Plan (including whether I may still be considered to be actively employed while on a leave of absence).

9. *I understand that the Company and/or any Designated Company may collect, where permissible under applicable law certain personal information about me, including, but not limited to, my name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Company, details of all options granted under the Plan or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in my favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan. I understand that Company may transfer my Data to the United States, which is not considered by the European Commission to have data protection laws equivalent to the laws in my country. I understand that the Company will transfer my Data to its designated broker, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. I understand that the recipients of the Data may be located in the United States or elsewhere, and that a recipient's country of operation (e.g., the United States) may have different, including less stringent, data privacy laws that the European Commission or my jurisdiction does not consider to be equivalent to the protections in my country. I understand that I may request a list with the names and addresses of any potential recipients of the Data by contacting my local human resources representative. I authorize the Company, the Company's designated broker and any other possible recipients which may assist the Company with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing my participation in the Plan. I understand that Data will be held only as long as is necessary to*

implement, administer and manage my participation in the Plan. I understand that that I may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing my local human resources representative. Further, I understand that I am providing the consents herein on a purely voluntary basis. If I do not consent, or if I later seek to revoke my consent, my employment status or career with the Company or any Designated Company will not be adversely affected; the only adverse consequence of refusing or withdrawing my consent is that the Company would not be able to grant me options under the Plan or other equity awards, or administer or maintain such awards. Therefore, I understand that refusing or withdrawing my consent may affect my ability to participate in the Plan. For more information on the consequences of my refusal to consent or withdrawal of consent, I understand that I may contact my local human resources representative.

If I am an employee outside the U.S., I understand that in accordance with applicable law, I have the right to access, and to request a copy of, the Data held about me. I also understand that I have the right to discontinue the collection, processing, or use of my Data, or supplement, correct, or request deletion of my Data. To exercise my rights, I may contact my local human resources representative.

I hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of my personal data as described herein and any other Plan materials by and among, as applicable, the Company and its Subsidiaries for the exclusive purpose of implementing, administering and managing my participation in the Plan. I understand that my consent will be sought and obtained for any processing or transfer of my data for any purpose other than as described in the enrollment form and any other plan materials.

10.If I have received the Subscription Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control, subject to applicable laws.

11.The provisions of the Subscription Agreement and these appendices are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions nevertheless will be binding and enforceable.

12.Notwithstanding any provisions in this Subscription Agreement, I understand that if I am working or resident in a country other than the United States, my participation in the Plan also will be subject to the additional terms and conditions set forth on Appendix A and any special terms and conditions for my country set forth on Appendix A. Moreover, if I relocate to one of the countries included in Appendix A, the special terms and conditions for such country will apply to me to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A constitutes part of this Subscription Agreement and the provisions of this Subscription Agreement govern each Appendix (to the extent not superseded or supplemented by the terms and conditions set forth in the applicable Appendix).

13.I hereby agree to be bound by the terms of the Plan. The effectiveness of this Subscription Agreement is dependent upon my eligibility to participate in the Plan.

Employee's Social Security Number (for U.S.-based employees): _____

Employee's Address: _____

_____

_____

I UNDERSTAND THAT THIS SUBSCRIPTION AGREEMENT WILL REMAIN IN EFFECT THROUGHOUT SUCCESSIVE OFFERING PERIODS UNLESS TERMINATED BY ME.

Dated: _____ _____

Signature of Employee

EXHIBIT B

ALX ONCOLOGY HOLDINGS INC.

2020 EMPLOYEE STOCK PURCHASE PLAN

NOTICE OF WITHDRAWAL

The undersigned Participant in the Offering Period of the ALX Oncology Holdings Inc. 2020 Employee Stock Purchase Plan (the "Plan") that began on _____, _____ (the "Offering Date") hereby notifies the Company that he or she hereby withdraws from the Offering Period. He or she hereby directs the Company to pay to the undersigned as promptly as practicable all the payroll deductions credited to his or her account with respect to such Offering Period. The undersigned understands and agrees that his or her option for such Offering Period will be terminated automatically. The undersigned understands further that no further payroll deductions will be made for the purchase of shares in the current Offering Period and the undersigned will be eligible to participate in succeeding Offering Periods only by delivering to the Company a new Subscription Agreement. Capitalized terms not otherwise defined herein will have the meaning ascribed to them under the Plan.

Name and Address of Participant:

_____

_____

_____

Signature:

_____

Date: _____

Exhibit 10.2

LOAN AND SECURITY AGREEMENT

dated as of June 25, 2026

among

ALX ONCOLOGY INC.,
as Borrower

ALX ONCOLOGY HOLDINGS INC. AND ALX ONCOLOGY LIMITED
collectively, as Guarantor

and

HSBC VENTURES USA INC.,
as Bank

LOAN AND SECURITY AGREEMENT (this "Agreement") dated as of June 25, 2026 (the "Effective Date") by and among (a) **ALX ONCOLOGY INC.**, a Delaware corporation ("Borrower"), (b) (i) **ALX ONCOLOGY HOLDINGS INC.**, a Delaware corporation ("Parent Guarantor") and (ii) **ALX ONCOLOGY LIMITED**, a private company limited by shares incorporated under the laws of Ireland with company registration number 58988 ("Irish Guarantor") and (c) **HSBC VENTURES USA INC.** ("Bank"), and provides the terms on which Bank shall lend to Borrower and Borrower shall repay Bank. The parties agree as follows:

Section 1**Definitions**.

1.1 Definitions. As used in this Agreement, the following capitalized terms have the following meanings:

"**Account**" is any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes, without limitation, all accounts receivable and other sums owing to any Loan Party.

"**Account Debtor**" is any "account debtor" as defined in the Code with such additions to such term as may hereafter be made.

"**Acquisition**" is any transaction, or any series of related transactions, consummated on or after the Effective Date, by which any Loan Party or a Subsidiary (a) acquires any going business or all or substantially all of the assets of any Person, whether through purchase of assets, merger or otherwise or (b) directly or indirectly acquires (in one transaction or as the most recent transaction in a series of related transactions) at least a majority (in number of votes) of the equity interests of a Person which has ordinary voting power for the election of directors or other similar management personnel of a Person (other than equity interests having such power only by reason of the happening of a contingency) or a majority of the outstanding equity interests of a Person.

"**Affected Financial Institution**" is (a) any EEA Financial Institution or (b) any UK Financial Institution.

"**Affiliate**" is, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person. For purposes of this Agreement, in all cases HSBC Bank USA, N.A. shall be deemed to be an Affiliate of Bank.

"**Agreement**" is defined in the preamble hereof.

"**Anti-Money Laundering Laws**" means the PATRIOT Act; the Anti-Money Laundering Act of 2020; the U.S. Money Laundering Control Act of 1986; the U.S. Bank Secrecy Act; and the regulations and rules promulgated under each of the foregoing and related US Anti-Money Laundering and Combating the Financing of Terrorism laws, as amended from time to time; and corresponding laws of (a) the European Union designed to combat money laundering and terrorist financing and (b) jurisdictions in which the Loan Parties operate or in which the proceeds of the Credit Extensions will be used or from which repayments of the Obligations will be derived.

"**Applicable Law**" means all applicable provisions of constitutions, laws, statutes, ordinances, rules, treaties, regulations, permits, licenses, approvals, interpretations and orders of courts or Governmental Authorities and all orders and decrees of all courts and arbitrators.

"**ASU**" is defined in Section 1.3.

"**Audited Financial Statements**" are, as of any date, the most recent audited financial statements submitted to Bank pursuant to Section 6.2(d).

"**Authorized Signer**" is any individual listed in any Loan Party's Borrowing Resolution who is authorized to execute the Loan Documents, including any Credit Extension request, on behalf of such Loan Party.

"**Bank**" is defined in the preamble hereof.

"**Bank Entities**" is defined in Section 12.10.

"**Bank Expenses**" are all (a) reasonable and documented out-of-pocket expenses incurred by Bank (including the reasonable fees, charges and disbursements of counsel for Bank), and all fees and time charges and disbursements for attorneys who may be employees of Bank, in connection with the preparation, negotiation, execution, delivery, and administration of this Agreement and the other Loan Documents, or any amendment, modification or waiver of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (b) reasonable and documented audit fees and related costs and expenses, and (c) out-of-pocket expenses incurred by Bank (including the fees, charges and disbursements of any counsel for Bank) and all fees and time charges for attorneys who may be employees of Bank, in connection with the enforcement or protection of its rights (i) in connection with this Agreement and the other Loan Documents (including without limitation, in connection with the enforcement of any judgment and in connection with any appeals), or (ii) in connection with the Credit Extensions made, including all such out-of-pocket expenses incurred, whether before or after a Default or Event of Default has occurred under any of the Loan Documents, relating to a workout, restructuring or other negotiations with any Loan Party respect of such Credit Extensions.

"**Bank Services**" are any Letters of Credit, deposit accounts, Cash Management Services, and foreign exchange services (including any FX Contracts) previously, now, or hereafter provided to any Loan Party or any of its respective Subsidiaries by Bank and/or any Affiliate of Bank, as any such products or services may be identified in any of Bank's and/or Bank's Affiliates' various agreements and/or arrangements related thereto (each, a "**Bank Services Agreement**").

"**Beneficial Ownership Certification**" is a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"**Beneficial Ownership Regulation**" is 31 C.F.R. § 1010.230.

"**Board**" is each Loan Party's board of directors or equivalent governing body.

"**Books**" are all of the Loan Parties' books and records including ledgers, federal and state tax returns, records regarding such Loan Party's assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

"**Borrower**" is defined in the preamble hereof.

"**Borrowing Resolutions**" are, with respect to any Person, those resolutions adopted by such Person's board of directors or equivalent governing body (and, if required under the terms of such Person's Operating Documents, equityholders) and delivered by such Person to Bank approving the Loan Documents to which such Person is a party and the transactions contemplated thereby, together with a certificate executed by its secretary on behalf of such Person certifying (a) such Person has the authority to execute, deliver, and perform its obligations under each of the Loan Documents to which it is a party, (b) that set forth as a part of or attached as an exhibit to such certificate is a true, correct, and complete copy of the resolutions then in full force and effect authorizing and ratifying the execution, delivery, and performance by such Person of the Loan Documents to which it is a party, (c) the name(s) of the Person(s) authorized to execute the Loan Documents, including any Credit Extension request, on behalf of such Person, together with a sample of the true signature(s) of such Person(s), and (d) that Bank may conclusively rely on such

certificate unless and until such Person shall have delivered to Bank a further certificate canceling or amending such prior certificate.

"**Business Day**" is any day that is not a Saturday, Sunday or a day on which Bank is closed, and if any determination of a "Business Day" shall relate to an FX Contract, the term "Business Day" shall mean a day on which dealings are carried on in the country of settlement of the Foreign Currency.

"**Cash Equivalents**" are (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than one (1) year from the date of acquisition; (b) commercial paper maturing no more than one (1) year after its creation and rated at least A-2 by Standard & Poor's Financial Services LLC, a subsidiary of S&P Global Inc., or at least P-2 by Moody's Investors Service, Inc., and any of their respective successors; (c) any certificates of deposit (or time deposit represented by a certificate of deposit), overnight bank deposit or banker's acceptance maturing no more than one (1) year after such time, or any overnight Federal funds transaction; and (d) money market accounts or mutual funds at least ninety-five percent (95.0%) of the assets of which constitute Cash Equivalents of the types described in clauses (a) through (c) of this definition.

"**Cash Management Services**" means any agreement, arrangement, or facility under which Bank or any Affiliate of Bank provides any of the following products or services to any of the Loan Parties: (a) cash management services for collections, treasury management services (including controlled disbursement, overdraft, automated clearing house fund transfer services, return items and interstate depository network services), any demand deposit, payroll, trust or operating account relationships, credit cards (including, without limitation, commercial credit cards, virtual cards, purchasing cards and business debit cards), non-card e-payables services, and other cash management services, including electronic funds transfer services, lockbox services, stop payment services and wire transfer services.

"**Change in Control**" means (a) at any time, any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) shall become, or obtain rights (whether by means of warrants, options or otherwise) to become, the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 under the Exchange Act), directly or indirectly, of forty-nine percent (49.0%) or more of the ordinary voting power for the election of directors of Parent Guarantor (determined on a fully diluted basis) other than by the sale of Parent Guarantor's equity securities in a public offering; (b) during any period of twelve (12) consecutive months, a majority of the members of the Board of Parent Guarantor cease to be composed of individuals (i) who were members of that Board on the first (1st) day of such period, (ii) whose election or nomination to that Board was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that Board or (iii) whose election or nomination to the Board was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that Board; or (c) except as permitted by Section 7.3 of this Agreement, at any time, any Loan Party shall cease to own and control, of record and beneficially, directly or indirectly, one hundred percent (100.0%) of each class of outstanding stock, partnership, membership, or other ownership interest or other equity securities of each Subsidiary of such Loan Party (other than director's qualifying shares or other similar shares as required by Applicable Law) free and clear of all Liens (except Permitted Liens).

"**Change in Law**" is the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory

authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"**Claims**" is defined in Section 12.4.

"**Code**" is the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of New York; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided, further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Bank's Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

"**Collateral**" is any and all properties, rights and assets of the Loan Parties described on Exhibit A.

"**Collateral Account**" is any Deposit Account, Securities Account, or Commodity Account.

"**Commodity Account**" is any "commodity account" as defined in the Code with such additions to such term as may hereafter be made.

"**Compliance Certificate**" is that certain certificate in the form attached hereto as Exhibit B.

"**Control Agreement**" is any control agreement entered into among the depository institution at which a Loan Party maintains a Deposit Account or the securities intermediary or commodity intermediary at which a Loan Party maintains a Securities Account or a Commodity Account, such Loan Party, and Bank pursuant to which Bank obtains control (within the meaning of the Code) over such Deposit Account, Securities Account, or Commodity Account.

"**Copyrights**" are any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret.

"**Credit Card Collateral Accounts**" is defined in clause is defined in clause (m) of the definition of Permitted Liens.

"**Credit Extension**" is any Term Loan Advance or any other extension of credit under the Loan Documents by Bank and/or an Affiliate of Bank for Borrower's benefit.

"**Default**" is any event which with notice or passage of time or both, would constitute an Event of Default.

"**Default Rate**" is defined in Section 2.3(b).

"**Deposit Account**" is any "deposit account" as defined in the Code with such additions to such term as may hereafter be made.

"**Designated Deposit Account**" is the account denominated in Dollars, account number ending 5776, maintained by Borrower with HSBC Bank USA, N.A.

"**Division**" means, in reference to any Person which is an entity, the division of such Person into two (2) or more separate Persons, with the dividing Person either continuing or terminating its existence as part of such division, including, without limitation, as contemplated under Section 18-217 of the Delaware Limited Liability Company Act for limited liability companies formed under Delaware law, Section

17-220 of the Delaware Revised Uniform Limited Partnership Act for limited partnerships formed under Delaware law, or any analogous action taken pursuant to any other Applicable Law with respect to any corporation, limited liability company, partnership or other entity.

"**Dollars**," "**dollars**" or use of the sign "**$**" are only lawful money of the United States and not any other currency, regardless of whether that currency uses the "$" sign to denote its currency or may be readily converted into lawful money of the United States.

"**Dollar Equivalent**" is, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in a Foreign Currency, the equivalent amount therefor in Dollars as determined by Bank at such time on the basis of the then-prevailing rate of exchange in New York, New York, for sales of the Foreign Currency for transfer to the country issuing such Foreign Currency.

"**Domestic Subsidiary**" is a Subsidiary organized under the laws of the United States or any state or territory thereof or the District of Columbia other than (a) any Subsidiary all or substantially all of whose assets consist of equity securities of (or debt obligations owed or treated as owed by such) controlled foreign corporations (as defined in Section 957 of the IRC) and (b) any Subsidiary that is a direct or indirect Subsidiary of a Subsidiary that is a controlled foreign corporation (as defined in Section 957 of the IRC).

"**Draw Period A**" is the period of time commencing upon the Effective Date and continuing through the earlier to occur of (a) June 30, 2028 or (b) an Event of Default.

"**Draw Period B**" is the period of time commencing upon the occurrence of the Term B Milestone Event and continuing through the earlier to occur of (a) June 30, 2028 or (b) an Event of Default.

"**Draw Period C**" is the period of time commencing upon the occurrence of the Term C Milestone Event and continuing through the earlier to occur of (a) June 30, 2028 or (b) an Event of Default.

"**EEA Financial Institution**" is (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a Subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country**" is any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" is any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Effective Date**" is defined in the preamble hereof.

"**Equipment**" is all "equipment" as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

"**ERISA**" is the Employee Retirement Income Security Act of 1974, as amended.

"**ERISA Affiliate**" is any trade or business (whether or not incorporated) under common control with any Loan Party or Subsidiary thereof within the meaning of Section 414(b) or (c) of the Internal Revenue Code of 1986, as amended (and Sections 414(m) and (o) thereof for purposes of provisions relating to Section 412 thereof).

"**Event of Default**" is defined in Section 8.

"**Exchange Act**" is the Securities Exchange Act of 1934, as amended.

"**Excluded Accounts**" is defined in Section 6.8(b).

"**Excluded Taxes**" means any of the following Taxes imposed on or with respect to Bank or required to be withheld or deducted from a payment to Bank: (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes and branch profits Taxes, in each case (i) imposed by the United States or as a result of Bank being organized under the laws of, or having its principal office or its applicable lending office located in, the jurisdiction imposing such tax (or any political subdivision thereof), or (ii) that are Other Connection Taxes, (b) U.S. federal withholding Taxes imposed on amounts payable to or for the account of Bank with respect to an applicable interest in a Credit Extension pursuant to a law in effect on the date on which (i) Bank acquires such interest in the Credit Extensions or (ii) Bank changes its lending office, except in each case to the extent that, pursuant to Section 12.11, amounts with respect to such Taxes were payable either to Bank's assignor immediately before Bank became a party hereto or to Bank immediately before it changed its lending office, (c) Taxes attributable to Bank's failure to comply with Section 12.11(c), and (d) any withholding Taxes imposed under FATCA.

"**FATCA**" means Sections 1471 through 1474 of the IRC, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not more onerous to comply with), any regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the IRC, and any intergovernmental agreement, or provision of any treaty or convention entered into in connection with the implementation of such Sections of the IRC and any fiscal or regulatory legislation, rules or practices adopted pursuant to such intergovernmental agreement, or provision of any treaty or convention.

"**FCPA**" is defined in Section 5.13.

"**Final Payment**" is a payment (in addition to and not in substitution for the regular monthly payments of principal plus accrued interest) equal to the aggregate original principal amount of the Term Loan Advances extended by Bank to Borrower hereunder, multiplied by two percent (2.0%), which payment shall be fully earned as of the date hereof, but payment shall be deferred until the earliest to occur of (a) the Term Loan Maturity Date, (b) the payment in full of the Term Loan Advances, (c) as required by Section 2.2(d) or Section 2.2(e), or (d) the termination of this Agreement.

"**Foreign Currency**" is lawful money of a country other than the United States.

"**Foreign Subsidiary**" is any Subsidiary which is not a Domestic Subsidiary.

"**Funding Date**" is any date on which a Credit Extension is made to or for the account of Borrower which shall be a Business Day.

"**FX Contract**" is any foreign exchange contract by and between a Loan Party and Bank and/or any Affiliate of Bank under which such Loan Party commits to purchase from or sell to Bank and/or any Affiliate of Bank a specific amount of Foreign Currency on a specified date.

"**GAAP**" is generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"**General Intangibles**" is all "general intangibles" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation, all

Intellectual Property, all claims, income and other tax refunds, security and other deposits, payment intangibles, contract rights, options to purchase or sell real or personal property, rights in all litigation presently or hereafter pending (whether in contract, tort or otherwise), insurance policies (including without limitation key man, property damage, and business interruption insurance), payments of insurance and rights to payment of any kind.

"**Governmental Approval**" is any consent, authorization, approval, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority, including, without limitation, Healthcare Permits.

"**Governmental Authority**" is any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

"**Guarantee Agreement**" is (a) that certain Guaranty by Parent Guarantor in favor of Bank dated as of the Effective Date, (b) that certain Guaranty by Irish Guarantor in favor of Bank dated as of the Effective Date, and (c) each agreement entered into by a Guarantor providing for the guaranty of the Obligations, in each case, in form and substance satisfactory to Bank.

"**Guarantor**" is, jointly and severally, individually and collectively, (a) Parent Guarantor, (b) Irish Guarantor and (c) each other Subsidiary and other Person who guarantees the Obligations pursuant to a Guarantee Agreement.

"**Healthcare Laws**" means all applicable laws relating to the operation or management of hospitalist practices, the provision of hospitalist services, proper billing and collection practices relating to the payment for healthcare services, insurance law (including law related to payment for "no-fault" claims) and workers compensation law as they relate to the provision of, and billing and payment for, healthcare services, patient healthcare, patient healthcare information, patient abuse, the quality and adequacy of rehabilitative care, rate setting, equipment, personnel, operating policies, fee splitting, including, without limitation, (a) all federal and state fraud and abuse laws, including, without limitation, the federal Anti-Kickback Statute (42 U.S.C. §1320a-7b(b)), the Stark Law (42 U.S.C. §1395nn), the civil False Claims Act (31 U.S.C. §3729 et seq.), the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)), the Anti-Inducement Law (42 U.S.C. § 1320a-7a(a)(5)), the exclusion laws (42 U.S.C. § 1320a-7); (b) the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009; (c) the Medicare Regulations and Medicaid (Title XIX of the Social Security Act); (d) quality, safety and accreditation standards and requirements of all applicable state laws or regulatory bodies; (e) all laws, policies, procedures, requirements and regulations pursuant to which Healthcare Permits are issued; (f) any laws, regulations or administrative guidance with respect to fee splitting by healthcare professionals and the corporate practice of medicine in any jurisdiction in which any Borrower or any Guarantor operates; and (g) any and all comparable state or local laws and other applicable health care laws, regulations, manual provisions, policies and administrative guidance, each of (a) through (g) as may be amended from time to time and the regulations promulgated pursuant to each such law.

"**Healthcare Permit**" means, with respect to any Person, a permit issued or required under Healthcare Laws applicable to the business of Borrower or any Guarantor, or necessary in the testing, possession, manufacture, ownership, warehousing, marketing, promoting, sale, labeling, furnishing, distribution or delivery of goods or services under Healthcare Laws applicable to the business of Borrower or any Guarantor.

"**HIPAA**" means, collectively, the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic Clinical Health (HITECH) Act and the implementing regulations thereto.

"**Indebtedness**" is, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, guaranties, surety bonds and similar instruments;

(c) all obligations of such Person in respect of the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business);

(d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, including, but not limited to, indebtedness secured by (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by) a Lien on property owned, acquired or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(e) all capital lease obligations of such Person; and

(f) all guarantees of such Person in respect of any of the foregoing.

"**Indemnified Person**" is defined in Section 12.4.

"**Indemnified Tax**" is defined in Section 12.11(a).

"**Initial Term A Loan Advance**" is defined in Section 2.2(a).

"**Insolvency Proceeding**" is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, examinership, rescue proceedings, or proceedings seeking reorganization, arrangement, or other relief.

"**Intellectual Property**" is, with respect to any Person, all of such Person's right, title, and interest in and to the following:

(a) its Copyrights, Trademarks and Patents;

(b) any and all trade secrets and trade secret rights, including, without limitation, any rights to unpatented inventions, know-how and operating manuals;

(c) any and all source code and domain names;

(d) any and all design rights which may be available to such Person;

(e) any and all claims for damages by way of past, present and future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the Intellectual Property rights identified above; and

(f) all amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents.

"**Interest Only Extension Event**" occurs if and when (if ever) Borrower has provided Bank with evidence, satisfactory to Bank in its sole and absolute discretion, on or prior to June 30, 2028, that (a) the Term B Milestone Event has occurred and (b) Parent Guarantor has received, after the Effective Date, but on or prior to June 30, 2028, unrestricted and unencumbered net cash proceeds from the issuance and sale by Parent Guarantor of its equity securities to investors reasonably satisfactory to Bank (it being agreed that investors in a public offering shall be deemed reasonably satisfactory to Bank), in an aggregate amount of at least One Hundred Fifty Million Dollars ($150,000,000.00).

"**Inventory**" is all "inventory" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of any Loan Party's custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

"**Investment**" is any beneficial ownership interest in any Person (including stock, partnership interest or other securities), and any loan, advance or capital contribution to any Person.

"**IRC**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Irish Account Transition Period**" is the period of time commencing upon the Effective Date and continuing through the earlier to occur of (a) June 25, 2028 or (b) an Event of Default.

"**Irish Companies Act**" means the Companies Act 2014 of Ireland, as amended.

"**Irish Debenture**" means the Irish law governed debenture dated on or about the date of this Agreement between (1) the Irish Guarantor and (2) the Bank.

"**Irish Guarantor**" is defined in the preamble hereof.

"**Irish Guarantor Account**" is defined in Section 6.8(b).

"**Irish Loan Parties**" means together the Irish Guarantor and any other Loan Party incorporated in Ireland and "**Irish Loan Party**" means any one of them as the context requires.

"**Irish Security Documents**" means together the Irish Debenture and the Irish Share Charge and any other documents designated as such by the Borrower and the Bank.

"**Irish Share Charge**" means the Irish law governed charge over shares dated on or about the date of this Agreement between (1) the Parent Guarantor and (2) the Bank in respect of the entire issued share capital of the Irish Guarantor.

"**Key Person**" is Parent Guarantor's chief executive officer, who is Jason Lettmann as of the Effective Date.

"**LC Collateral Accounts**" is defined in clause is defined in clause (n) of the definition of Permitted Liens.

"**Letter of Credit**" is a standby or commercial letter of credit issued by Bank and/or any Affiliate of Bank upon request of Borrower based upon an application, guarantee, indemnity, or similar agreement on the part of Bank and/or any Affiliate of Bank.

"**Lien**" is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

"**Loan Documents**" are, collectively, this Agreement and any schedules, exhibits, certificates, notices, and any other documents related to this Agreement, including each Guarantee Agreement, the Irish Security Documents, any subordination agreement, any Control Agreement, any Bank Services Agreement, any pledge agreement, notes or guaranties executed by any Loan Party or any Subsidiary of a Loan Party and any other present or future agreement by any Loan Party or any Subsidiary of a Loan Party with or for the benefit of Bank and/or any Affiliate of Bank in connection with this Agreement and/or Bank Services, all as amended, restated, supplemented, or otherwise modified from time to time.

"**Loan Parties**" are Borrower and the Guarantors.

"**Material Adverse Change**" is (a) a material impairment in the perfection or priority of Bank's Lien in the Collateral or in the value of such Collateral; (b) a material adverse change in the business, assets, operations, properties, or financial condition of the Loan Parties and their Subsidiaries, taken as a whole; (c) a material adverse change in the ability of the Loan Parties, collectively to pay or perform their Obligations; or (d) a material adverse change in the validity or enforceability of any of the Loan Documents and the rights and remedies of Bank thereunder.

"**Obligations**" are the Loan Parties' obligations to pay when due any debts, principal, interest, fees, the Final Payment, the Prepayment Premium, Bank Expenses, and other amounts any Loan Party owes Bank or any Affiliate of Bank now or later, whether under this Agreement, the other Loan Documents, any Bank Services Agreement or otherwise, including, without limitation other Bank Services, if any, and including interest accruing after Insolvency Proceedings begin and debts, liabilities, or obligations of any Loan Party assigned to Bank, and to perform any Loan Party's duties under the Loan Documents.

"**Operating Documents**" are, for any Person, such Person's formation documents, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), (c) if such Person is a partnership, its partnership agreement (or similar agreement), and (d) if such Person is an Irish Loan Party, its certificate of incorporation and constitutional documents, each of the foregoing with all current amendments or modifications thereto.

"**Other Connection Taxes**" means, with respect to Bank, Taxes imposed as a result of a present or former connection between Bank and the jurisdiction imposing such tax (other than connections arising from Bank having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, or engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan Document).

"**Other Taxes**" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"**Oxford**" is defined in the definition of Oxford-SVB Loan Agreement.

"**Oxford-SVB Obligations**" means the Loan Parties' existing obligations under the Oxford-SVB Loan Agreement.

"**Oxford-SVB Loan Agreement**" means that certain Loan and Security Agreement dated as of October 27, 2022 by and among the Loan Parties, Oxford Finance LLC ("Oxford"), as collateral agent, the

lenders listed on Schedule 1.1 thereto or otherwise a party thereto from time to time including Oxford in its capacity as a lender, Oxford Finance Credit Fund II LP and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as amended.

"**Parent Guarantor**" is defined in the preamble hereof.

"**Participant Register**" is defined in Section 12.3.

"**Patents**" are all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

"**Patriot Act**" is the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

"**Payment Date**" is the first (1st) calendar day of each month.

"**Perfection Certificate**" is defined in Section 5.1.

"**Permitted Acquisition**" means a transaction whereby a Loan Party acquires all or substantially all of the equity interests or property of another Person, which satisfies each of the following conditions:

(g) such transaction shall only involve an entity formed, and assets located, in the United States, Canada or the United Kingdom, and the party or parties being acquired is in the same or a substantially similar line of business as the Loan Parties;

(h) no Event of Default has occurred and is continuing or would exist immediately after giving effect to the transaction and Bank has received satisfactory evidence that the Loan Parties are in compliance with all terms and conditions of this Agreement (and that they will be in compliance immediately after giving effect to the transaction);

(i) the acquisition is approved by the board of directors (or equivalent control group) of all parties to the transaction;

(j) the total aggregate cash consideration (including any earnout payments) to be paid by the Loan Parties and their Subsidiaries in connection therewith in all of the contemplated transactions does not exceed Five Million Dollars ($5,000,000.00) in the aggregate in any fiscal year;

(k) Borrower provides Bank (i) written notice of the transaction at least fifteen (15) days before the closing of such transaction, and (ii) copies of the acquisition agreement and other material documents relative to the contemplated transaction and such other financial information, financial analysis, documentation or other information relating to such transaction as Bank shall reasonably request at least ten (10) days before the closing of such transaction;

(l) each Loan Party is a surviving legal entity after completion of the contemplated transaction;

(m)the contemplated transaction is consensual and non-hostile;

(n) no Indebtedness will be incurred, assumed, or would exist with respect to the Loan Parties and their Subsidiaries as a result of the contemplated transaction, other than Permitted Indebtedness, and no Liens will be incurred, assumed, or would exist with respect to the assets of the Loan Parties and their Subsidiaries as a result of the contemplated transaction, other than Permitted Liens;

(o) any Subsidiary of a Loan Party acquired in the contemplated transaction shall, within thirty (30) days of the consummation of the transaction, become a co-borrower or guarantor (as determined by Bank in its sole discretion) pursuant to Section 6.11 hereof, together with such appropriate financing statements and/or Control Agreements, all in form and substance satisfactory to Bank (including being sufficient to grant Bank a first priority Lien in and to the assets of such Subsidiary);

(p) the acquisition and the company being acquired are each accretive in all respects; and

(q) Borrower shall have delivered to Bank, at least five (5) Business Days prior to the date on which any such acquisition is to be consummated (or such later date as is agreed by Bank in its sole discretion), a certificate of a Responsible Officer of Borrower, in form and substance reasonably satisfactory to Bank, certifying that all of the requirements set forth in this definition have been satisfied or will be satisfied on or prior to the consummation of such purchase or other acquisition.

"**Permitted Indebtedness**" is:

(r) the Loan Parties' Indebtedness to Bank and/or any Affiliate of Bank under this Agreement, the other Loan Documents and any Bank Services Agreement;

(s) Indebtedness existing on the Effective Date and shown on the Perfection Certificate;

(t) Subordinated Debt;

(u) unsecured Indebtedness to trade creditors incurred in the ordinary course of business;

(v) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;

(w)Indebtedness secured by Liens permitted under clause (c) of the definition of "Permitted Liens" hereunder;

(x) Indebtedness consisting of intercompany journal entries made in connection with cost sharing or transfer pricing transactions, provided that all such transactions are cashless;

(y) Indebtedness constituting Permitted Investments;

(z) Indebtedness incurred in connection with workers' compensation claims, health, disability or other employee benefits or property, casualty or liability insurance, pursuant to reimbursement or indemnification obligations, to the extent incurred in the ordinary course of business;

(aa)Indebtedness arising from the financing of insurance premiums in the ordinary course of business, provided such financing arrangement has been approved by Bank in writing;

(bb)extensions, refinancings, modifications, amendments and restatements of any item of Permitted Indebtedness (a) through (i) above, provided that the principal amount thereof is not increased; it is not secured by a Lien on any additional assets, the obligors remain the same, and the terms thereof are not otherwise modified to impose more burdensome terms upon Borrower or the applicable Subsidiary, as the case may be;

(cc)unsecured Indebtedness in connection with the Loan Parties' business credit cards maintained with financial institutions other than Bank and Bank's Affiliates in an aggregate amount not to exceed Three Hundred Thousand Dollars ($300,000.00) at any time (the "Permitted Unsecured Credit Cards");

(dd)Indebtedness in connection with the Loan Parties' secured business credit cards maintained with Silicon Valley Bank, a division of First-Citizens Bank & Trust Company in an aggregate amount not to exceed Two Hundred Thousand Dollars ($200,000.00) at any time (the "Permitted Secured Credit Cards");

(ee)Indebtedness in connection with the Loan Parties' letters of credit maintained with financial institutions other than Bank and Bank's Affiliates in an aggregate amount not to exceed Seven Hundred Fifty Thousand Dollars ($750,000.00) at any time (the "Permitted Letters of Credit"); and

(ff)other unsecured Indebtedness not otherwise permitted by Section 7.4 (specifically excluding any Indebtedness with respect to business credit cards and letters of credit) in an aggregate amount not to exceed Five Hundred Thousand Dollars ($500,000.00) at any time.

"**Permitted Investments**" are:

(gg)Investments (including, without limitation, Subsidiaries) existing on the Effective Date and shown on the Perfection Certificate;

(hh)(i) Investments consisting of Cash Equivalents and (ii) any Investments permitted by Parent Guarantor's investment policy, as amended from time to time, provided that such investment policy (and any such amendment thereto) has been approved in writing by Bank for purposes of this Agreement (it being acknowledged and agreed that Parent Guarantor's investment policy as in effect on the Effective Date is approved by Bank);

(ii) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of the Loan Parties;

(jj) Investments consisting of Deposit Accounts or Securities Accounts; provided that Bank has a perfected security interest therein to the extent required by Section 6.8;

(kk)Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the ordinary course of business, and (ii) loans to employees, officers, directors, partners, managers and members relating to the purchase of equity securities of Borrower or its Subsidiaries pursuant to employee equity purchase plans or similar agreements approved by the Board;

(ll) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business;

(mm)Investments consisting of intercompany receivables, corresponding to amounts in clause (g) of the definition of Permitted Indebtedness, consisting of intercompany journal entries made in connection with cost sharing or transfer pricing transactions, provided that all such transactions are cashless;

(nn)Investments accepted in connection with Transfers permitted by Section 7.1;

(oo)Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business; provided that this paragraph (i) shall not apply to Investments of a Loan Party in any Subsidiary;

(pp)Investments by (i) a Borrower or secured Guarantor in another Borrower or secured Guarantor, (ii) a Subsidiary that is not a Loan Party in a Borrower or secured Guarantor or another Subsidiary that is not a Loan Party and (iii) by a Borrower or secured Guarantor in Subsidiaries that are not Loan Parties for the ordinary, necessary and current operating expenses of such Subsidiaries in an aggregate amount (for all such Investments in such Subsidiaries measured together) not to exceed Five Hundred Thousand Dollars ($500,000.00) for any fiscal year, so long as (A) an Event of Default does not exist at the time of any such Investment and would not exist after giving effect to any such Investment and (B) the Loan Parties and their Subsidiaries are at all times in compliance with the terms of Section 6.8 hereof;

(qq)non-cash Investments in joint ventures or strategic alliances in the ordinary course of the Loan Parties' business consisting of the non-exclusive licensing of technology, the development of technology or the providing of technical support;

(rr)Investments consisting of Permitted Acquisitions; and

(ss)other Investments not otherwise permitted under Section 7.7, in an aggregate amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000.00) in any fiscal year.

"**Permitted Letters of Credit**" is defined in clause is defined in clause (n) of the definition of Permitted Indebtedness.

"**Permitted Liens**" are:

(tt) Liens existing on the Effective Date and shown on the Perfection Certificate or arising under this Agreement and the other Loan Documents and any Bank Services Agreement;

(uu)Liens for taxes, fees, assessments or other government charges or levies, either (i) not due or thereafter payable without any interest or penalty or (ii) being contested in good faith and for which such Loan Party maintains adequate reserves on the Books, provided that no notice of any such Lien has been filed or recorded under the IRC, and the Treasury Regulations adopted thereunder;

(vv)Liens securing capital leases and purchase money Liens on Equipment acquired or held by Borrower or a Subsidiary incurred for financing the acquisition of such Equipment securing no more than Two Hundred Fifty Thousand Dollars ($250,000.00) in the aggregate amount outstanding;

(ww)Liens of carriers, warehousemen, landlords, mechanics, suppliers, or other Persons that are possessory in nature arising in the ordinary course of business so long as (i) such Liens attach only to Inventory, and (ii) secure liabilities in the aggregate amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000.00) which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto;

(xx)Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed pursuant to ERISA);

(yy)Liens incurred in the extension, renewal or refinancing of the Indebtedness secured by Liens described in clauses (a) and (c) above, but any extension, renewal or replacement Lien must be limited to the property encumbered by the existing Lien and the principal amount of the Indebtedness secured thereby may not increase;

(zz)leases or subleases of real property granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), and leases, subleases, non-exclusive licenses or sublicenses of personal property (other than Intellectual Property) granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), if the leases, subleases, licenses and sublicenses do not prohibit granting Bank a security interest therein and do not interfere with the ordinary conduct of the business;

(aaa)(i) non-exclusive licenses of Intellectual Property and other licenses of Intellectual Property that is not material to the business of Borrower or its Subsidiaries, in each case, granted in the ordinary course of business and which do not interfere with the ordinary conduct of the business, and (ii) licenses of Intellectual Property in the ordinary course of business that could not result in a legal transfer of title of the licensed property that may be exclusive in respects other than territory and that may be exclusive as to territory only as to discrete geographical areas outside of the United States;

(bbb)Liens arising from attachments or judgments, orders, or decrees in circumstances not constituting an Event of Default under Section 8.4 or Section 8.7;

(ccc)Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into in the ordinary course of business;

(ddd)servitudes, easements, rights of way, restrictions and other similar encumbrances on real property imposed by applicable laws and encumbrances consisting of zoning or building restrictions, easements, licenses, restrictions on the use of property or minor imperfections in title thereto which, in the aggregate, are not material, and which do not in any case materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business; and

(eee)bankers' liens, rights of setoff and similar Liens incurred on deposits arising in the ordinary course of business; provided that (i) Bank has a first priority perfected security interest in such account to the extent required in this Agreement and (ii) such account is permitted to be maintained pursuant to Section 6.8 of this Agreement; and

(fff)Liens on Borrower's cash collateral accounts maintained with Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, securing obligations with respect to the Permitted Secured Credit Cards (the "Credit Card Collateral Accounts"), in an aggregate amount not to exceed Two Hundred Thousand Dollars ($200,000.00) at any time

(ggg)Liens on Borrower's cash collateral accounts maintained with financial institutions other than Bank and Bank's Affiliates, securing obligations with respect to the Permitted Letters of Credit (the "LC Collateral Accounts"), in an aggregate amount not to exceed Seven Hundred Fifty Thousand Dollars ($750,000.00) at any time; and

(hhh)Liens (i) in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business or (ii) on specific items of inventory or other goods and proceeds of any Person securing such Person's obligations in respect of bankers' acceptances or letters of credit issued or created for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business.

"**Permitted Secured Credit Cards**" is defined in clause is defined in clause (m) of the definition of Permitted Indebtedness.

"**Permitted Unsecured Credit Cards**" is defined in clause is defined in clause (l) of the definition of Permitted Indebtedness.

"**Person**" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"**Prepayment Premium**" shall be an additional fee, payable to Bank, with respect to the Term Loan Advances, in an amount equal to:

(iii)for a prepayment of the Term Loan Advances made on or prior to the first (1st) anniversary of the Effective Date, two percent (2.0%) of the outstanding principal amount of the Term Loan Advances immediately prior to the date of such prepayment;

(jjj)for a prepayment of the Term Loan Advances made after the first (1st) anniversary of the Effective Date, but on or prior to the second (2nd) anniversary of the Effective Date, one percent (1.0%) of the outstanding principal amount of the Term Loan Advances immediately prior to the date of such prepayment; and

(kkk)for a prepayment of the Term Loan Advances made after the second (2nd) anniversary of the Effective Date, zero percent (0.0%) of the outstanding principal amount of the Term Loan Advances immediately prior to the date of such prepayment.

Notwithstanding the foregoing, provided no Event of Default has occurred and is continuing, the Prepayment Premium shall be waived by Bank, if Bank or an Affiliate of Bank closes on the refinance and redocumentation of the Term Loan Advances (in its sole and absolute discretion) prior to the Term Loan Maturity Date.

"**Prime Rate**" is the rate of interest per annum equal to the " prime rate" provided by such financial market data information provider as may be selected by the Bank from time to time (the "Prime Rate Provider"); provided that if such rate of interest cannot be reasonably sourced from a third-party financial market data provider, then the " Prime Rate" shall mean the rate of interest per annum announced by Bank as its prime rate in effect at its principal office. As of the Effective Date, the Prime Rate Provider is the London Stock Exchange Group. The Prime Rate Provider is subject to change at any time without notice; provided, that the Bank shall confirm the current Prime Rate Provider upon the Borrower's request. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Any change in the Prime Rate shall take effect at the opening of business on the effective date of such change. Notwithstanding any terms in this Agreement to the contrary, if at any time such rate of interest is less than zero percent (0.0%) per annum, such rate shall be deemed to be zero percent (0.0%) per annum for purposes of this Agreement.

"**Prime Rate Provider**" s defined in the definition of Prime Rate.

"**Protected Person**" is defined in Section 12.13.

"**Register**" is defined in Section 12.3.

"**Registered Organization**" is any "registered organization" as defined in the Code with such additions to such term as may hereafter be made.

"**Repayment Schedule**" means, the period of time equal to twenty-four (24) consecutive calendar months, which period of time shall be reduced to twelve (12) consecutive calendar months upon the occurrence of the Term B Milestone Event.

"**Requirement of Law**" is as to any Person, the Operating Documents of such Person, and any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Responsible Officer**" is any of the Chief Executive Officer, Chief Financial Officer, Treasurer, Vice President of Finance and, other than for purposes of Section 6.2, Secretary of the applicable Loan Party.

"**Restricted License**" is any material license or other similar agreement with respect to which Borrower or any of its Subsidiaries is the licensee that validly prohibits or otherwise restricts Borrower or such Subsidiary from granting a security interest in Borrower's or such Subsidiary's interest in such license or agreement or any property subject to such license or similar agreement. Off-the-shelf software, open source code, application programming interfaces (APIs) and/or other trademarks, copyrights or patents of others that are commercially available to the public under shrinkwrap licenses, clickwrap licenses, online terms of service or other terms of use or similar agreements shall not constitute a Restricted License.

"**Sanctions**" is defined in Section 5.12.

"**SEC**" is the Securities and Exchange Commission, any successor thereto, and any analogous Governmental Authority.

"**Securities Account**" is any "securities account" as defined in the Code with such additions to such term as may hereafter be made.

"**Setoff**" is defined in Section 12.15.

"**Subordinated Debt**" is unsecured indebtedness incurred by any Loan Party subordinated to all of the Loan Parties' now or hereafter indebtedness to Bank (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Bank entered into between Bank and the other creditor), on terms and in amounts reasonably acceptable to Bank.

"**Subsidiary**" (a) as to an Irish Loan Party, has the meaning given to that term under Section 7 of the Irish Companies Act, and (b) is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one (1) or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Parent Guarantor.

"**Taxes**" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Term A Loan Advance**" and "**Term A Loan Advances**" are each defined in Section 2.2(a).

"**Term B Loan Advance**" and "**Term B Loan Advances**" are each defined in Section 2.2(a).

"**Term B Milestone Event**" occurs if and when (if ever) Borrower has provided Bank with evidence, satisfactory to Bank in its sole and absolute discretion, on or prior to June 30, 2028 that Borrower has achieved, after the Effective Date, but on or prior to December 31, 2027, both (a) positive data in Borrower's phase 2 ASPEN-09 study of Evorpacept that is sufficient to proceed to a phase 3 study and (b) positive safety data in Borrower's phase 1 study of ALX2004.

"**Term C Loan Advance**" and "**Term C Loan Advances**" are each defined in Section 2.2(a).

"**Term C Milestone Event**" occurs if and when (if ever), on or prior to June 30, 2028, (a) Borrower has requested and Bank has made the Term A Loan Advances and the Term B Loan Advance, (b) Borrower has requested in writing for Bank to make the Term C Loan Advance and (c) Bank confirms in writing that: (i) Bank has received all necessary internal and credit approvals to make the Term C Loan Advance, (ii) no Event of Default exists at the time the Term C Loan Advance is requested or would exist as a result of the Term C Loan Advance and (iii) Bank has provided written approval in its sole discretion that the Term C Loan Advance shall be made. For the avoidance of doubt, upon satisfaction of clauses (a)-(c), the determination of whether to make the Term C Loan Advance available to Borrower shall be in Bank's sole discretion.

"**Term Loan Advance**" and "**Term Loan Advances**" are each defined in Section 2.2(a).

"**Term Loan Amortization Date**" is July 1, 2028, which shall be extended to July 1, 2029 upon the occurrence of the Interest Only Milestone Event.

"**Term Loan Maturity Date**" is June 1, 2030.

"**Trademarks**" are any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of a Loan Party connected with and symbolized by such trademarks.

"**Transaction Request Form**" is that certain form attached hereto as Exhibit C.

"**Transfer**" is defined in Section 7.1.

"**UK Bribery Act**" is defined in Section 5.13.

"**UK Financial Institution**" is any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any persons falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**Wells Fargo Account**" is defined in Section 6.8(b).

"**Wells Fargo Transition Period**" is the period of time commencing upon the Effective Date and continuing through the earlier to occur of (a) August 24, 2026 or (b) an Event of Default.

1.2 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "law" shall be construed as referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply) and all judgments, orders and decrees of all Governmental Authorities. The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise (a) any

definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to any restrictions on assignments set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (f) any reference in any definition to the phrase "at any time" or "for any period" shall refer to the same time or period for all calculations or determinations within such definition, and (g) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

1.3 Accounting and Other Terms. Accounting terms not defined in this Agreement shall be construed following GAAP, and calculations and determinations must be made following GAAP (except with respect to unaudited financial statements for the absence of footnotes and subject to normal year-end audit adjustments). Notwithstanding anything to the contrary contained in this Section, with respect to the definitions and the calculation of amounts and ratios contained herein, (a) except as otherwise expressly set forth herein, the accounting for revenue recognition from contracts with customers and the impact of such accounting, GAAP shall mean Financial Accounting Standards Board Accounting Standards Codification 606, (b) if at any time any change in GAAP would affect the computation of amounts and ratios contained herein or in any other Loan Document, and Borrower notifies Bank that Borrower requests an amendment to any provision hereof to preserve the original intent thereof in light of such change in GAAP (or if Bank notifies Borrower that Bank requests an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then (i) Borrower and Bank shall negotiate in good faith to effect such amendment, and (ii) such provision shall be interpreted (and such amount or ratio shall continue to be computed) on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith and (c) all obligations of any Person that are or would have been treated as operating leases for purposes of GAAP prior to the issuance by the Financial Accounting Standards Board on February 25, 2016 of an Accounting Standards Update (the "ASU") shall continue to be accounted for as operating leases for purposes of all financial definitions, calculations and covenants for purposes of this Agreement (other than for purposes of the delivery of financial statements prepared in accordance with GAAP) whether or not such operating lease obligations were in effect on such date, notwithstanding the fact that such obligations are required in accordance with the ASU (on a prospective or retroactive basis or otherwise) to be treated as capitalized lease obligations in accordance with GAAP. All other terms contained in this Agreement, unless otherwise indicated, shall have the meaning provided by the Code to the extent such terms are defined therein.

1.4 Irish Terms: In each Loan Document, where it relates to an Irish Loan Party, an Irish entity, Irish law, document governed by Irish law or a person formed, established or organized and existing in Ireland, a reference to:

(a) "Ireland" means the island of Ireland excluding Northern Ireland;

(b) an "examiner" means an examiner appointed under Section 509 of the Irish Companies Act and "examinership" shall be construed accordingly;

(c) “process adviser” has the meaning given to such term in Section 558A of the Irish Companies Act and "rescue process" shall be construed accordingly; and

(d) an inability to pay debts shall mean a person being “unable to pay its debts” including that person being unable to pay its debts within the meaning of Section 509(3) or Section 570 of the Irish Companies Act.

1.5 Divisions by Limited Liability Companies. For all purposes hereunder and under the other Loan Documents, and without limiting any restrictions or prohibitions in this Agreement, if in connection with any Division: (a) any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) any new Person comes into existence, such new Person shall be deemed to have been organized by the holders of its equity interests at such time on the first date of its existence for purposes of Section 6.11.

Section 2**Loan and Terms of Payment**.

2.1 Promise to Pay. Borrower hereby unconditionally promises to pay Bank the outstanding principal amount of all Credit Extensions and accrued and unpaid interest thereon as and when due in accordance with this Agreement and any other applicable Loan Document.

2.2 Term Loan Advances.

(a) Availability. Subject to the terms and conditions of this Agreement, upon Borrower’s request, during Draw Period A, Bank shall make up to three (3) term loan advances in an aggregate principal amount not to exceed Thirty Million Dollars ($30,000,000.00) (each, a “Term A Loan Advance” and, collectively, the “Term A Loan Advances”); provided that (i) on or about the Effective Date, Borrower shall request and Bank shall make one (1) Term A Loan Advance (the “Initial Term A Loan Advance”) and (ii) all or a portion of the proceeds of the Initial Term A Loan Advance shall be used to repay in full the Oxford-SVB Obligations. Subject to the terms and conditions of this Agreement, upon Borrower’s request, during Draw Period B, Bank shall Bank shall make one (1) term loan advance in an original principal amount equal to Ten Million Dollars ($10,000,000.00) (the “Term B Loan Advance”). Subject to the terms and conditions of this Agreement, upon Borrower’s request, during Draw Period C, Bank shall Bank shall make one (1) term loan advance in an original principal amount equal to Ten Million Dollars ($10,000,000.00) (the “Term C Loan Advance”). The Term A Loan Advances, the Term B Loan Advance and the Term C Loan Advance are each referred to herein as a “Term Loan Advance” and, collectively, as the “Term Loan Advances”. Each Term Loan Advance must be in an amount equal to at least Ten Million Dollars ($10,000,000.00), or such lesser amount representing the remaining commitment. After repayment, no Term Loan Advance (or any portion thereof) may be reborrowed.

(b) Interest Period. Commencing on the first (1st) Payment Date of the month following the month in which the Funding Date of the applicable Term Loan Advance occurs, and continuing on each Payment Date thereafter, Borrower shall make monthly payments of interest on the principal amount of each Term Loan Advance at the rate set forth in Section 2.3(a).

(c) Repayment. Commencing on the Term Loan Amortization Date, and continuing on each Payment Date thereafter, Borrower shall repay the Term Loan Advances in (i) consecutive equal monthly installments of principal according to the Repayment Schedule, plus (ii) monthly payments of accrued interest at the rate set forth in Section 2.3(a). All outstanding principal and accrued and unpaid interest with respect to the Term Loan Advances, and all other outstanding Obligations with respect to the Term Loan Advances, are due and payable in full on the Term Loan Maturity Date.

(d) Mandatory Prepayment Upon an Acceleration. If the Term Loan Advances are accelerated following the occurrence and during the continuance of an Event of Default, Borrower shall immediately pay to Bank an amount equal to the sum of: (i) all outstanding principal plus accrued and unpaid interest on the Term Loan Advances, plus (ii) the Prepayment Premium, (iii) the Final Payment, and (iv) all other sums, if any, that shall have become due and payable, including interest at the Default Rate with respect to any past due amounts.

(e) Permitted Prepayment of Term Loan Advances. Borrower shall have the option to prepay all, but not less than all, of the Term Loan Advances advanced by Bank under this Agreement, provided Borrower (i) provides written notice to Bank of its election to prepay the Term Loan Advances at least ten (10) Business Days prior to such prepayment (which such notice may be conditioned upon the consummation of a transaction constituting a Change in Control, other transformative transaction or a refinancing of the Obligations), and (ii) pays, on the date of such prepayment (A) all outstanding principal plus accrued and unpaid interest, (B) the Prepayment Premium, (C) the Final Payment, and (D) all other sums, if any, that shall have become due and payable, including interest at the Default Rate with respect to any past due amounts.

2.3 Payment of Interest on the Credit Extensions.

(a) Interest Rate. Subject to Section 2.3(b), the principal amount outstanding under each Term Loan Advance shall accrue interest at a floating per annum rate equal to the greater of (A) the Prime Rate and (B) six percent (6.0%), which interest, in each case, shall be payable monthly in accordance with Section 2.3(d) below. Notwithstanding any terms in this Agreement to the contrary, if at any time the interest rate applicable to any Term Loan Advance is less than zero percent (0.0%), such interest rate shall be deemed to be zero percent (0.0%) for all purposes of this Agreement.

(b) Default Rate. Immediately upon the occurrence and during the continuance of an Event of Default, all Obligations shall bear interest at a rate per annum which is three percent (3.0%) above the rate that is otherwise applicable thereto (the "Default Rate"). Fees and expenses which are required to be paid by Borrower pursuant to the Loan Documents (including, without limitation, Bank Expenses) but are not paid when due shall bear interest until paid at a rate equal to the highest rate applicable to the Obligations inclusive of the Default Rate. Payment or acceptance of the increased interest rate provided in this Section 2.3(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Bank.

(c) Adjustment to Interest Rate. Changes to the interest rate of any Credit Extension based on changes to the Prime Rate shall be effective on the effective date of any change to the Prime Rate and to the extent of any such change.

(d) Payment; Interest Computation. Interest is payable monthly on the first (1st) day of each calendar month and shall be computed on the basis of a year of three hundred sixty-five (365) days (or three hundred sixty-six (366) days in a leap year), and in each case shall be payable for the actual number of days elapsed. In computing interest, (i) all payments received after 2:00 p.m. Eastern time on any day shall be deemed received at the opening of business on the next Business Day, and (ii) the date of the making of any Credit Extension shall be included and the date of payment shall be excluded; provided, however, that if any Credit Extension is repaid on the same day on which it is made, such day shall be included in computing interest on such Credit Extension.

2.4 Fees. Borrower shall pay to Bank:

(a) Prepayment Premium. The Prepayment Premium, when due hereunder;

(b) Final Payment. The Final Payment, when due hereunder; and

(c) Bank Expenses. All Bank Expenses incurred through and after the Effective Date, when due (or, if no stated due date, upon written demand by Bank).

Unless otherwise provided in this Agreement or in a separate writing by Bank, Borrower shall not be entitled to any credit, rebate, or repayment of any fees earned by Bank pursuant to this Agreement notwithstanding any termination of this Agreement or the suspension or termination of Bank's obligation to make loans and advances hereunder. Bank may, at its option, deduct amounts owing by Borrower under the clauses of this Section 2.4 pursuant to the terms of Section 2.5(c). Bank shall provide Borrower written notice of deductions made from the Designated Deposit Account pursuant to the terms of the clauses of this Section 2.4.

2.5 Payments; Application of Payments; Debit of Accounts.

(a) All payments to be made by Borrower under any Loan Document shall be made in immediately available funds in Dollars, without setoff or counterclaim, before 2:00 p.m. Eastern time on the date when due. Payments of principal and/or interest received after 2:00 p.m. Eastern time are considered received at the opening of business on the next Business Day. When a payment is due on a day that is not a Business Day, the payment shall be due the next Business Day, and additional fees or interest, as applicable, shall continue to accrue until paid.

(b) Bank shall apply payments received with respect to the Obligations, first, to pay any fees, indemnities, or expense reimbursements then due to Bank, second, to pay interest then due and payable on any Credit Extension, third, to prepay principal on the Credit Extensions and to pay any amounts owing in respect of Bank Services, and fourth, to the payment of any other Obligation due to Bank from Borrower. Borrower shall have no right to specify the order or the accounts to which Bank shall allocate or apply any payments required to be made by Borrower to Bank or otherwise received by Bank under this Agreement when any such allocation or application is not specified elsewhere in this Agreement.

(c) Bank may, at its option, debit any of Borrower's deposit accounts, including the Designated Deposit Account, for principal and interest payments or any other amounts Borrower owes Bank when due.

Section 3**Conditions of Credit Extensions**.

3.1 Conditions Precedent to Initial Credit Extension. Bank's obligation to make the initial Credit Extension under this Agreement is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, the following:

(a) duly executed signatures to the Loan Documents to be entered into on the Effective Date, including this Agreement, the Guarantee Agreement, the Irish Security Documents and the Perfection Certificate;

(b) any deliverables to be provided on the Effective Date pursuant to the terms of the Irish Security Documents including, but not limited to, any notices of assignment and/or share charge deliverables to be delivered under the Irish Security Documents;

(c) in respect of each Loan Party other than an Irish Loan Party, copies of the Operating Documents (including formation documents certified by the Secretary of State (or equivalent agency) of each Loan Party's jurisdiction of organization on a date that is no earlier than thirty (30) days

prior to the Effective Date) and long-form good standing certificates of each Loan Party certified by the Secretary of State (or equivalent agency) of such Loan Party's jurisdiction of organization or formation and, with respect to Borrower and Parent Guarantor, the Secretary of State of California , each as of a date no earlier than thirty (30) days prior to the Effective Date;

(d) [reserved];

(e) completed Borrowing Resolutions for each Loan Party other than an Irish Loan Party;

(f) in respect of each Irish Loan Party, a certificate signed by a director of such Irish Loan Party:

(i) attaching a copy of its Operating Documents and certifying that such documents remain in full force and effect;

(ii) attaching and certifying a copy of such Irish Loan Party's Borrowing Resolutions;

(iii) attaching a specimen signature of each person who has executed the Loan Documents to which such Irish Loan Party is a party (with such person authorized by the Irish Loan Party's Borrowing Resolutions);

(iv) confirming, among other things, borrowing, guaranteeing or securing (as appropriate) the Loan does not constitute unlawful financial assistance for the purposes of Section 82 of the Irish Companies Act;

(v) confirming the Loan Documents do not constitute loans or quasi-loans or credit transactions which are prohibited by Section 239 of the Irish Companies Act;

(vi) confirming that the borrowing or guaranteeing or securing, as appropriate, of Credit Extensions does not and will not cause any borrowing, guarantee, security or similar limit binding on the Company to be exceeded; and

(vii) confirming each copy document relating to such Irish Loan Party specified in this Section 3.1 and delivered to the Bank is correct and complete and in full force and effect and has not been amended or superseded;

(g) duly executed payoff letter from Oxford with respect to the Oxford Obligations;

(h) certified copies, dated as of a recent date, of financing statement searches and intellectual property searches, as Bank may request, accompanied by written evidence (including any UCC termination statements) that the Liens indicated in any such financing statements and intellectual property searches either constitute Permitted Liens or have been or, in connection with the initial Credit Extension, will be terminated or released;

(i) copies of proper financing statements, to be filed on the Effective Date under the Code of all jurisdictions that Bank may deem necessary or desirable in order to perfect the Liens created hereunder, covering the Collateral;

(j) executed legal opinion of Arthur Cox LLP, Irish counsel of Borrower, with respect to Irish law addressing the capacity and authority of the Irish Loan Parties, dated as of the Effective Date and in form and substance acceptable to the Bank;

(k) executed legal opinion of DLA Piper Ireland LLP, Irish counsel of Bank with respect to Irish law, dated as of the Effective Date and in form and substance acceptable to the Bank;

(l) evidence satisfactory to Bank that the insurance policies and endorsements required by Section 6.7 hereof are in full force and effect, together with appropriate evidence showing lender loss payable and/or additional insured clauses or endorsements in favor of Bank;

(m) an agreed form registration template for each Loan Document that requires registration at the Irish Companies' Registration Office and a letter of authorization enabling counsel for the Bank to make such registration;

(n) results of searches and enquiries against each Irish Loan Party (in form and substance satisfactory to the Bank) carried out on the Effective Date at: (i) the Companies' Registration Office; (ii) the Central Office of the High Court of Ireland (in respect of winding-up petitions and proceedings); and (iii) the Judgments Office of the High Court of Ireland;

(o) copies of the (i) documentation and other information requested by Bank in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act, in each case at least five (5) days prior to the Effective Date and (ii) at least three (3) Business Days prior to the Effective Date, if Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification;

(p) Bank shall have completed a due diligence investigation of Borrower and its Subsidiaries in scope, and with results, satisfactory to Bank, and shall have been given such access to the management, records, books of account, contracts and properties of Borrower and its Subsidiaries and shall have received such financial, business and other information regarding each of the foregoing Persons and businesses as Bank shall have requested; and

(q) upon Bank confirming in writing to Borrower that all other conditions precedent set forth in Sections 3.1 and 3.2 have been satisfied, payment of the fees and Bank Expenses then due as specified in Section 2.4 hereof, including any fees pursuant to Section 2.4.

3.2 Conditions Precedent to all Credit Extensions. Bank's obligations to make each Credit Extension under this Agreement, including the initial Credit Extension under this Agreement, are subject to the following conditions precedent:

(a) timely receipt of an executed Transaction Request Form;

(b) the representations and warranties in this Agreement shall be true and correct in all material respects on the date of the Transaction Request Form and on the Funding Date of each Credit Extension; provided, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true and correct in all material respects (or all respects, as applicable) as of such date, and no Default or Event of Default shall have occurred and be continuing or result from the Credit Extension. Borrower's request for and acceptance of each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in this Agreement remain true and correct in all material respects;

provided, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true and correct in all material respects (or all respects, as applicable) as of such date; and

(c) Bank determines that there has not been any material impairment in (i) the general affairs, management, results of operation, or financial condition of any Loan Party, or (ii) the prospect of repayment of the Obligations.

3.3 Covenant to Deliver. Borrower agrees to deliver to Bank each item required to be delivered to Bank under Sections 3.1 and 3.2 of this Agreement as a condition precedent to any Credit Extension, as applicable. Borrower expressly agrees that a Credit Extension made prior to the receipt by Bank of any such item shall not constitute a waiver by Bank of Borrower's obligation to deliver such item, and the making of any Credit Extension in the absence of a required item shall be in Bank's sole discretion.

3.4 Procedures for Borrowing. Subject to the prior satisfaction of all other applicable conditions to the making of a Credit Extension set forth in this Agreement, to obtain a Credit Extension, Borrower shall notify Bank (which notice shall be irrevocable) by electronic mail by 3:00 p.m. Eastern time one (1) Business Day prior to the Funding Date of such Credit Extension. In connection with such notification, Borrower must promptly deliver to Bank by electronic mail a completed Transaction Request Form, executed by an Authorized Signer, together with such other reports and information as Bank may request in its sole discretion. Bank shall credit proceeds of a Credit Extension to the Designated Deposit Account. Bank may make Credit Extensions under this Agreement based on instructions from an Authorized Signer (it being understood that any deemed Credit Extensions pursuant to the terms hereof for purposes of satisfying Obligations that have become due shall not require any such instructions).

Section 4**Creation of Security Interest.**

4.1 Grant of Security Interest.

(a) Each Loan Party hereby grants Bank, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges to Bank, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof.

(b) Each Loan Party acknowledges that it previously has entered, and/or may in the future enter, into Bank Services Agreements with Bank or any Affiliate of Bank. Regardless of the terms of any Bank Services Agreement, such Loan Party agrees that any amounts such Loan Party owes Bank or any Affiliate of Bank thereunder shall be deemed to be Obligations hereunder and that it is the intent of such Loan Party, Bank and Bank's Affiliates to have all such Obligations secured by the first priority perfected security interest in the Collateral granted herein (subject only to Permitted Liens).

(c) If this Agreement is terminated, Bank's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations, any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement) are repaid in full in cash. Upon payment in full in cash of the Obligations (other than inchoate indemnity obligations, any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement) and at such time as Bank's obligation to make Credit Extensions has terminated, Bank shall, at the sole cost and expense of Borrower, release its Liens in the Collateral and all rights therein shall

revert to the applicable Loan Party. In the event (i) all Obligations (other than inchoate indemnity obligations, any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement), except for Bank Services, are satisfied in full, and (ii) this Agreement is terminated, Bank shall terminate the security interest granted herein upon Borrower providing cash collateral acceptable to Bank or any Affiliate of Bank in its good faith business judgment for Bank Services, if any.

4.2 Priority of Security Interest. Each Loan Party represents, warrants, and covenants that the security interest granted herein is and shall at all times continue to be a first priority perfected security interest in the Collateral (subject only to Permitted Liens). If any Loan Party shall acquire a commercial tort claim in excess of Two Hundred Fifty Thousand Dollars ($250,000.00), individually or in the aggregate, Borrower shall notify Bank of the general details thereof in the Compliance Certificate required to be delivered under this Agreement following such event and shall grant to Bank in a writing signed by the applicable Loan Party and delivered with such Compliance Certificate a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to Bank.

4.3 Authorization to File Financing Statements. Each Loan Party hereby authorizes Bank to file financing statements, without notice to such Loan Party, with all appropriate jurisdictions to perfect or protect Bank's interest or rights hereunder, including a notice that any disposition of the Collateral in violation of this Agreement, by any Loan Party or any other Person, shall be deemed to violate the rights of Bank under the Code. Such financing statements may indicate the Collateral as "all assets of the Debtor" or words of similar effect, or as being of an equal or lesser scope, or with greater detail, all in Bank's discretion.

4.4 Intellectual Property. Whenever any Loan Party, either by itself or through any agent, employee, licensee or designee, shall file an application for the registration of any Intellectual Property with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, such Loan Party shall report such filings to Bank on a quarterly basis, concurrently with the next delivery of a Compliance Certificate due at the end of each fiscal quarter.

Section 5**Representations and Warranties**.

Each of the Borrower (on behalf of itself and each other Loan Party), the Parent Guarantor and the Irish Guarantor represents and warrants as follows:

5.1 Due Organization, Authorization; Power and Authority; Enforceability.

(a) Such Loan Party and each of its Subsidiaries is duly organized or formed, validly existing and in good standing under the laws of the jurisdiction of its organization and is qualified and licensed to do business and is in good standing in each jurisdiction in which the conduct of its business or its ownership of property requires that it be qualified except where the failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business. In connection with this Agreement, the Loan Parties have delivered to Bank a completed certificate signed by the Loan Parties, entitled "Perfection Certificate" (as updated by a notification to Bank in accordance with Section 7.2, the "Perfection Certificate"). Each Loan Party represents and warrants to Bank that (i) such Loan Party's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof; (ii) such Loan Party is an organization of the type and is organized in the jurisdiction set forth in the Perfection Certificate; (iii) the Perfection Certificate accurately sets forth the Loan Parties' organizational identification number

or accurately states that such Loan Party has none; (iv) the Perfection Certificate accurately sets forth the Loan Parties' place of business, or, if more than one, its chief executive office as well as each such Loan Party's mailing address (if different than its chief executive office); (v) except as set forth on the Perfection Certificate, no Loan Party (and each of its predecessors) has, in the past five (5) years, changed its jurisdiction of formation, organizational structure or type, or any organizational number assigned by its jurisdiction; and (vi) all other information set forth on the Perfection Certificate pertaining to the Loan Parties and their Subsidiaries is accurate and complete in all material respects (it being understood and agreed that the Loan Parties may from time to time update certain information in the Perfection Certificate after the Effective Date to the extent permitted by one (1) or more specific provisions in this Agreement and the Perfection Certificate shall be deemed to be updated to the extent such notice is provided to Bank of such permitted update). If any Loan Party is not now a Registered Organization but later becomes one, such Loan Party shall promptly notify Bank of such occurrence and provide Bank with such Loan Party's organizational identification number.

(b) The execution, delivery and performance by each Loan Party of the Loan Documents to which it is a party have been duly authorized by such Loan Party, and do not (i) conflict with any of such Loan Party's organizational documents, (ii) contravene, conflict with, constitute a default under or violate any material Requirement of Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which such Loan Party or any of its Subsidiaries or any of their property or assets may be bound, (iv) require any action by, filing, registration, or qualification with, or Governmental Approval from, any Governmental Authority (except such Governmental Approvals which have already been obtained and are in full force and effect and filings necessary to perfect Liens granted under the Loan Documents), or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any material agreement by which Borrower is bound. No Loan Party is in default under any agreement to which it is a party or by which it is bound in which the default could reasonably be expected to have a material adverse effect on such Loan Party's business.

(c) This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is a party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party that is a party thereto, enforceable against it in accordance with its terms.

5.2 Property.

(a) Each Loan Party has good title to, rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. No Loan Party has Collateral Accounts at or with any bank or financial institution other than Bank or Bank's Affiliates except for (i) the Collateral Accounts described in the Perfection Certificate and which such Loan Party has taken or will take such actions as are necessary to give Bank a perfected security interest therein, pursuant to and to the extent required by Section 6.8(b) and (ii) other Collateral Accounts created after the Effective Date to the extent permitted under this Agreement and disclosed to Bank that are subject to Control Agreements except to the extent not required pursuant to Section 6.8(b).

(b) The Accounts are bona fide, existing obligations of the Account Debtors.

(c) No third party bailee (such as a warehouse) is in possession of any Collateral except as otherwise provided in the Perfection Certificate or as permitted pursuant to Section 7.2.

No Collateral shall be maintained at locations other than as provided in the Perfection Certificate or as permitted pursuant to Section 7.2.

(d) All Inventory is in all material respects of good and marketable quality, free from material defects.

(e) Each Loan Party and each of its Subsidiaries is the sole owner of the Intellectual Property which it owns or purports to own except for licenses permitted hereunder. No part of the Intellectual Property material to the business of any Loan Party has been judged invalid or unenforceable, in whole or in part. Other than as disclosed to Bank, no claim has been made in writing that any part of the Intellectual Property owned by such Loan Party violates the rights of any third party except to the extent such claim could not reasonably be expected to have a material adverse effect on such Loan Party's business.

(f) The security interest granted herein is and shall at all times continue to be a first priority perfected security interest in the Collateral (subject to Permitted Liens).

(g) Except as noted on the Perfection Certificate or as otherwise disclosed to Bank in accordance with Section 6.9(b), neither Borrower nor any of its Subsidiaries is a party to, nor is it bound by, any Restricted License.

5.3 Litigation. There are no actions or proceedings pending or, to the knowledge of any Responsible Officer, threatened in writing by or against any Loan Party or any of their respective Subsidiaries that could reasonably be expected to result in liability involving more than, individually or in the aggregate, Five Hundred Thousand Dollars ($500,000.00).

5.4 Financial Statements; Material Adverse Change; No Default.

(a) All consolidated financial statements of Parent Guarantor and its Subsidiaries that Bank has received from Borrower fairly present in all material respects Parent Guarantor's consolidated financial condition as of the date thereof and Parent Guarantor's consolidated results of operations for the period then ended.

(b) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present in all material respects the financial condition of Parent Guarantor and its Subsidiaries as of the date thereof and their results of operations, cash flows and changes in shareholders' equity for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of Parent Guarantor and its Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness, in each case, to the extent required to be disclosed therein in accordance with GAAP.

(c) No Default or Event of Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

(d) Since the Effective Date, (i) there has not been any Material Adverse Change, and (ii) nothing has occurred that could reasonably be expected to result in a Material Adverse Change.

5.5 Solvency. The present fair salable value of each of Borrower's (individually) and the Loan Parties' (taken as a whole) consolidated assets (including goodwill minus disposition costs) exceeds the sum of Borrower's (individually) or the Loan Parties' (taken as a whole), as applicable, consolidated liabilities; the capital of each of Borrower (individually) and the Loan Parties (taken as a whole), is not unreasonably small in relation to its or their business, as applicable, as currently contemplated after giving effect to the transactions contemplated by this Agreement; and each of Borrower (individually) and the Loan Parties (taken as a whole) are able to pay its or their debts (including trade debts), as applicable, as they mature and has not incurred or intends to incur debts including current obligations beyond its or their ability, as applicable, to pay such debts as they become due in the ordinary course of business.

5.6 Regulatory Compliance.

(a) Each Loan Party and each of its respective Subsidiaries (and with respect to any plan subject to Title IV of ERISA, each of the Loan Parties' and their respective Subsidiaries' ERISA Affiliates) has met the minimum funding requirements of ERISA applicable to it with respect to any employee benefit plans subject to Title IV of ERISA, and no event has occurred or is reasonably expected to occur with respect to any such plan that would result in any Loan Party or any Subsidiary incurring any material liability under ERISA. No Loan Party nor any of their respective Subsidiaries is an entity deemed to hold "plan assets" (within the meaning of the Plan Asset Regulations), and provided the Credit Extensions are not funded with "plan assets" the making of any Credit Extension hereunder will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

(b) No Loan Party is an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in extending credit for margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors).

(c) As of the date hereof, there are no strikes, lockouts or slowdowns against any Loan Party or any of their respective Subsidiaries pending or, to the knowledge of such Loan Party, threatened in writing. Each Loan Party and each of their respective Subsidiaries has complied in all material respects with all the provisions of the Federal Fair Labor Standards Act.

(d) Each Loan Party and each of their respective Subsidiaries (i) has complied in all material respects with all Requirements of Law, and (ii) has not violated any Requirements of Law the violation of which could reasonably be expected to have a material adverse effect on its business. None of any Loan Party's or any of their respective Subsidiaries' properties or assets has been used by such Loan Party or any of its respective Subsidiaries or, to the Loan Parties' knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Each Loan Party and each of its Subsidiaries has obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary to continue its business as currently conducted, except where the failure to do so could not reasonably be expected to have a material adverse effect on such Loan Party's business.

5.7 Subsidiaries; Investments. No Loan Party nor any of its respective Subsidiaries owns any stock, partnership, or other ownership interest or other equity securities except for Permitted Investments.

5.8 Tax Returns and Payments; Pension Contributions.

(a) Each Loan Party and each of their respective Subsidiaries has timely filed (in each case, subject to validly filed extensions) all required material tax returns and reports, and each Loan Party and each of their respective Subsidiaries has timely paid (in each case, subject to validly filed extensions) all material foreign, federal, state and local taxes, assessments, deposits and contributions owed by such Loan Party or such Subsidiary to any Governmental Authority except (i) to the extent such taxes, assessments, deposits and contributions are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor or (ii) to the extent such taxes, assessments, deposits and contributions do not, individually or in the aggregate, exceed Two Hundred Fifty Thousand Dollars ($250,000.00).

(b) The Loan Parties are unaware of any claims or adjustments proposed for any of such Loan Party's or any of its respective Subsidiaries' prior tax years which could result in additional taxes becoming due and payable by such Loan Party or such Subsidiary in excess of Two Hundred Fifty Thousand Dollars ($250,000.00) in the aggregate. Each Loan Party and each of its Subsidiaries (and with respect to any plan subject to Title IV of ERISA, each of the Loan Parties' and their respective Subsidiaries' ERISA Affiliates) has paid all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms, and no Loan Party, nor any Subsidiary nor, with respect to any such plan subject to Title IV of ERISA, any ERISA Affiliate, has withdrawn from participation in, and has not permitted partial or complete termination of, or permitted the occurrence of any other event with respect to, any such plan which could reasonably be expected to result in any liability of such Loan Party, any of its respective Subsidiaries, or any ERISA Affiliates, as applicable, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency, except where failure to pay such amounts or such withdrawal, termination or liability could not reasonably be expected to result in a material adverse effect on such Loan Party's, Subsidiary's or ERISA Affiliate's business.

5.9 Use of Proceeds. Borrower shall use the proceeds of the Credit Extensions solely as working capital, for other general corporate purposes and not for personal, family, household or agricultural purposes.

5.10 Full Disclosure. No written representation, warranty or other statement of any Loan Party or any of their respective Subsidiaries in any certificate or written statement given to Bank, as of the date such representation, warranty, or other statement was made, taken together with all such written certificates and written statements given to Bank, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the certificates or statements not misleading (it being recognized by Bank that the projections and forecasts provided by the Loan Parties in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results).

5.11 Insurance. Borrower believes that the insurance maintained by or on behalf of the Loan Parties and their Subsidiaries is adequate and is customary for companies engaged in the same or similar businesses operating in the same or similar locations. As of the date hereof, all premiums in respect of such insurance have been paid.

5.12 Sanctions. No Loan Party, any of their respective Subsidiaries, any director or officer, or, to the knowledge of any Loan Party, any employee, agent, or Affiliate of any Loan Party or any of their respective Subsidiaries is a Person that is, or is owned or controlled by Persons that are, (i) the target or subject of any sanctions administered or enforced by the US Department of the Treasury's Office of Foreign Assets Control, the US Department of State, the United Nations Security Council, the European

Union, His Majesty's Treasury or the Hong Kong Monetary Authority (collectively, "Sanctions"), or (ii) located, organized or resident in a country or territory that is the target or subject of Sanctions, currently including Cuba, Iran, North Korea, Syria, and the Crimea and non-government controlled areas of Ukraine.

5.13 Anti-Bribery Laws. No Loan Party or any of their respective Subsidiaries nor to the knowledge of such Loan Party, any director, officer, agent, employee, Affiliate or other person acting on behalf of the Loan Parties or any of their respective Subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of any applicable anti-bribery law, including but not limited to, the United Kingdom Bribery Act 2010 (the "UK Bribery Act") and the U.S. Foreign Corrupt Practices Act of 1977 (the "FCPA"). Furthermore, each Loan Party and, to the knowledge of such Loan Party, its Affiliates, have conducted their businesses in compliance with the UK Bribery Act, the FCPA and similar laws, rules or regulations and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

5.14 Anti-Money Laundering. The Loan Parties, their respective Subsidiaries, and their respective directors, officers, employees and agents, are in compliance with all applicable Anti-Money Laundering Laws and regulations, in all respects.

5.15 Affected Financial Institutions. No Loan Party is an Affected Financial Institution.

5.16 Beneficial Ownership Certificate. As of the Effective Date, the information included in the Beneficial Ownership Certification, if applicable, is true and correct in all respects.

5.17 Definition of "Knowledge." For purposes of the Loan Documents, whenever a representation or warranty is made to a Loan Party's knowledge or awareness, to the "best of" Borrower's knowledge, or with a similar qualification, knowledge or awareness means the actual knowledge, after reasonable investigation, of any Responsible Officer.

5.18 Healthcare Permits. (a) Borrower and each of its Subsidiaries have obtained all applicable required Healthcare Permits and other rights from, and have made all declarations and filings with, all applicable Governmental Authorities, all applicable required self-regulatory authorities and all courts and other tribunals, in each case, as necessary to engage in the management and/or operation of their respective businesses, except where the failure to do so would not be reasonably expected to have a material adverse effect on Borrower or such Subsidiary, as applicable; (b) each such Healthcare Permit is valid and in full force and effect, and Borrower and each of its Subsidiaries are in compliance with the terms and conditions of all such Healthcare Permits except where the failure to be in such compliance or for a Healthcare Permit to be valid and in full force and effect would not reasonably be expected to have a material adverse effect on Borrower's business or operations; and (c) neither Borrower nor any of its Subsidiaries has received notice from any Governmental Authority with respect to the revocation, suspension, restriction, limitation or termination of any Healthcare Permit nor, to the knowledge of Borrower, or any of its Subsidiaries, is any such action proposed or threatened in writing, except, in each case, as could not be reasonably expected to have a material adverse effect on Borrower or such Subsidiary's business or operations, as applicable.

5.19 Compliance with Healthcare Laws.

(a) Borrower and each of its Subsidiaries, is in compliance, in all material respects, with all applicable Healthcare Laws. Without limiting the generality of the foregoing, Borrower has not received written notice by a Governmental Authority of any violation (or of any investigation, audit, or other proceeding involving allegations of any violation) of any Healthcare Laws, and no investigation,

inspection, audit or other proceeding involving allegations of any violation is, to the knowledge of Borrower, threatened in writing, in each case, except with respect to any violation that would not be reasonably expected to have a material adverse effect on Borrower or such Subsidiary, as applicable.

(b) To the knowledge of Borrower, Borrower, and each Subsidiary of Borrower, are not in default or violation, in any material respect, of any law which is applicable to Borrower and each Subsidiary, or its respective assets or the conduct of their respective businesses and Borrower and each Subsidiary of Borrower, have not been debarred or excluded from participation under a state or federal health care program, including any state or federal workers compensation program.

(c) Borrower and each Subsidiary are not a party to any corporate integrity agreements, deferred prosecution agreements, monitoring agreements, consent decrees, settlement orders or similar agreements with or imposed by any Governmental Authority.

5.20 Compliance with Irish Companies Act.

(a) Subject to Article 5.20(b) below, and save as otherwise disclosed to the Administrative Agent, no Loan Party is a "relevant external company" as defined in Section 1301 of the Irish Companies Act (a "relevant external company").

(b) If a Loan Party is a relevant external company, it has complied with its filing obligations under Section 1302(1) and (2) or under Section 1302(1) and (2) as applied by Section 1304 of the Irish Companies Act;

(c) The provisions of Section 82, Section 238 and Section 239 of the Irish Companies Act do not prohibit the execution by any Irish Loan Party of any Loan Document.

Section 6**Affirmative Covenants**.

Each of the Borrower, the Parent Guarantor and the Irish Guarantor shall, and shall cause each other Loan Party and all of its Subsidiaries to, do all of the following:

6.1 Government Compliance.

(a) Except as permitted by Section 7.3, maintain its legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify could reasonably be expected to cause a Material Adverse Change. Each Loan Party shall comply, and have each Subsidiary comply, in all material respects, with all laws, ordinances and regulations to which it is subject.

(b) Obtain all of the Governmental Approvals necessary for the performance by such Loan Party of its obligations under the Loan Documents and the grant of a security interest to Bank in the Collateral. Upon written request by Bank, such Loan Party shall promptly provide copies of any such obtained Governmental Approvals to Bank.

(c) Cause the operations and property of Borrower and each of its Subsidiaries, to comply in all material respects with all applicable Healthcare Laws. Without limiting the foregoing, the operations and property of Borrower and each of its Subsidiaries shall comply with HIPAA in all material respects. Upon written request of Bank, Borrower shall deliver to Bank evidence satisfactory to Bank that Borrower has established and maintains a corporate compliance program that (i) addresses the material Requirements of Law, including all applicable Healthcare Laws, of Governmental Authorities having jurisdiction over its business and operations, and (ii) has been structured to account for the guidance

issued by the U.S. Department of Health and Human Services regarding characteristics of effective corporate compliance programs.

(d) In relation to each Irish Loan Party only, comply in all respects with Sections 82 and 239 of the Irish Companies Act in relation to their entry into this Agreement and the other Loan Documents, and payment of amounts due thereunder.

6.2 Financial Statements, Reports, Certificates. Provide Bank with the following:

(a) as soon as available, but no later than forty-five (45) days after the last day of the first three (3) fiscal quarters of each fiscal year of Parent Guarantor, a company prepared consolidated balance sheet, income statement and cash flow statement covering the consolidated operations of Parent Guarantor and its Subsidiaries for such fiscal quarter certified by a Responsible Officer and in a form reasonably acceptable to Bank;

(b) as soon as available, but no later than thirty (30) days after the last day of each month, monthly accounts receivable agings, aged by invoice date and monthly accounts payable agings, aged by invoice date;

(c) as soon as available, but no later than thirty (30) days after the last day of each month, a duly completed Compliance Certificate signed by a Responsible Officer of Parent Guarantor, certifying that as of the end of such month, the Loan Parties were in full compliance with all of the terms and conditions of this Agreement and the other Loan Documents, and setting forth calculations showing compliance with the financial covenants set forth in this Agreement (if any) and such other information as Bank may reasonably request;

(d) as soon as available, but no later than ninety (90) days after the last day of Parent Guarantor's fiscal year, audited consolidated financial statements of Parent Guarantor and its Subsidiaries, prepared under GAAP, consistently applied, together with an unqualified opinion on the financial statements from KMPG LLP, any other "Big Four" accounting firm or any other independent certified public accounting firm reasonably acceptable to Bank;

(e) as soon as available, but no later than sixty (60) days after the last day of each fiscal year of Parent Guarantor, and contemporaneously with any updates or amendments thereto approved by the Board of Parent Guarantor, (A) annual operating budgets (including income statements, balance sheets and cash flow statements, by month) for the then current fiscal year of Parent Guarantor, and (B) annual financial projections for such fiscal year (on a monthly basis) as approved by the Board, together with any related business forecasts used in the preparation of such annual financial projections;

(f) within thirty (30) days of filing, copies of all periodic and other reports, proxy statements and other materials filed by Parent Guarantor with the SEC, any Governmental Authority succeeding to any or all of the functions of the SEC or with any national securities exchange, or distributed to its shareholders (in their capacity as such), as the case may be (including, without limitation, all reports on Form 10-K, 10-Q and 8-K). Documents required to be delivered pursuant to the terms hereof (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which Parent Guarantor posts such documents, or provides a link thereto, on Parent Guarantor's website on the internet at Parent Guarantor's website address; provided, however, Borrower shall promptly notify Bank in writing (which may be by electronic mail) of the posting of any such documents

(g) within ten (10) Business Days of delivery, copies of all statements, reports and notices made available to such Loan Party's security holders or to any holders of Subordinated Debt (solely in their capacities as security holders or holders of Subordinated Debt and not in any other capacity);

(h) promptly, and in any event, within three (3) Business Days, report of the occurrence of any Default or Event of Default;

(i) promptly, and in any event, within five (5) Business Days, report of (i) any adverse finding in respect of any action or proceeding set forth in the Perfection Certificate, (ii) any legal actions pending or threatened in writing against any Loan Party or any of their respective Subsidiaries that could reasonably be expected to result in damages or costs to the Loan Parties or any of their respective Subsidiaries of, individually or in the aggregate, Five Hundred Thousand Dollars ($500,000.00) or more, (iii) any Acquisitions or (iv) any matter that has resulted or could reasonably be expected to result in a Material Adverse Change;

(j) promptly following any request therefor, information and documentation reasonably requested by Bank for purposes of compliance with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the Patriot Act and the Beneficial Ownership Regulation;

(k) prompt, and in any event, within five (5) Business Days, report of any departure of any Key Person departing or ceasing to be employed by a Loan Party or of any Key Person ceasing to be involved in the day to day operations of the Loan Parties or to hold an executive office at least equal in seniority and responsibility to such Person's present office as of the Effective Date;

(l) within thirty (30) days after the last day of each month, a detailed cash report, setting forth each Loan Party's and each of their Subsidiaries' accounts maintained outside of Bank and Bank's Affiliates, and the balances maintained in such accounts as of the last day of such month, in the form set forth on Schedule 6 to the Compliance Certificate;

(m) other financial information reasonably requested by Bank promptly after any request therefor;

(n) prompt notice of the creation or acquisition of any Subsidiary, including if such Subsidiary is a Foreign Subsidiary; and

(o) written notice within ten (10) Business Days after any sale or issuance of any stock of Borrower which will result in any Person owning, directly or indirectly, ten percent (10.0%) or more of the outstanding voting stock of Borrower on a fully diluted basis, including the purchasers of such stock, any "know your customer" information required by Bank, the terms of such sale or issuance and the total sale or issuance proceeds to be received by Borrower.

6.3 Inventory; Returns. Keep all Inventory in good and marketable condition, free from material defects. Returns and allowances (a) between any Loan Party and its respective Account Debtors and (b) between any Subsidiary of any Loan Party and its respective Account Debtors, in each case, shall follow the customary practices of such Loan Party and such Subsidiary, respectively. Borrower shall promptly notify Bank of all returns, recoveries, disputes and claims that involve more than Five Hundred Thousand Dollars ($500,000.00).

6.4 Maintenance of Properties. (a) Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition,

ordinary wear and tear excepted; and (b) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Change.

6.5 Payment of Obligations; Taxes; Pensions. Timely file (subject to validly filed extensions) all required material tax returns and reports and timely pay (subject to validly filed extensions) all its material obligations and liabilities, including, without limitation, foreign, federal, state and local taxes, assessments, deposits and contributions owed by the Loan Parties and each of their respective Subsidiaries to any Governmental Authority, except (a) deferred payment of any taxes, assessments, deposits and contributions contested pursuant to the terms of Section 5.8 hereof, and (b) and (ii) such taxes, assessments, deposits and contributions that do not, individually or in the aggregate, exceed Two Hundred Fifty Thousand Dollars ($250,000.00) at any time, and shall deliver to Bank, upon reasonable request, appropriate certificates attesting to such payments, and pay all amounts necessary to fund all present pension, profit sharing and deferred compensation plans (including, with respect to any such plan subject to Title IV of ERISA, evidence that each ERISA Affiliate has paid such amounts) in accordance with their terms.

6.6 Access to Collateral; Books and Records.

(a) At reasonable times, on five (5) Business Days' written notice (provided no notice is required if an Event of Default has occurred and is continuing), provide Bank, or its agents, the right, during normal business hours (except if an Event of Default has occurred and is continuing), to inspect the Collateral and the right to audit and copy the Books. The foregoing inspections and audits shall be at Borrower's expense and conducted with reasonable efforts to minimize disruption to such Loan Party's business. In addition, such inspections and audits shall be conducted no more often than once in any twelve (12) month period, unless an Event of Default has occurred and is continuing, in which case such inspections and audits shall be conducted as frequently as Bank shall determine is necessary. The foregoing may be subject to exclusions and redactions as necessary in order to (i) preserve the confidentiality of highly sensitive proprietary information, (ii) prevent impairment of the attorney-client privilege with respect to pending or threatened litigation, or (iii) prevent an actual or potential conflict of interest between a Loan Party and Bank.

(b) At reasonable times, on five (5) Business Days' written notice (provided no notice is required if an Event of Default has occurred and is continuing), provide Bank, or its agents, the right, during normal business hours (except if an Event of Default has occurred and is continuing), to discuss its financial matters with the independent auditors of Borrower and its Subsidiaries (and each Loan Party hereby authorizes all such independent auditors to discuss those financial matters with Bank or any representative, agent, or advisor thereof). The foregoing shall be conducted at Borrower's expense and no more often than once every twelve (12) months, unless an Event of Default has occurred and is continuing, in which case such discussions shall occur as often as Bank shall reasonably determine is necessary. The foregoing may be subject to exclusions and redactions as necessary in order to (i) preserve the confidentiality of highly sensitive proprietary information, (ii) prevent impairment of the attorney-client privilege with respect to pending or threatened litigation, or (iii) prevent an actual or potential conflict of interest between a Loan Party and Bank.

(c) Maintain proper books of record and account in which full, true and correct entries shall be made of all financial transactions and matters involving the assets and business of such Loan Party or such Subsidiary, as the case may be, sufficient to prepare financial statements in accordance with GAAP.

6.7 Insurance.

(a) Keep its business and the Collateral insured for risks and in amounts standard for similarly situated companies in such Loan Party's industry, stage of development and location and as Bank may reasonably request. Insurance policies shall be in a form, with financially sound and reputable insurance companies that are not Affiliates of any Loan Party, and in amounts that are reasonably satisfactory to Bank. All property policies that name any Loan Party as an insured party shall have a lender's loss payable endorsement showing Bank as lender loss payee. All liability policies that name any Loan Party as an insured party shall show, or have endorsements showing, Bank as an additional insured. Bank shall be named as lender loss payee and/or additional insured with respect to any such insurance providing coverage in respect of any Collateral.

(b) Ensure that proceeds payable under any property policy are, at Bank's option, payable to Bank on account of the Obligations, provided that, so long as no Event of Default has occurred and is continuing, such Loan Party may apply the proceeds of any property policy up to Five Hundred Thousand Dollars ($500,000.00) individually or in the aggregate for all losses under all policies in any twelve (12) month period, toward the replacement or repair of destroyed or damaged property; provided that any such replaced or repaired property shall be (A) of equal or like value as the replaced or repaired property and (B) deemed Collateral in which Bank has been granted a first priority security interest to the extent the destroyed or damaged property consists of Collateral.

(c) At Bank's request, the Loan Parties shall deliver certificates of insurance and evidence of all premium payments. Each provider of any such insurance required under this Section 6.7 shall agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to Bank, that it will give Bank thirty (30) days' prior written notice before any such policy or policies shall be canceled (with the exception of cancellation due to non-payment of premium, which will be ten (10) days' prior written notice). If any Loan Party fails to obtain insurance as required under this Section 6.7 or to pay any amount or furnish any required proof of payment to third persons and Bank, Bank may make all or part of such payment or obtain such certificates of insurance policies required in this Section 6.7, and take any action under the policies Bank deems reasonably prudent.

6.8 Operating Accounts.

(a) (i) As of the Effective Date and at all times thereafter, account balances in the name of the Loan Parties maintained with Bank or Bank's Affiliates shall represent at least ninety percent (90.0%) of all account balances of the Loan Parties and their Subsidiaries in the aggrgate, wherever located and (ii) the Loan Parties, collectively, shall, at all times, have unrestricted cash in distributed deposit accounts with Bank or Bank's Affiliates in an aggregate amount equal to the lesser of (A) Twenty Million Dollars ($20,000,000.00) and (B) one hundred percent (100.0%) of the Dollar Equivalent value of all account balances of the Loan Parties held with Bank or Bank's Affiliates.

(b) Provide Bank written notice within five (5) Business Days after establishing any Collateral Account of any Loan Party at or with any bank or financial institution other than Bank or Bank's Affiliates. Subject to Section 6.14 hereof, for each Collateral Account that any Loan Party at any time maintains, such Loan Party shall cause the applicable bank or financial institution (other than Bank, but including Bank's Affiliates) at or with which any Collateral Account is maintained to execute and deliver within thirty (30) days after opening such Collateral Account a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Bank's Lien in such Collateral Account in accordance with the terms hereunder which Control Agreement may not be terminated without the prior written consent of Bank. The provisions of the previous sentence shall not apply to (i) Borrower's existing account with Wells Fargo (the "Wells Fargo Account") prior to the expiration of the Wells Fargo

Transition Period, (ii) Irish Guarantor's existing account with Bank of Ireland (the "Irish Guarantor Account") prior to the expiration of the Irish Account Transition Period, provided that the maximum aggregate cash balance maintained in the Irish Guarantor Account shall not exceed the Dollar Equivalent of Fifty Thousand Dollars ($50,000.00) at any time (and, if such aggregate amount exceeds the Dollar Equivalent of Fifty Thousand Dollars ($50,000.00) at any time, the provisions of the previous sentence shall apply and a Control Agreement shall be required for the Irish Guarantor Account, (iii) the LC Collateral Accounts, (iv) the Credit Card Collateral Accounts or (v) deposit accounts exclusively used for payroll, payroll taxes, and other employee wage and benefit payments to or for the benefit of such Loan Party's employees and identified to Bank by such Loan Party as such; provided that the funds on deposit in such deposit accounts will at no time exceed the actual payroll, payroll taxes, withholding taxes and other employee wage and benefit payments then owing for the immediately succeeding two (2) payroll periods (or greater amount to the extent required by Applicable Law) (such deposit accounts, "Excluded Accounts").

6.9 Protection of Intellectual Property Rights.

(a) (i) Use commercially reasonable efforts to protect, defend and maintain the validity and enforceability of its Intellectual Property; (ii) promptly advise Bank in writing of material infringements or any other event that could reasonably be expected to materially and adversely affect the value of its Intellectual Property that is material to such Loan Party's business; and (iii) not allow any Intellectual Property that is material to such Loan Party's business (as determined in good faith by such Loan Party) to be abandoned, forfeited or dedicated to the public without Bank's written consent.

(b) Concurrently with the next-then due Compliance Certificate, provide written notice to Bank of entering or becoming bound by any Restricted License. At Bank's request, Borrower shall use commercially reasonable efforts to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (i) any Restricted License of any Loan Party to be deemed "Collateral" and for Bank to have a security interest in it that might otherwise be restricted or prohibited by law or by the terms of any such Restricted License, whether now existing or entered into in the future, and (ii) Bank to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Bank's rights and remedies under this Agreement and the other Loan Documents.

6.10 Litigation Cooperation. From the date hereof and continuing through the termination of this Agreement, make available to Bank, without expense to Bank, each Loan Party and its respective officers, employees and agents and the Books, to the extent that Bank may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Bank with respect to any Collateral or relating to any Loan Party.

6.11 Formation or Acquisition of Subsidiaries. Notwithstanding and without limiting the negative covenants contained in Sections 7.3 and 7.7 hereof, at the time that any Loan Party forms any direct or indirect Subsidiary or acquires any direct or indirect Subsidiary after the Effective Date (including, without limitation, pursuant to a Division), at Bank's election, such Loan Party shall or shall cause such Subsidiary to provide to Bank, promptly after such acquisition or formation: (a) a joinder to this Agreement to become a co-borrower hereunder or a Guarantee Agreement to become a Guarantor hereunder (as determined by Bank in its sole discretion) together with such appropriate financing statements and/or Control Agreements, all in form and substance satisfactory to Bank (including being sufficient to grant Bank a first priority Lien (subject to Permitted Liens) in and to the assets of such Subsidiary); (b) appropriate certificates and powers, proxies and financing statements, pledging all of the direct ownership interest of any Loan Party in such Subsidiary in form and substance satisfactory to Bank; and (c) all other documentation in form and substance reasonably satisfactory to Bank, including one (1) or more perfection certificates, secretary certificates, and opinions of counsel satisfactory to Bank, which in its opinion is

appropriate with respect to the execution and delivery of the applicable documentation referred to above. Any document, agreement, or instrument executed or issued pursuant to this Section 6.11 shall be a Loan Document.

6.12 Use of Proceeds. Use the proceeds of the Credit Extensions as working capital, and for other general corporate purposes not in contravention of any law or of any Loan Document.

6.13 Further Assurances. Execute any further instruments and take further action as Bank reasonably requests to perfect or continue Bank's Lien in the Collateral, to ensure the Obligations are guaranteed by Parent Guarantor, Irish Guarantor and each Subsidiary of Borrower or to effect the purposes of this Agreement and the other Loan Documents. Deliver to Bank, within five (5) Business Days after the same are sent or received, copies of all correspondence, reports, documents and other filings with any Governmental Authority regarding compliance with or maintenance of Governmental Approvals or Requirements of Law that could reasonably be expected to have a material adverse effect on any of the Governmental Approvals or otherwise on the operations of such Loan Party or any of its respective Subsidiaries.

6.14 Post-Closing Conditions. (a) Deliver to Bank, (i) within sixty (60) days of the Effective Date, either (A) evidence satisfactory to Bank in Bank's sole discretion that the Wells Fargo Account has been closed and all funds therein have been transferred to an account of Borrower maintained at Bank or Bank's Affiliates or (B) a duly executed Control Agreement with respect to the Wells Fargo Account, in form and substance satisfactory to Bank, (b) deliver to Bank, within thirty (30) days of the Effective Date, (i) a duly executed Control Agreement with respect to each Loan Party's accounts (other than Excluded Accounts) with HSBC Bank USA, N.A. and (ii) a duly executed Control Agreement with respect to each Loan Party's accounts (other than Excluded Accounts) with Silicon Valley Bank, a division of First-Citizens Bank & Trust Company and (c) use commercially reasonable efforts to deliver to Bank, within thirty (30) days of the Effective Date, a duly executed landlord's consent in favor of Bank for Borrower's leased location at 323 Allerton Avenue South San Francisco, California 94080.

Section 7**Negative Covenants**.

None of the Borrower, the Parent Guarantor nor the Irish Guarantor shall, nor shall they permit any other Loan Party nor any of their Subsidiaries to, do any of the following without Bank's prior written consent:

7.1 Dispositions. Convey, sell, lease, transfer, assign, or otherwise dispose of (including, without limitation, pursuant to a Division) (collectively, "Transfer") all or any part of its business or property, except for Transfers (a) of Inventory in the ordinary course of business; (b) of worn-out or obsolete Equipment that is, in the reasonable judgment of Borrower, no longer economically practicable to maintain or useful in the ordinary course of business of Borrower or any of its Subsidiaries; (c) consisting of Permitted Liens and Permitted Investments; (d) consisting of Borrower's or its Subsidiaries' use or transfer of money or Cash Equivalents in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents; (e) from any Subsidiary that is not a Loan Party to Borrower or any Subsidiary; (f) from any Loan Party to another Loan Party; (g) consisting of the abandonment, forfeiture or dedication to the public of any Intellectual Property immaterial to the business of any Loan Party or Subsidiary; (h) dissolutions or liquidations of Subsidiaries permitted pursuant to Section 7.3, so long as such Subsidiary's assets are transferred to Borrower or a secured Guarantor free and clear of any Liens (other than Permitted Liens); and (i) other Transfers of non-material assets not to exceed Five Hundred Thousand Dollars ($500,000.00) in the aggregate in any twelve (12) month period; provided that in no event shall any Loan Party Transfer (i) Intellectual Property to a Subsidiary that is not a Loan Party, or (ii) any customer contracts that generate receivables or revenue.

7.2 Changes in Business or Business Locations.

(a) (i) Engage in any business other than the businesses currently engaged in by the Loan Parties and their Subsidiaries or that are reasonably similar, related or incidental thereto; or (ii) change the date on which its fiscal year ends.

(b) No Loan Party shall, without at least fifteen (15) days prior written notice to Bank: (i) add any new locations, (ii) deliver any Collateral in excess of Five Hundred Thousand Dollars ($500,000.00), individually or in the aggregate, to any third party bailee, (iii) change its jurisdiction of organization, (iv) change its organizational type, (v) change its legal name, or (vi) change any organizational number (if any) assigned by its jurisdiction of organization. Each notice under this Section 7.2(b) shall be deemed to update the Perfection Certificate to include such information.

(c) If Borrower intends to add any new offices or business locations, including warehouses, containing in excess of Five Hundred Thousand Dollars ($500,000.00) of Borrower's assets or property, then Borrower shall use commercially reasonable efforts to cause the landlord of any such new offices or business locations, including warehouses, to execute and deliver a landlord consent in form and substance satisfactory to Bank. If Borrower intends to deliver any portion of the Collateral valued, individually or in the aggregate, in excess of Five Hundred Thousand Dollars ($500,000.00) to a bailee, and Bank and such bailee are not already parties to a bailee agreement governing both the Collateral and the location to which Borrower intends to deliver the Collateral, then Borrower shall use commercially reasonable efforts to cause such bailee to execute and deliver a bailee agreement in form and substance satisfactory to Bank.

7.3 Fundamental Changes; Acquisitions. Dissolve, liquidate, merge or consolidate with any other Person, make any Acquisition, or permit any of its Subsidiaries to make any Acquisition (including, without limitation, by the formation of any Subsidiary or pursuant to a Division) except for Permitted Acquisitions; provided that any Subsidiary may (a) dissolve or liquidate its assets in favor of a Loan Party or, in the case of any Subsidiary that is not a Loan Party, in favor of a Loan Party or other Subsidiary of Borrower and (b) merge or consolidate into a Loan Party or, in the case of any Subsidiary that is not a Loan Party, into a Loan Party or any other Subsidiary of Borrower.

7.4 Indebtedness. Create, incur, assume, or be liable for any Indebtedness other than Permitted Indebtedness.

7.5 Encumbrances; Negative Pledge. (a) Create, incur, allow, or suffer any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts or Contracts, except for Permitted Liens, (b) permit any Collateral not to be subject to the first priority security interest granted herein (subject to Permitted Liens), or (c) enter into any agreement, document, instrument or other arrangement (except with or in favor of Bank) with any Person which directly or indirectly prohibits or has the effect of prohibiting such Loan Party or any of its Subsidiaries from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of such Loan Party's or such Subsidiary's Intellectual Property in favor of Bank, except for customary restrictions customary restrictions on assignment, transfer and encumbrances in license agreements under which a Loan Party or any Subsidiary is the licensee.

7.6 Maintenance of Collateral Accounts. Maintain any Collateral Account except pursuant to the terms of Section 6.8(b) hereof.

7.7 Distributions; Investments. (a) Pay any dividends or make any distribution or payment or redeem, retire or purchase any capital stock; provided that Parent Guarantor may (i) repurchase

the stock, partnership, membership, or other ownership interest or other equity securities of former employees or consultants pursuant to stock repurchase agreements so long as an Event of Default does not exist at the time of any such repurchase and would not exist after giving effect to any such repurchase, provided that the aggregate amount of all such repurchases shall not exceed Five Hundred Thousand Dollars ($500,000.00) during any twelve (12) month period; (ii) repurchase equity interests deemed to occur upon the exercise of stock options or warrants if such repurchased equity interests represents a portion of the exercise price of such options or warrants pursuant to a "cashless exercise", "net share settlement" or similar feature; (iii) pay dividends solely in common stock; and (iv) make cash payments in lieu of the issuance of fractional shares upon the conversion of convertible securities in an aggregate amount not to exceed One Hundred Thousand Dollars ($100,000.00) per fiscal year; or (b) directly or indirectly make any Investment (including, without limitation, by the formation of any Subsidiary) other than Permitted Investments. Notwithstanding the foregoing, Subsidiaries of any Loan Party shall be permitted to pay dividends or make distributions to a Loan Party.

7.8 Transactions with Affiliates. Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of such Loan Party, except for (a) transactions expressly permitted to be by and among the Loan Parties hereunder, (b) reasonable and customary compensation arrangements and other customary benefits including retirement, health, stock option and other benefit plans and indemnification arrangements approved by the Board, (c) transactions that are in the ordinary course of such Loan Party's business, upon fair and reasonable terms that are no less favorable to such Loan Party than would be obtained in an arm's length transaction with a non-affiliated Person and (d) transactions permitted by Section 7.3 and Section 7.7 of this Agreement.

7.9 Subordinated Debt. (a) Make or permit any payment on any Subordinated Debt, except under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject, or (b) amend any provision in any document relating to the Subordinated Debt which would increase the amount thereof, provide for earlier or greater principal, interest, or other payments thereon, or adversely affect the subordination thereof to Obligations owed to Bank, except as expressly permitted under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject.

7.10 Compliance. (a) Become an "investment company" or a company controlled by an "investment company", under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Credit Extension for that purpose; (b) fail to meet the minimum funding requirements of ERISA, as applicable, permit a Reportable Event or Prohibited Transaction, each as defined in ERISA, to occur; (c) fail to comply with the Federal Fair Labor Standards Act or violate any other law or regulation, if the violation could reasonably be expected to have a material adverse effect on such Loan Party's business; or (d) withdraw from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan (or permit any ERISA Affiliate to do the foregoing with respect to any such plan subject to Title IV of ERISA) which could reasonably be expected to result in any material liability of such Loan Party, including any material liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

7.11 Restrictive Agreements. Enter into or permit to exist any contractual obligation (other than this Agreement or any other Loan Document or any Bank Services Agreement) that (a) limits the ability (i) of any Subsidiary to pay any dividends or make any distribution or payment to, or redeem, retire or purchase any capital stock of, Borrower or to otherwise transfer property to or invest in Borrower, or (ii) of any Subsidiary to guarantee the Indebtedness of Borrower or grant a Lien on its assets in favor of

Bank (subject to Permitted Liens); or (b) requires the grant of a Lien (other than a Permitted Lien) to secure an obligation of such Person if a Lien is granted to secure another obligation of such Person.

7.12 Sanctions. Directly or indirectly, use the proceeds of the Credit Extensions, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, (a) to fund any activities or business of or with any Person, or in any country or territory, that, at the time of such funding, is the target or subject of Sanctions or (b) in any other manner that would result in a violation of Sanctions by any Person (including any Person participating in the Credit Extensions, whether as issuing bank, lender, underwriter, advisor, investor or otherwise).

7.13 Anti-Bribery. Use, directly or indirectly, any part of the proceeds of any Credit Extension for any payments that could constitute a violation of any applicable anti-bribery law.

Section 8**Events of Default**.

Any one of the following shall constitute an event of default (an "Event of Default") under this Agreement:

8.1 Payment Default. Any Loan Party fails to (a) make any payment of principal or interest on any Credit Extension when due, or (b) pay any other Obligations within three (3) Business Days after such Obligations are due and payable. During the cure period, the failure to make or pay any payment specified under clause (b) hereunder is not an Event of Default (but no Credit Extension will be made during the cure period);

8.2 Covenant Default.

(a) Any Loan Party fails or neglects to perform any obligation in Sections 6.1(a) (with respect to maintaining a Loan Party's existence), 6.2, 6.5, 6.7, 6.8, 6.9(b), 6.11, 6.12, 6.13, 6.14 or violates any covenant in Section 7; or

(b) Any Loan Party fails or neglects to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement or any other Loan Document or any Bank Services Agreement, and as to any default (other than those specified in Section 8.1 or Section 8.2(a)) under such other term, provision, condition, covenant or agreement that can be cured, has failed to cure the default within thirty (30) days after the occurrence thereof.

8.3 Material Adverse Change. A Material Adverse Change occurs;

8.4 Attachment; Levy; Restraint on Business.

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of any Loan Party or of any Subsidiary in an amount, individually or in the aggregate, in excess of Fifty Thousand Dollars ($50,000.00), or (ii) a notice of lien or levy is filed against any of such Loan Party's or any Subsidiary's assets with a value, individually or in the aggregate, in excess of Fifty Thousand Dollars ($50,000.00) by any Governmental Authority, and the same under subclauses (i) and (ii) hereof are not, within ten (10) days after the occurrence thereof, discharged or stayed; provided, however, no Credit Extensions shall be made during any ten (10) day cure period; or

(b) (i) any material portion of any Loan Party's or any Subsidiary's assets is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents such Loan Party or any Subsidiary from conducting all or any material part of its business;

8.5 Insolvency. (a) Any Loan Party or any of its Subsidiaries is unable to pay its debts (including trade debts) as they become due or otherwise becomes insolvent as described in Section 5.5; (b) Borrower or any of its Subsidiaries begins an Insolvency Proceeding; or (c) an Insolvency Proceeding is begun against any Loan Party or any of its Subsidiaries and is not dismissed or stayed within forty-five (45) days (but no Credit Extensions shall be made while any of the conditions described in clause (a) exist and/or until any Insolvency Proceeding is dismissed);

8.6 Other Agreements. There is, under any agreement to which any Loan Party or any Subsidiary is a party with a third party or parties, (a) any default resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount individually or in the aggregate in excess of Five Hundred Thousand Dollars ($500,000.00), or (b) any breach or default by Borrower, any of Borrower's Subsidiaries, or Guarantor, the result of which could reasonably be expected to have a material adverse effect on Borrower's, any of Borrower's Subsidiaries', or any Guarantor's business or operations;

8.7 Judgments; Penalties. One or more fines, penalties or final judgments, orders or decrees for the payment of money in an amount, individually or in the aggregate, of at least Five Hundred Thousand Dollars ($500,000.00) (not covered by independent third-party insurance as to which liability has been accepted by such insurance carrier) shall be rendered against any Loan Party or any Subsidiary by any Governmental Authority, and the same are not, within ten (10) days after the entry, assessment or issuance thereof, discharged or after execution thereof stayed pending appeal, or such judgments are not discharged prior to the expiration of any such stay (provided that no Credit Extensions will be made prior to the discharge or stay of such fine, penalty, judgment, order or decree);

8.8 Misrepresentations. Any Loan Party has made any representation, warranty, or other statement in any Loan Document, any Bank Services Agreement or in any writing delivered to Bank, in order to induce Bank to enter this Agreement, any Loan Document or any Bank Services Agreement, and such representation, warranty, or other statement is incorrect in any material respect when made or deemed made;

8.9 Subordinated Debt. Any subordination or intercreditor agreement with respect to any Subordinated Debt shall for any reason be revoked or invalidated or otherwise cease to be in full force and effect (in each case, other than in accordance with its terms), any Person (other than Bank) shall be in breach thereof or contest in any manner the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations shall for any reason be subordinated or shall not have the priority contemplated by this Agreement or any applicable subordination or intercreditor agreement;

8.10 Loan Documents. Any Loan Document, or any material provision thereof, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in writing the validity or enforceability of any Loan Document or any Bank Services Agreement or, in either case, any provision thereof; or any Loan Party denies in writing that it has any or further liability or obligation under any Loan Document, or purports in writing to revoke, terminate or rescind any Loan Document;

8.11 Change in Control. The occurrence of a Change in Control;

8.12 Governmental Approvals and Healthcare Permits. Any Governmental Approval or Healthcare Permit shall have been revoked, rescinded, suspended, modified in an adverse manner or not renewed, in each case, that would reasonably be expected to cause a Material Adverse Change;

8.13 Delisting. The shares of common stock of Parent Guarantor are delisted from NASDAQ Global Select Market because of failure to comply with continued listing standards thereof or due to a voluntary delisting which results in such shares not being listed on any other nationally recognized exchange or market in the United States having listing standards at least as restrictive as NASDAQ Global Select Market.

Section 9**Bank's Rights and Remedies**.

9.1 Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Bank may, without notice or demand, do any or all of the following:

(a) declare all Obligations to be immediately due and payable (but if an Event of Default described in Section 8.5 occurs all Obligations shall be automatically and immediately due and payable without any action by Bank);

(b) stop advancing money or extending credit for Borrower's benefit under this Agreement or under any other agreement between Borrower and Bank;

(c) demand that Borrower (i) deposit cash with Bank in an amount equal to at least (A) one hundred five percent (105.0%) of the aggregate face amount of any letters of credit denominated in Dollars remaining undrawn, and (B) one hundred fifteen percent (115.0%) of the Dollar Equivalent of the aggregate face amount of any letters of credit denominated in a Foreign Currency remaining undrawn (plus, in each case, all interest, fees, and costs due or estimated by Bank to become due in connection therewith), to secure all of the Obligations relating to such letters of credit, as collateral security for the repayment of any future drawings under such letters of credit, and Borrower shall forthwith deposit and pay such amounts, and (ii) pay in advance all letter of credit fees scheduled to be paid or payable over the remaining term of any letters of credit;

(d) terminate any FX Contracts (it being understood and agreed that (i) Bank is not obligated to deliver the currency which Borrower has contracted to receive under any FX Contract, and Bank may cover its exposure for any FX Contracts by purchasing or selling currency in the interbank market as Bank deems appropriate; (ii) Borrower shall be liable for all losses, damages, costs, margin obligations and expenses incurred by Bank arising from Borrower's failure to satisfy its obligations under any FX Contract or the execution of any FX Contract; and (iii) Bank shall not be liable to Borrower for any gain in value of a FX Contract that Bank may obtain in covering Borrower's breach);

(e) verify the amount of, demand payment of and performance under, and collect any Accounts and General Intangibles, settle or adjust disputes and claims directly with Account Debtors for amounts on terms and in any order that Bank considers advisable, and notify any Person owing Borrower money of Bank's security interest in such funds;

(f) make any payments and do any acts it considers necessary or reasonable to protect or preserve the Collateral and/or its security interest in the Collateral. The Loan Parties shall assemble the Collateral if Bank requests and make it available as Bank designates. Bank may enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred. Each Loan Party grants Bank a license to enter and occupy any of its premises, without charge, to exercise any of Bank's rights or remedies;

(g) apply to the Obligations any (i) balances and deposits of any Loan Party it or any of its Affiliates (including without limitation HSBC Bank USA, N.A.) holds, or (ii) amount held by

Bank or any of its Affiliates (including without limitation HSBC Bank USA, N.A.) owing to or for the credit or the account of the Loan Parties;

(h) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral. For use solely upon the occurrence and during the continuation of an Event of Default, Bank is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, Patents, Copyrights, mask works, rights of use of any name, trade secrets, trade names, Trademarks, and advertising matter, or any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section 9.1, each Loan Party's rights under all licenses and all franchise agreements inure to Bank's benefit;

(i) place a "hold" on any account maintained with Bank or any of its Affiliates (including without limitation HSBC Bank USA, N.A.) and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral (other than deposit accounts exclusively used for payroll, payroll taxes, and other employee wage and benefit payments to or for the benefit of the Loan Parties' employees and identified to Bank by Borrower as such);

(j) demand and receive possession of the Books; and

(k) exercise all rights and remedies available to Bank under the Loan Documents or any Bank Services Agreement or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

9.2 Power of Attorney. Each Loan Party hereby irrevocably appoints Bank as its lawful attorney-in-fact, exercisable upon the occurrence and during the continuance of an Event of Default, to: (a) endorse such Loan Party's name on any checks or other forms of payment or security; (b) sign such Loan Party's name on any invoice or bill of lading for any Account or drafts against Account Debtors; (c) settle and adjust disputes and claims about the Accounts directly with Account Debtors; (d) make, settle, and adjust all claims under such Loan Party's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, and adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of Bank or a third party as the Code permits. Each Loan Party hereby appoints Bank as its lawful attorney-in-fact to sign such Loan Party's name on any documents necessary to perfect or continue the perfection of Bank's security interest in the Collateral regardless of whether an Event of Default has occurred until all Obligations (other than inchoate indemnity obligations, any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement) have been satisfied in full and Bank is under no further obligation to make Credit Extensions hereunder. Bank's foregoing appointment as such Loan Party's attorney-in-fact, and all of Bank's rights and powers, coupled with an interest, are irrevocable until all Obligations (other than inchoate indemnity obligations, any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement) have been fully repaid and performed and Bank's obligation to provide Credit Extensions terminates.

9.3 Protective Payments. If any Loan Party fails to obtain the insurance called for by Section 6.7 or fails to pay any premium thereon or fails to pay any other amount which such Loan Party is obligated to pay under this Agreement or any other Loan Document or which may be required to protect or preserve the Collateral, Bank may obtain such insurance or make such payment, and all amounts so paid by Bank are Bank Expenses and immediately due and payable, bearing interest at the then highest rate

applicable to the Obligations, and secured by the Collateral. Bank will make reasonable efforts to provide such Loan Party with notice of Bank obtaining such insurance at the time it is obtained or within a reasonable time thereafter. No payments by Bank are deemed an agreement to make similar payments in the future or Bank's waiver of any Event of Default.

9.4 Application of Payments and Proceeds Upon Default. If an Event of Default has occurred and is continuing, Bank shall have the right to apply in any order any funds in its and its Affiliates' possession and constituting Collateral (other than Excluded Accounts), whether from such Loan Party's account balances, payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, to the Obligations. Bank shall pay any surplus to the Loan Parties by credit to the Designated Deposit Account or to other Persons legally entitled thereto; the Loan Parties shall remain liable to Bank for any deficiency. If Bank, directly or indirectly, enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Bank shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Bank of cash therefor.

9.5 Bank's Liability for Collateral. So long as Bank complies with reasonable banking practices regarding the safekeeping of the Collateral in the possession or under the control of Bank, Bank shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. The Loan Parties bear all risk of loss, damage or destruction of the Collateral.

9.6 No Waiver; Remedies Cumulative. Bank's failure, at any time or times, to require strict performance by the Loan Parties of any provision of this Agreement or any other Loan Document or any Bank Services Agreement shall not waive, affect, or diminish any right of Bank thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the party granting the waiver and then is only effective for the specific instance and purpose for which it is given. Bank's rights and remedies under this Agreement, the other Loan Documents and any Bank Services Agreement are cumulative. Bank has all rights and remedies provided under the Code, by law, or in equity. Bank's exercise of one right or remedy is not an election and shall not preclude Bank from exercising any other remedy under this Agreement or other remedy available at law or in equity, and Bank's waiver of any Event of Default is not a continuing waiver. Bank's delay in exercising any remedy is not a waiver, election, or acquiescence.

9.7 Demand Waiver. Each Loan Party waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Bank on which such Loan Party is liable.

Section 10**Notices**.

All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address or email address indicated below. Bank or any Loan Party may change its mailing or electronic mail address by giving the other party written notice thereof in accordance with the terms of this Section 10.

If to any Loan Party:	ALX Oncology Inc. 323 Allerton Avenue South San Francisco, CA 94080 Attn: Harish Shantharam; Shelly Wong Email: [***]; [***]
With a copy to:	Wilson Sonsini Goodrich & Rosati, P.C. 650 Page Mill Road Palo Alto, CA 94304 Attn: Kathleen Rothman Email: [***]
If to Bank:	HSBC Ventures USA Inc. Attn: CMB Lending Services Larkin U Building 239 Van Rensselaer Street Buffalo, NY 14210 Email: [***]
With a copy to:	Morrison & Foerster LLP 200 Clarendon Street, Floor 21 Boston, MA 02116 Attn: David A. Ephraim, Esquire Email: [***]

Section 11**Choice of Law, Venue, and Jury Trial Waiver**.

This Agreement and the other Loan Documents and any claim, controversy, dispute or cause of action (whether in contract, tort or otherwise) arising out of or relating thereto (except, as to any Loan Document, as expressly set forth therein) and the transactions contemplated by such documents shall be governed by, and construed in accordance with, the law of the State of New York, without regard to conflicts of law principles except Title 14 of Article 5 of the New York General Obligations law. Each of the parties hereto hereby irrevocably and unconditionally submits to the exclusive jurisdiction of the State and Federal courts of the State of New York in connection with any action, suit or other proceeding arising out of or relating to this Agreement or any action taken or omitted hereunder and waives any claim of forum non conveniens and any objections as to laying of venue. Nothing in this Agreement shall affect any right Bank may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any of the Loan Parties or its properties in the courts of any jurisdiction. Each Loan Party expressly, irrevocably and unconditionally submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and each Loan Party hereby irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby irrevocably and unconditionally consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in, or subsequently provided by Borrower in accordance with, Section 10 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH LOAN PARTY AND BANK EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

Except as otherwise provided in any Loan Document, each Loan Party waives to the extent permitted by Applicable Law all rights and defenses (i) arising out of an election of remedies by Bank in accordance with the Loan Documents, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for a guaranteed obligation, has destroyed such Loan Party's rights of subrogation and reimbursement against any applicable Loan Party by the operation of Section 580 or 726 of the California Code of Civil Procedure or otherwise, and (ii) relating to any suretyship defenses available to it under the Code or any other Applicable Law, including, without limitation, the benefit of California Civil Code Section 2815 permitting revocation as to future transactions and the benefit of California Civil Code Sections 1432, 2787 through 2855, 2899 and 3433.

This Section 11 shall survive the termination of this Agreement.

Section 12**General Provisions**.

12.1 Irish Limitation: Notwithstanding anything to the contrary in this Agreement or the Loan Documents, the guarantees, obligations, liabilities and undertakings of any Irish Loan Party under any Loan Document shall be deemed not to be undertaken or incurred to the extent that the same would:

(a) constitute unlawful financial assistance prohibited by Section 82 of the Irish Companies Act; or

(b) constitute a breach of Section 239 of the Irish Companies Act,

provided that (in the case of both paragraphs (a) and/or (b) above), for the avoidance of doubt, to the extent that any such guarantees, obligations, liabilities and undertakings have been approved by the Summary Approval Procedure (as defined in the Irish Companies Act) they shall not constitute unlawful finance assistance under the said Section 82 or a breach of the said Section 239 (as applicable).

12.2 Termination Prior to Maturity Date; Survival. All covenants, representations and warranties made in this Agreement shall continue in full force until this Agreement has terminated pursuant to its terms and all Obligations (other than inchoate indemnity obligations, any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement) have been satisfied. So long as the Loan Parties have satisfied the Obligations (other than inchoate indemnity obligations, any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement), this Agreement may be terminated prior to the Term Loan Maturity Date by Borrower, effective three (3) Business Days after written notice of termination is given to Bank (which such notice may be conditioned upon the consummation of a transaction constituting a Change in Control, other transformative transaction or a refinancing of the Obligations). Those obligations that are expressly specified in this Agreement as surviving this Agreement's termination shall continue to survive notwithstanding this Agreement's termination.

12.3 Successors and Assigns. This Agreement binds and is for the benefit of the successors and permitted assigns of each party. No Loan Party may assign this Agreement or any rights or obligations under it without Bank's prior written consent (which may be granted or withheld in Bank's discretion). Bank has the right, without the consent of any Loan Party, to sell, transfer, assign, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights, and benefits under this Agreement and the other Loan Documents. So long as no Event of Default is continuing, Bank shall provide Borrower with five (5) Business Days' prior notice of any such assignment; provided that (a) the failure to provide such notice shall not affect the validity of such assignment or result in any liability of Bank and (b) no such notice shall be required in connection with any participation. Notwithstanding the above, Bank may at any time without notice to Borrower pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of Bank (or its Affiliates) including without limitation, any pledge or assignment to secure obligations to a Federal Reserve Bank in accordance with applicable law. Bank, acting solely for this purpose as an agent of Borrower, shall maintain a copy of each assignment or other transfer delivered to it and a register for the recordation of the names and addresses of the assignee(s), transferee(s), participant(s) or other recipient(s), and the commitments of, and principal amounts (and stated interest) of the Credit Extensions owing to, each such assignee, transferee, participant or other recipient pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and Borrower and Bank shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by Borrower, Bank and any assignee, at any reasonable time and from time to time upon reasonable prior notice. This Section 12.3 shall be construed so that the Credit Extensions are at all times maintained in "registered form" within the meaning of Section 5f.103-1(c) or proposed Section 1.163-5(b) of the U.S. Treasury Regulations promulgated under the IRC. Each lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the loans or other obligations under the Loan Documents (the "Participant Register"); provided that no such lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

12.4 Indemnification. Each Loan Party agrees to indemnify, defend and hold Bank and its directors, officers, employees, agents, attorneys, or any other Person affiliated with or representing Bank (each, an "Indemnified Person") harmless against: (a) all obligations, demands, claims, and liabilities (collectively, "Claims") claimed or asserted by any other party under or in connection with the transactions contemplated by the Loan Documents and any Bank Services Agreement; and (b) all losses or expenses (including Bank Expenses) in any way suffered, incurred, or paid by such Indemnified Person as a result of, following from, or arising from transactions between Bank and any Loan Party (including reasonable attorneys' fees and expenses) under or in connection with the Loan Documents and any Bank Services Agreement, except for Claims and/or losses directly (x) caused by any Indemnified Person's gross negligence or willful misconduct as determined by a final and non-appealable decision of a court of competent jurisdiction or (y) resulting from a claim brought by a Loan Party against an Indemnified Person for any material breach of such Indemnified Person's obligations hereunder or under another Loan Document, if such Loan Party has obtained a final and non-appealable judgment in its favor on such claim as determined by a court of competent jurisdiction. This Section 12.4 shall not apply with respect to Taxes other than any Taxes that represent losses or expenses arising from any non-Tax claim.

This Section 12.4 shall survive until all statutes of limitation with respect to the Claims, losses, and expenses for which indemnity is given shall have run.

12.5 Time of Essence. Time is of the essence for the performance of all Obligations in this Agreement.

12.6 Severability of Provisions. Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

12.7 Correction of Loan Documents. Bank may, following prior written notice to Borrower, correct patent errors and fill in any blanks in the Loan Documents consistent with the agreement of the parties.

12.8 Amendments in Writing; Waiver; Integration. No purported amendment or modification of any Loan Document, or waiver, discharge or termination of any obligation under any Loan Document, shall be enforceable or admissible unless, and only to the extent, expressly set forth in a writing signed by the party against which enforcement or admission is sought. Without limiting the generality of the foregoing, no oral promise or statement, nor any action, inaction, delay, failure to require performance or course of conduct shall operate as, or evidence, an amendment, supplement or waiver or have any other effect on any Loan Document. Any waiver granted shall be limited to the specific circumstance expressly described in it, and shall not apply to any subsequent or other circumstance, whether similar or dissimilar, or give rise to, or evidence, any obligation or commitment to grant any further waiver. The Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of the Loan Documents merge into the Loan Documents.

12.9 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement.

12.10 Confidentiality. In handling any confidential information regarding the Loan Parties and their respective Subsidiaries and their business, Bank shall exercise the same degree of care that it exercises for its own proprietary information, but disclosure of information may be made: (a) to Bank's Subsidiaries or Affiliates (such Subsidiaries and Affiliates, together with Bank, collectively, "Bank Entities") (provided that such Bank Entities have agreed to the terms of this provision or to terms substantially the same as those of this provision); (b) to prospective transferees or purchasers of any interest in the Credit Extensions (provided, however, Bank shall obtain any prospective transferee's or purchaser's agreement to the terms of this provision or to terms substantially the same as those of this provision); (c) as required by law, regulation, subpoena, or other order; (d) to Bank's regulators or as otherwise required in connection with Bank's examination or audit; (e) as Bank considers appropriate in exercising remedies under the Loan Documents; and (f) to third-party service providers of Bank so long as such service providers have executed a confidentiality agreement with Bank with terms no less restrictive than those contained herein. Confidential information does not include information that is either: (i) in the public domain or in Bank's possession when disclosed to Bank, or becomes part of the public domain (other than as a result of its disclosure by Bank in violation of this Agreement) after disclosure to Bank; or (ii) disclosed to Bank by a third party, if Bank does not know that the third party is prohibited from disclosing the information. Bank Entities may use confidential information for the development of databases, reporting purposes, and market analysis so long as such confidential information is aggregated and anonymized prior to distribution unless otherwise expressly permitted by Borrower. The provisions of the immediately preceding sentence shall survive the termination of this Agreement.

12.11 Taxes.

(a) Except as required by applicable law, any and all payments by any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes. If any applicable law requires the deduction or withholding of any Tax from any such payment by any Loan Party, then the applicable Loan Party shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, and, if such Tax is imposed on or with respect to any payment made by or on account of any obligation of such Loan Party under any Loan Document or Other Taxes (an "Indemnified Tax"), then the sum payable by such Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section), Bank receives an amount equal to the sum it would have received had no such deduction or withholding been made; provided, however, that no participant shall be entitled to receive any greater payment under this Section 12.11(a) with respect to any participation than the participating or assigning Bank would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the participant acquired the applicable participation. For purposes of this Section 12.11, the term "applicable law" includes FATCA. Notwithstanding anything in the Loan Documents, Indemnified Taxes shall not include Excluded Taxes.

(b) Each Loan Party hereby indemnifies Bank, within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by Bank or required to be withheld or deducted from a payment to Bank and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. Promptly upon having knowledge that any such Indemnified Taxes have been levied, imposed or assessed, and promptly upon notice by Bank, such Loan Party shall pay such Indemnified Taxes directly to the relevant taxing authority or Governmental Authority; provided that Bank shall not be under any obligation to provide any such notice to any Loan Party. A certificate as to the amount of such payment or liability delivered to Borrower by Bank shall be conclusive absent manifest error.

(c) If Bank is entitled to an exemption from or reduction of withholding tax with respect to payments made under any Loan Document, at Borrower's request Bank shall deliver to Borrower at the time or times reasonably requested by Borrower, such properly completed and executed documentation reasonably requested by Borrower as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, Bank, if reasonably requested by Borrower, shall deliver such other documentation prescribed by applicable law or reasonably requested by Borrower as will enable Borrower to determine whether or not Bank is subject to backup withholding or information reporting requirements. Each Person that becomes a successor, assignee or participant (or other transferee) of Bank pursuant to Section 12.3 shall, upon the effectiveness of the related transfer, be required to provide all the forms and statements required pursuant to this Section 12.11(c), as if it were "Bank" (it being understood that for participants the documentation required under this Section shall be delivered to the participating Bank). Without limiting the generality of the foregoing, Bank shall deliver whichever of IRS Form W-9, IRS Form W-8BEN-E, IRS Form W-8ECI or IRS Form W-8IMY is applicable, as well as any applicable supporting documentation or certifications. If any payment made under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if Bank were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the IRC, as applicable), Bank shall deliver to the Borrower at the time or times prescribed by law and at such time or times reasonably requested by the Borrower such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the IRC) and such additional documentation reasonably requested by the Borrower as may be necessary for the Borrower to comply with its obligations

under FATCA and to determine that Bank has complied with Bank's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this paragraph (c), "FATCA" shall include any amendments made to FATCA after the date of this Agreement. Bank agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower in writing of its legal inability to do so.

(d) As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section, the applicable Loan Party shall deliver to Bank the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to Bank.

(e) If Bank determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 12.11 (including by the payment of additional amounts pursuant to this Section), it shall pay to Borrower an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of Bank and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Borrower, upon the request of Bank, shall repay to Bank the amount paid over pursuant to this paragraph (e) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that Bank is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will Bank be required to pay any amount to Borrower pursuant to this paragraph (e) the payment of which would place Bank in a less favorable net after-Tax position than Bank would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require Bank to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to Borrower or any other Person.

(f) Each party's obligations under this Section shall survive any assignment of rights by, or the replacement of, Bank, the termination of the Credit Extensions and the repayment, satisfaction or discharge of all obligations under any Loan Document.

12.12 Attorneys' Fees, Costs and Expenses. In any action or proceeding between any Loan Party and Bank arising out of or relating to the Loan Documents, Bank shall be entitled to recover its reasonable attorneys' fees and other costs and expenses incurred, in addition to any other relief to which it may be entitled, including without limitation, in connection with any appeals, and the enforcement of any judgment or similar order.

12.13 Waiver of Consequential Damages, Etc. To the fullest extent permitted by Applicable Law, the Borrower shall not assert, and hereby waives, any claim against Bank, or any Affiliate of Bank, any of their respective officers, directors, managers, employees, agents, attorneys or representatives, of any of the foregoing Persons (each such Person being called a "Protected Person"), on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any loan or Letter of Credit, or the use of the proceeds thereof. No Protected Person shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in

connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

12.14 Electronic Execution of Documents. The words "execution," "signed," "signature" and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act.

12.15 Right of Setoff. Each Loan Party hereby grants to Bank a Lien and a right of offset, whether by setoff, recoupment or otherwise ("Setoff"), as security for all Obligations to Bank, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Bank or any entity under the control of or under common control with Bank (including HSBC Bank USA, N.A. and any other subsidiary or affiliate of Bank) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Bank may Setoff the same or any part thereof (other than amounts in deposit accounts exclusively used for payroll, payroll taxes, and other employee wage and benefit payments to or for the benefit of such Loan Party's employees and identified to Bank by Borrower as such) and apply the same to any liability or Obligation of such Loan Party even though unmatured and regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE BANK TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF ANY LOAN PARTY, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.

12.16 Appointment of Process Agent:

(a) The Irish Guarantor and each other Irish Loan Party (for the purposes of this Section 12.16 each an "**Appointing Party**") hereby appoints the Borrower to act as process agent ("**Process Agent**") to accept service of process issued out of any court in the State of New York in respect of any legal action or proceedings arising out of or in connection with any of the Loan Documents, or any ancillary documents or notices in relation to them.

(b) Upon receipt of any service of process issued out of any court in the State of New York addressed to an Appointing Party arising out of or in connection with any of the above documents, the Process Agent shall accept such service and promptly, and no later than three Business Days after the date of receipt, notify the relevant Appointing Party by international courier, certified U.S. mail, postage prepaid, or by electronic mail at the address for delivery or email address referred to in Section 10.

(c) Following such notification the Process Agent shall as soon as practicable, and no later than three Business Days after the date of receipt, confirm the acceptance of such service to the relevant Appointing Party by international courier, certified U.S. mail, postage prepaid, or by electronic mail enclosing the documents (or attaching a pdf scan of the same if sent by electronic mail) which the Process Agent has received in connection with service of process.

(d) None of the Irish Guarantor, any Irish Loan Party or the Process Agent may terminate this appointment without having previously notified the Administrative Agent in writing of a new address for service within the jurisdiction of the courts of New York.

12.17 Captions. The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

12.18 Construction of Agreement. The parties mutually acknowledge that they and their attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty this Agreement shall be construed without regard to which of the parties caused the uncertainty to exist.

12.19 Relationship. The relationship of the parties to this Agreement is determined solely by the provisions of this Agreement. The parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm's-length contract.

12.20 Third Parties. Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

12.21 Patriot Act; Compliance with Sanctions. Pursuant to the requirements of the Patriot Act, Borrower must provide information to Bank that enables it to verify identification information concerning Borrower, including the name and address of Borrower and other information that will allow Bank to identify Borrower in accordance with the Patriot Act.

12.22 Marketing Consent. Borrower hereby authorizes Bank, at its sole expense, but without any prior approval by Borrower, to publish such tombstones and give such other publicity to this Agreement as it may from time to time determine in its sole discretion. The foregoing authorization shall remain in effect unless and until Borrower notifies Bank in writing that such authorization is revoked.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal as of the Effective Date.

BORROWER:

ALX ONCOLOGY INC.

By **/s/ Jason Lettmann**
Name: Jason Lettmann
Title: Chief Executive Officer

GUARANTOR:

ALX ONCOLOGY HOLDINGS INC.

By **/s/ Jason Lettmann**
Name: Jason Lettmann
Title: Chief Executive Officer

ALX ONCOLOGY LIMITED

By **/s/ Jason Lettmann**
Name: Jason Lettmann
Title: Chief Executive Officer

BANK:

HSBC VENTURES USA INC.

By **/s/ Gracie Georgi**
Name: Gracie Georgi
Title: Vice President

EXHIBIT A

COLLATERAL DESCRIPTION

The Collateral consists of all of each Loan Party's right, title and interest in and to the following personal property:

(a) (i) all goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles (except as provided below), commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, certificates of deposit, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, securities accounts, securities entitlements and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and (ii) all Books relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

(b) Notwithstanding the foregoing, the Collateral does not include (i) rights held under a license or other agreement that are not assignable by their terms without the consent of the licensor thereof or counterparty thereto (but only to the extent such restriction on assignment is enforceable under Applicable Law); (ii) any interest of a Loan Party as a lessee or sublessee under a real property lease; (iii) consents, authorizations, approvals, orders, licenses, franchises, permits, certificates, accreditations, registrations, filings or notice (collectively, "Approvals") issued by or from any governmental or regulatory authority if granting a security interest or Lien thereon is prohibited or would expose a Loan Party to the risk of termination, revocation or any similar result with respect to such Approval; provided, however, that upon termination of such prohibition, such interest shall immediately become Collateral without any action by the Loan Parties or Bank; (iv) any interest of a Loan Party as a lessee under an Equipment lease if such Loan Party is prohibited by the terms of such lease from granting a security interest in such lease or the Equipment subject thereto or under which such an assignment or Lien would cause a default to occur under such lease; provided, however, that upon termination of such prohibition, such interest shall immediately become Collateral without any action by the Loan Parties or Bank; (v) any LC Collateral Account, or (vi) any Intellectual Property; provided, however, the Collateral shall include all Accounts and all proceeds of Intellectual Property. If a judicial authority (including a U.S. Bankruptcy Court) would hold that a security interest in the underlying Intellectual Property is necessary to have a security interest in such Accounts and such property that are proceeds of Intellectual Property, then the Collateral shall automatically, and effective as of the Effective Date, include the Intellectual Property to the extent necessary to permit perfection of Bank's security interest in such Accounts and such other property of each Loan Party that are proceeds of the Intellectual Property.

Exhibit 31.1

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

I, Jason Lettmann, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ALX Oncology Holdings 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 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) 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) 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) 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) 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 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 (or persons performing the equivalent functions):

   (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) 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: August 6, 2026

By: /s/ Jason Lettmann

Jason Lettmann
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

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

I, Harish Shantharam, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ALX Oncology Holdings 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 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) 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) 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) 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) 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 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 (or persons performing the equivalent functions):

   (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) 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: August 6, 2026

By: /s/ Harish Shantharam

Harish Shantharam
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION 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 ALX Oncology Holdings Inc. (the "Company"), on Form 10-Q for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: August 6, 2026

By: /s/ Jason Lettmann

Jason Lettmann
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION 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 ALX Oncology Holdings Inc. (the "Company"), on Form 10-Q for the period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: August 6, 2026

By: /s/ Harish Shantharam

Harish Shantharam
Chief Financial Officer
(Principal Financial Officer)