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

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

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

For the fiscal year ended December 31, 2023

OR

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

for the transition period from _____to_____

OR

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

Date of event requiring this shell company report

Commission file number 001-38475

ASLAN Pharmaceuticals Limited

(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English)

Cayman Islands
(Jurisdiction of incorporation)

3 Temasek Avenue Level 18 Centennial Tower
Singapore 039190
(address of principal executive offices)

Carl Firth
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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
American Depositary Shares (ADSs), each representing twenty-five ordinary shares, par value $0.01 per share	**ASLN**	**The Nasdaq Capital Market**
Ordinary shares, par value $0.01 per share *		**The Nasdaq Capital Market ***

* Not for trading, but only in connection with the registration of the American Depositary Shares.

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

Indicate the number of outstanding shares of each of the issuer's classes of capital stock or common stock as of the close of business covered by the annual report.

The number of outstanding ordinary shares of the registrant, par value $0.01 per share, as of December 31, 2023 was 587,074,700 (representing 23,482,987 ADSs), comprised of (i) 439,926,480 ordinary shares (representing 17,597,059 ADSs) that are fully paid, issued and outstanding and (ii) 147,148,220 ordinary shares (representing 5,885,928 ADSs) that are outstanding and have been issued to JPMorgan Chase Bank, N.A., as depositary, for future sales and issuances of ADSs, if any, as further described in this annual report. As of December 31, 2023, 428,500,435 ordinary shares were held in the form of 17,140,017 ADSs.

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

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T 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, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, 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. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

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

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

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

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board ☒	Other ☐

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow. Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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GENERAL INFORMATION

Unless otherwise indicated or the context otherwise requires, all references in this Annual Report to the terms "ASLAN," "ASLAN Pharmaceuticals," "the company," "we," "us" and "our" refer to ASLAN Pharmaceuticals Limited and its subsidiaries.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Our consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standard Board (IASB), which may differ in material respects from generally accepted accounting principles in other jurisdictions, including the United States.

Our functional currency is the U.S. dollar. Unless otherwise specified, all monetary amounts presented are in U.S. dollars. All references in this Annual Report to "$" mean U.S. dollars, and all references in this Annual Report to "SG$" mean Singapore dollars, the legal currency of Singapore. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding.

We have made rounding adjustments to some of the figures included in this Annual Report. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

On March 13, 2023, we effected a change to the ratio of our American Depositary Shares (ADSs) to our ordinary shares from one ADS representing five ordinary shares to one ADS representing twenty-five ordinary shares (or the ADS Ratio Change). Except as otherwise indicated, all information in this Annual Report gives retroactive effect to the ADS Ratio Change.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act), that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements by the words "may," "might," "will," "could," "would," "should," "expect," "intend," "plan," "objective," "anticipate," "believe," "estimate," "predict," "potential," "continue" and "ongoing," or the negative of these terms, or other comparable terminology intended to identify statements about the future. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. The forward-looking statements and opinions contained in this Annual Report on Form 20-F are based upon information available to us as of the date of this Annual 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. Forward-looking statements include statements about:

- The outcome, cost and timing of our product development activities and clinical trials;
- Our plans and expected timing with respect to regulatory filings and approvals;
- Our ability to fund our operations;
- Our plans to develop and commercialize our product candidates and expand our development pipeline;
- Our ability to enter into a transaction with respect to commercialization of our products and product candidates;
- The size and growth potential of the markets for our product candidates, and our ability to serve those markets;
- Our sales and marketing strategies and plans;
- Potential market acceptance of our product candidates;
- Potential regulatory developments in the United States and foreign countries;
- The performance of our third-party suppliers and manufacturers;

- Our ability to compete with other therapies that are or become available;
- Our expectations regarding the periods during which we qualify, or do not qualify, as a foreign private issuer under U.S. securities laws or a passive foreign investment company (PFIC) for U.S. federal income tax purposes;
- Our estimates regarding expenses, future revenue, capital requirements and needs for additional financing;
- Our expectations regarding the terms of our patents and ability to obtain and maintain intellectual property protection for our product candidates; and
- The impact of health epidemics or pandemics on our operations, research and development and clinical trials and potential disruption in the operations and business of third-party manufacturers, contract research organizations, other service providers and collaborators with whom we conduct business.

You should refer to the section titled "Item 3.D. – Risk Factors" for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this Annual Report will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. We claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 for all forward-looking statements.

You should read this Annual Report and the documents that we reference in this Annual Report, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Unless otherwise indicated, information contained in this Annual Report on Form 20-F concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market size estimates, is based on information from independent industry analysts, third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us based on such data and our knowledge of such industry and market, which we believe to be reasonable. In addition, while we believe the market opportunity information included in this Annual Report on Form 20-F is generally reliable and is based on reasonable assumptions, such data involve risks and uncertainties and are subject to change based on various factors, including those discussed under the section of this Annual Report on Form 20-F titled "Item 3.D. – Risk Factors."

SUMMARY OF RISK FACTORS

Investing in our shares involves numerous risks, including the risks described in "Item 3.D - Risk Factors" of this Annual Report on Form 20-F. Below are some of our principal risks, any one of which could materially adversely affect our business, financial condition, results of operations, and prospects:

- We have incurred significant losses since our inception and anticipate that we will continue to incur significant losses for the foreseeable future.
- Our need for additional capital raises substantial doubt about our ability to continue as a going concern. We will need to obtain substantial additional financing for our operations, and if we fail to obtain additional financing, we may be forced to delay, reduce or eliminate our product development programs or commercialization efforts.
- We currently do not generate any revenue from product sales, have generated only limited revenue since inception, and may never be profitable.

- We are heavily dependent on the success of our two product candidates, *eblasakimab* (also known as ASLAN004) and *farudodstat* (also known as ASLAN003) and we cannot give any assurance that *eblasakimab* or *farudodstat* will successfully complete clinical development or receive regulatory approval, which is necessary before they can be commercialized.
- Clinical development is a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results. Failure can occur at any stage of clinical development. We have never completed a pivotal clinical trial for our product candidates or submitted a New Drug Application (NDA) or a Biologics License Application (BLA) to the U.S. Food and Drug Administration (U.S. FDA) or similar drug approval filings to comparable foreign authorities.
- Delays in clinical trials are common and have many causes, and any delay could result in increased costs to us and jeopardize or delay our ability to obtain regulatory approval and commence product sales.
- The regulatory approval processes of the U.S. FDA and comparable foreign authorities are lengthy, time consuming and inherently unpredictable, and if we are ultimately unable to obtain regulatory approval for our product candidates, our business will be substantially harmed.
- We rely on third parties to conduct our preclinical studies and clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed.
- If we are unable to obtain or protect intellectual property rights related to our current product candidates or any future product candidates which we may develop, we may not be able to compete effectively in our market.
- If we are unable to regain compliance with the listing requirements of the Nasdaq Capital Market, our ADSs may remain delisted from the Nasdaq Capital Market which could have a material adverse effect on our financial condition and could make it more difficult for you to sell your shares.
- You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law, we conduct the majority of our operations, and substantially all of our directors and executive officers reside, outside of the United States.
- We qualify as a foreign private issuer and, as a result, we are not subject to U.S. proxy rules and are subject to Exchange Act reporting obligations that permit less detailed and frequent disclosures than those of a U.S. domestic public company.
- Our business is subject to economic, political, regulatory and other risks associated with international operations.
- Our business could continue to be adversely affected by the effects of health pandemics or epidemics.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. [Reserved]

B. Capitalization and Indebtedness.

Not applicable

C. Reasons for the Offer and Use of Proceeds.

Not applicable

D. Risk Factors.

An investment in our American Depositary Shares (ADSs) involves a high degree of risk. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations and/or prospects or cause our actual results to differ materially from those contained in forward-looking statements we have made in this report and those we may make from time to time. In such an event, the market price of our ADSs or ordinary shares could decline and you may lose all or part of your investment. You should consider all of the risk factors described when evaluating our business.

Risks Related to Our Financial Condition and Need for Additional Capital

We have incurred significant losses since our inception and anticipate that we will continue to incur significant losses for the foreseeable future.

We are a clinical-stage immunology focused biopharmaceutical company developing innovative treatments to transform the lives of patients. Investment in biopharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will not demonstrate adequate effectiveness in the targeted indication or an acceptable safety profile, gain regulatory approval or become commercially viable. All of our product candidates will require substantial additional development time and resources before we would be able to apply for or receive regulatory approvals and begin generating revenue from product sales. We are not profitable and have incurred net losses in each year since our inception, including net losses of $31.6 million, $51.4 million and $44.2 million for fiscal years 2021, 2022 and 2023, respectively. As of December 31, 2022 and 2023, we had an accumulated deficit of $278.4 million and $321.1 million, respectively.

We have devoted substantially all our financial resources to developing our product candidates and targeted discovery work, including preclinical development activities and clinical trials. We expect to continue to incur substantial expenses, losses and negative cash flows as we expand our development activities and advance our clinical programs, particularly with respect to our planned clinical development for *eblasakimab* (also known as ASLAN004) and *farudodstat* (also known as ASLAN003). If our product candidates are not successfully developed or commercialized, including because of a lack of capital, or if we do not generate enough revenue following marketing approval, we will not achieve profitability and our business may fail.

Our need for additional capital raises substantial doubt about our ability to continue as a going concern. We will need to obtain substantial additional financing for our operations, and if we fail to obtain additional financing, we may be forced to delay, reduce or eliminate our product development programs or commercialization efforts.

Developing pharmaceutical products, including conducting preclinical studies and clinical trials, is expensive and we have consumed substantial amounts of capital since inception. To date, we have funded primarily through public and private offerings. We will need substantial additional financing to continue our operations and do not expect revenues from product sales or potential licensing transactions to be sufficient to offset our development expenses as we advance our clinical programs.

This Form 20-F includes disclosures regarding management's assessment of our ability to continue as a going concern as our current liquidity position and recurring losses from operations since inception and negative cash flows from operating activities raise substantial doubt about our ability to continue as a going concern. We had approximately $21.3 million of cash and cash equivalents as of December 31, 2023. As we are in the clinical research and development phase, we will be seeking future funding based on the requirements of our business operations. We intend to continue to explore various means of fundraising to meet our funding requirements to carry out our business operations, such as offerings of ADSs pursuant to at-the-market offerings, follow-on offerings of ordinary shares, venture debt and shareholder loans. We may also use other means of financing such as out-licensing to generate revenue and cash. We have the ability to exercise discretion and flexibility to deploy our capital resources used in research and development activities according to the amount and timing of our financing activities. Based on our current operating plans, we believe our cash and cash equivalents may not be sufficient to fund our operations for the period one year following the issuance of the accompanying financial statements. Specifically, we believe our existing resources will not be sufficient to fund our operating expenses and capital expenditure requirements and meet our obligations for at least the next twelve months from December 31, 2023 unless we raise additional funds. Our future viability depends on our ability to raise additional capital to finance our operations. Regardless of our expectations as to how long our existing cash and cash equivalents will fund our operations, changing circumstances beyond our control may cause us to consume capital more rapidly than we currently anticipate. For example, our clinical trials may encounter technical, enrollment or other difficulties that could increase our development costs more than we expect. In any event, we will require additional capital prior to completing pivotal studies of, filing for regulatory approval for, or commercializing *farudodstat* and *eblasakimab*.

We cannot guarantee that future financing will be available in sufficient amounts or on terms acceptable to us, if at all. If we are unable to raise additional capital when required or on acceptable terms, we may be required to:

- Significantly delay, scale back or discontinue the development or commercialization of our product candidates;
- Seek corporate partners for our product candidates when we would otherwise develop our product candidates on our own, or at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available;
- Relinquish or license on unfavorable terms, our rights to technologies or product candidates that we otherwise would seek to develop or commercialize ourselves; or
- Significantly curtail or cease operations.

If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we will be prevented from pursuing development and commercialization efforts, which will have an adverse effect on our business, operating results and prospects.

We currently do not generate any revenue from product sales, have generated only limited revenue since inception, and may never be profitable.

We do not anticipate generating revenue from sales of our proprietary product candidates for the foreseeable future. Our ability to generate future revenue from product sales depends on our success in completing clinical development of, obtaining regulatory approval for, and launching and successfully commercializing any product candidates.

Because of the numerous risks and uncertainties associated with pharmaceutical product development, we are unable to predict the timing or amount of increased expenses, when, or if, we will begin to generate revenue from product sales, or when, or if, we will be able to achieve or maintain profitability. In addition, our expenses could increase beyond planned levels if we are required by the U.S. FDA to perform studies in addition to those that we currently anticipate or if such studies are larger, take longer or are otherwise more expensive to conduct than we expect.

Even if one or more of our product candidates is approved for commercial sale, to the extent we do not engage a third-party collaborator, we anticipate incurring significant costs associated with commercializing any approved product candidate. Even if we are able to generate revenue from the sale of any approved products, we may not become profitable and may need to obtain additional funding to continue operations.

Risks Related to Clinical Development and Regulatory Approval

We are heavily dependent on the success of our two product candidates, eblasakimab (also known as ASLAN004) and farudodstat (also known as ASLAN003) and we cannot give any assurance that eblasakimab or farudodstat will successfully complete clinical development or receive regulatory approval, which is necessary before they can be commercialized.

Our business and future success is substantially dependent on our ability to successfully develop, obtain regulatory approval for, and successfully commercialize *eblasakimab* and *farudodstat*. Any delay or setback in the development of *eblasakimab* or *farudodstat* could materially and adversely affect our business and operations and cause the price of our ADSs or ordinary shares to decline. Should our planned clinical development of *eblasakimab* and *farudodstat* fail to be completed in a timely manner or at all, we will need to acquire new preclinical product candidates, which will require additional time and resources to obtain regulatory approval and proceed with commercialization. We cannot assure you that our planned clinical development for our product candidates will be completed in a timely manner in our current indications, or at all, or that we will be able to obtain approval for any of our product candidates from the U.S. FDA, or any comparable foreign regulatory authority.

Clinical development is a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results. Failure can occur at any stage of clinical development. We have never completed a large scale pivotal clinical trial for any product candidates or submitted an NDA or a BLA to the U.S. FDA or similar drug approval filings to comparable foreign authorities.

Clinical testing is expensive and takes many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of preclinical studies and early clinical trials of our product candidates may not be predictive of the results of subsequent clinical trials. We have a limited operating history and to date have not demonstrated our ability to complete large scale pivotal clinical trials.

Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. In addition to the safety and efficacy traits of any product candidate, clinical trial failures may result from a multitude of factors, including flaws in trial design, dose selection, placebo effect and patient enrollment criteria. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Based upon negative or inconclusive results, we or any potential future collaborator may decide, or regulators may require us, to conduct additional clinical trials or preclinical studies. In addition, data obtained from trials and studies are susceptible to varying interpretations, and regulators may not interpret our data as favorably as we do, which may delay, limit or prevent regulatory approval. Our future clinical trials may not be successful.

If any product candidate is found to be unsafe or lack efficacy, we will not be able to obtain regulatory approval for it and our business may be materially harmed. For example, if the results of our Phase 2 clinical trial of *farudodstat* in alopecia areata (AA) or any other clinical trials for our product candidates, demonstrate unexpected safety findings or do not achieve the primary efficacy endpoints, the prospects for approval of these product candidates, as well the price of our ADSs and ordinary shares and our ability to create shareholder value would be materially and adversely affected.

In some instances, there can be significant variability in safety and/or efficacy results between different trials of the same product candidate due to numerous factors, including changes in trial protocols, differences in composition of the patient populations, adherence to the dosing regimen and other trial protocols and the dropout rate among clinical trial participants. For example, we could be required to use a primary endpoint in our pivotal trials that is different from endpoints in our Phase 2 clinical trials, which could result in negative or less compelling efficacy results in pivotal trials despite promising results in Phase 2 clinical trials. We do not know whether any future clinical trials we may conduct will demonstrate consistent or adequate efficacy and safety to obtain regulatory approval to market our product candidates. If we are unable to complete clinical development for any of our current or future product candidates, our ability to create long-term shareholder value will be limited.

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

From time to time, we may publicly disclose preliminary or top-line data from our preclinical studies and clinical trials, which is based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the top-line or preliminary results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated.

Top-line 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. As a result, top-line data should be viewed with caution until the final data are available.

From time to time, we may also disclose interim data from our preclinical studies and clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available or as patients from our clinical trials continue other treatments for their disease. Material and adverse differences between preliminary or interim data and final data could significantly harm our business prospects. Further, disclosure of interim data by us or by our competitors could result in volatility in the price of our ADSs or ordinary shares.

Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimations, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular product candidate or product and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure. If the interim, top-line, or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition.

Delays in clinical trials are common and have many causes, and any delay could result in increased costs to us and jeopardize or delay our ability to obtain regulatory approval and commence product sales.

We may experience delays in clinical trials of our product candidates. Our planned clinical trials may not begin on time, have an effective design, enroll a sufficient number of patients, or be completed on schedule, if at all. Our clinical trials can be delayed for a variety of reasons, including:

- Inability to raise funding necessary to initiate or continue a trial;
- Delays in obtaining regulatory approval to commence a trial;
- Delays in reaching agreement with the U.S. FDA or other regulatory authorities on final trial design;
- Imposition of a clinical hold for safety reasons or following an inspection of our clinical trial operations or trial or manufacturing sites by the U.S. FDA or other regulatory authorities;

- Delays in reaching agreement on acceptable terms with prospective contract research organizations (CROs) and clinical trial sites;
- Delays in obtaining required institutional review board (IRB) approval at each site;
- Delays in recruiting suitable patients to participate in a trial;
- Delays in having patients complete participation in a trial or return for post-treatment follow-up;
- Clinical sites dropping out of a trial to the detriment of enrollment;
- Time required to add new clinical sites;
- Delays by our contract manufacturers to produce and deliver sufficient supply of clinical trial materials; or
- Disruptions caused by man-made or natural disasters or public health epidemics or pandemics or other business interruptions, including, for example, the ongoing conflicts between Ukraine and Russia and in the Middle East.

We could also experience delays if physicians encounter unresolved ethical issues associated with enrolling patients in clinical trials of our product candidates in lieu of prescribing existing treatments that have established safety and efficacy profiles. Further, a clinical trial may be suspended or terminated by us, the IRBs for the institutions in which such trials are being conducted, recommended for termination by any data monitoring committee for such trial, or by the U.S. FDA or other regulatory authorities due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of clinical trial or manufacturing sites by the U.S. FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a product candidate, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. Furthermore, we rely on CROs and clinical trial sites to ensure the proper and timely conduct of our clinical trials and while we have agreements governing their committed activities, we have limited influence over their actual performance. If we experience termination of, or delays in the completion of, any clinical trial of our product candidates, the commercial prospects for our product candidates will be harmed, and our ability to generate product revenues will be delayed. In addition, any delays in completing our clinical trials will increase our costs and slow down our product development and approval process. Any of these occurrences may harm our business, prospects, financial condition and results of operations significantly.

Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval for our product candidates.

Because we have multiple product candidates in our pipeline and are considering a variety of target indications, 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 must focus our research and development efforts on those product candidates and specific indications that we believe are the most promising. As a result, we may forego or delay pursuit of opportunities with other product candidates or other indications that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities.

We may in the future spend our resources on other research programs and product candidates for specific indications that ultimately do not yield any commercially viable products. Furthermore, if we do not accurately evaluate the commercial potential or target addressable 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.

Our product candidates may cause adverse events or have other properties that could delay or prevent their regulatory approval or limit the scope of any approved label or market acceptance.

Adverse events (AEs) caused by our product candidates or other potentially harmful characteristics of our product candidates could cause us, other reviewing entities, clinical trial sites or regulatory authorities to interrupt, delay or halt clinical trials and could result in the denial of regulatory approval.

Serious AEs observed in any of our clinical trials may adversely impact our ability to obtain regulatory approval for our product candidates. Further, if any of our approved products cause serious or unexpected side effects after receiving market approval, a number of potentially significant negative consequences could result, including:

- Regulatory authorities may withdraw their approval of the product or impose restrictions on its distribution;
- Regulatory authorities may require the addition of labeling statements, such as warnings or contraindications;
- We may be required to change the way the product is administered or conduct additional clinical studies;
- We could be sued and held liable for harm caused to patients; or
- Our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the affected product candidate and could substantially increase the costs of commercializing our product candidates.

The regulatory approval processes of the U.S. FDA and comparable foreign authorities are lengthy, time consuming and inherently unpredictable, and if we are ultimately unable to obtain regulatory approval for our product candidates, our business will be substantially harmed.

The time required to obtain approval by the U.S. FDA and comparable foreign authorities is unpredictable but typically takes many years following the commencement of clinical trials and depends upon numerous factors, including the substantial discretion of the regulatory authorities. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. For example, we cannot guarantee that our Phase 2b clinical trial of *eblasakimab* in atopic dermatitis (AD) will be sufficient to allow subsequent development or that the U.S. FDA or comparable foreign regulatory authorities will not require additional or different clinical trials prior to subsequent development of *eblasakimab* or that the required primary endpoints in subsequent pivotal trials or other clinical trials will not be different than those in Phase 2 clinical trials.

Our product candidates could fail to receive regulatory approval for many reasons, including the following:

- The U.S. FDA or comparable foreign regulatory authorities may disagree with the design, scope or implementation of our clinical trials;
- We may be unable to demonstrate to the satisfaction of the U.S. FDA or comparable foreign regulatory authorities that a product candidate is safe and effective for its proposed indication;
- The results of clinical trials may not meet the level of statistical significance required by the U.S. FDA or comparable foreign regulatory authorities for approval;
- We may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- The U.S. FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- The data collected from clinical trials of our product candidates may not be sufficient to support the submission of an NDA, BLA or other submission or to obtain regulatory approval in the United States or elsewhere;
- The U.S. FDA or comparable foreign regulatory authorities may fail to approve the manufacturing processes or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- The approval policies or regulations of the U.S. FDA or comparable foreign regulatory authorities may change significantly in a manner rendering our clinical data insufficient for approval.

This lengthy approval process, as well as the unpredictability of future clinical trial results, may result in our failure to obtain regulatory approval to market our product candidates, which would harm our business, results of operations and prospects significantly.

In addition, even if we were to obtain approval, regulatory authorities may approve any of our product candidates for fewer or more limited indications than we request, may not approve the price we intend to charge for our products, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of the foregoing scenarios could harm the commercial prospects for our product candidates.

We have not previously submitted an NDA, BLA or any similar drug approval filing to the U.S. FDA or any comparable foreign authority for any product candidate, and we cannot be certain that any of our product candidates will be successful in clinical trials or receive regulatory approval. Further, our product candidates may not receive regulatory approval even if they are successful in clinical trials. If we do not receive regulatory approvals for our product candidates, we may not be able to continue our operations. Even if we successfully obtain regulatory approvals to market one or more of our product candidates, our revenue will be dependent, to a significant extent, upon the size of the markets in the territories for which we gain regulatory approval. If the markets for patients or indications that we are targeting are not as significant as we estimate, we may not generate significant revenue from sales of such products, if approved.

Even if we obtain regulatory approval for our product candidates, we will still face extensive regulatory requirements and our products may face future development and regulatory difficulties.

Even if we obtain regulatory approval in the United States or other markets, the U.S. FDA or comparable foreign regulatory authorities, as applicable, may still impose significant restrictions on the indicated uses or marketing of our product candidates, or impose ongoing requirements for potentially costly post-approval studies or post-market surveillance. Our product candidates, if approved, will also be subject to ongoing U.S. FDA and/or other applicable regulatory requirements governing the labeling, packaging, storage, distribution, safety surveillance, advertising, promotion, record-keeping and reporting of safety and other post-market information. The holder of an approved NDA or BLA is obligated to monitor and report AEs and any failure of a product to meet the specifications in the NDA or BLA, as applicable. The holder of an approved NDA or BLA must also submit new or supplemental applications and obtain U.S. FDA approval for certain changes to the approved product, product labeling or manufacturing process. Advertising and promotional materials must comply with U.S. FDA rules and are subject to U.S. FDA review, in addition to other potentially applicable federal and state laws.

In addition, manufacturers of drug products and their facilities are subject to payment of user fees and continual review and periodic inspections by the U.S. FDA and other regulatory authorities for compliance with current good manufacturing practices (cGMP) and adherence to commitments made in the NDA. If we or a regulatory agency discovers previously unknown problems with a product, such as AEs of unanticipated severity or frequency, or problems with the facility where the product is manufactured, a regulatory agency may impose restrictions relative to that product or the manufacturing facility, including requiring recall or withdrawal of the product from the market or suspension of manufacturing.

If we fail to comply with applicable regulatory requirements following approval of a product candidate, a regulatory agency may take a number of actions, including:

- Issue a warning letter asserting that we are in violation of the law;
- Seek an injunction or impose civil or criminal penalties or monetary fines;
- Suspend or withdraw regulatory approval;
- Suspend any ongoing clinical trials;
- Refuse to approve a pending NDA or supplements to an NDA submitted by us;
- Seize product; or
- Refuse to allow us to enter into supply contracts, including government contracts.

In particular, we may seek accelerated approval from the U.S. FDA for our product candidates which will likely require a further confirmatory trial. If this confirmatory trial is not successful, we will be required to withdraw our product candidate from the U.S. market and potentially other markets.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. The occurrence of any event or penalty described above may inhibit our ability to commercialize our products and generate revenue.

In addition, if any of our product candidates are approved and we are found to have improperly promoted off-label uses of those products, we may become subject to significant liability. The U.S. FDA and other regulatory agencies strictly regulate the promotional claims that may be made about prescription products, such as our product candidates, if approved. In particular, a product may not be promoted for uses that are not approved by the U.S. FDA or such other regulatory agencies as reflected in the product's approved labeling. If we are found to have promoted such off-label uses, we may become subject to significant liability, which would materially adversely affect our business and financial condition.

Even if we obtain U.S. FDA approval for our product candidates in the United States, we may never obtain approval to commercialize our product candidates outside of the United States, which would limit our ability to realize their full market potential.

In order to market any products outside of the United States, we must establish and comply with numerous and varying regulatory requirements of other countries regarding safety and efficacy. 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. Approval processes vary among countries and can involve additional product testing and validation and additional administrative review periods.

Seeking foreign regulatory approval could result in difficulties and costs for us and require additional non-clinical studies or clinical trials which could be costly and time consuming. Regulatory requirements can vary widely from country to country and could delay or prevent the introduction of our products in those countries. We do not have any product candidates approved for sale in any jurisdiction, including international markets, and we do not have experience in obtaining regulatory approval in international markets. If we fail to comply with regulatory requirements in international markets or to obtain and maintain required approvals, or if regulatory approvals in international markets are delayed, our target market will be reduced and our ability to realize the full market potential of our products will be harmed.

We rely on third parties to conduct our preclinical studies and clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed.

We have relied upon and plan to continue to rely upon third-party CROs to conduct our preclinical studies and clinical trials, including investigator-initiated studies sponsored by the investigator's institution, and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our trials is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards and our reliance on the CROs does not relieve us of our regulatory responsibilities. We and our CROs are required to comply with U.S. FDA laws and regulations regarding current good clinical practice (cGCP) which are also required by the Competent Authorities of the Member States of the European Economic Area and comparable foreign regulatory authorities in the form of International Council for Harmonization (ICH) guidelines for all of our products in clinical development. Regulatory authorities enforce cGCP through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of our CROs fail to comply with applicable cGCP, the clinical data generated in our clinical trials may be deemed unreliable and the U.S. FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with cGCP regulations. In addition, our U.S. clinical trials must be conducted with product produced under cGMP regulations. While we have agreements governing activities of our CROs, we have limited influence over their actual performance. In addition, portions of the clinical trials for our product candidates are expected to be conducted at various locations great distances from where our operations are located in the U.S. and Singapore, which will make it more difficult for us to monitor CROs and perform visits of our clinical trial sites and will force us to rely heavily on CROs to ensure the proper and timely conduct of our clinical trials and compliance with applicable regulations, including cGCP. Failure to comply with applicable regulations in the conduct of the clinical trials for our product candidates may require us to repeat clinical trials, which would delay the regulatory approval process.

Some of our CROs have an ability to terminate their respective agreements with us if, among other reasons, it can be reasonably demonstrated that the safety of the subjects participating in our clinical trials warrants such termination, if we make a general assignment for the benefit of our creditors or if we are liquidated. If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs or to do so on commercially reasonable terms. In addition, our CROs are not our employees, and except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our preclinical and clinical programs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols, regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our product candidates. Consequently, our results of operations and the commercial prospects for our product candidates would be harmed, our costs could increase substantially and our ability to generate revenue could be delayed significantly.

Switching or adding additional CROs involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines. Though we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects.

Risks Related to Our Business Operations and Industry

Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on the principal members of our executive team, the loss of whose services may adversely impact the achievement of our objectives. While we have entered into employment agreements with each of our executive officers, any of them could leave our employment at any time, subject to any applicable notice requirements. Recruiting and retaining other qualified employees for our business, including scientific and technical personnel, will also be critical to our success. Competition for skilled personnel is intense and the turnover rate can be high. We may not be able to attract and retain personnel on acceptable terms given the competition among numerous pharmaceutical companies for individuals with similar skill sets. In addition, failure to succeed in clinical studies may make it more challenging to recruit and retain qualified personnel. The inability to recruit or loss of the services of any executive or key employee might impede the progress of our development and commercialization objectives.

We will need to expand our organization, and we may experience difficulties in managing this growth, which could disrupt our operations.

As of December 31, 2023, we had 35 full-time employees. In the future we may expand our employee base to increase our managerial, scientific, clinical, operational, financial and other resources, to add a sales and marketing function and to hire more consultants and contractors. Future growth would impose significant additional responsibilities on our management, including the need to identify, recruit, maintain, motivate and integrate additional employees, consultants and contractors.

Also, our management may need to divert a disproportionate amount of its attention away from our day-to-day activities and devote a substantial amount of time to managing these growth activities. We may not be able to effectively manage the expansion of our operations, which may result in weaknesses in our infrastructure, give rise to operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. Future growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of our existing or future product candidates. If our management is unable to effectively manage our growth, our expenses may increase more than expected, our ability to generate and grow revenue could be reduced, and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize our product candidates, if approved, and compete effectively will depend, in part, on our ability to effectively manage any future growth.

The terms of our loan agreements place restrictions on our operating and financial flexibility. If we raise additional capital through debt financing, the terms of any new debt could further restrict our ability to operate our business.

In July 2021, we entered into a loan agreement with K2 HealthVentures LLC (K2HV) and certain parties related to K2HV, pursuant to which K2HV agreed to provide a four-year facility for up to $45 million (the K2HV Facility). The K2HV Facility consists of a $20 million initial term loan funded at closing, with the remaining $25 million available in tranches subject to certain terms and conditions. In January 2022, the conditions to the second tranche having been satisfied, we drew down the second tranche of $5 million in full and the funds were received in February 2022. Borrowings under the K2HV Facility, before the loan agreement was subsequently amended, were secured with a pledge of the borrowers' equity interests in subsidiaries and collateral over all of our cash, goods and other personal property, with the exception of (i) our registered intellectual property assets, (ii) personal property to the extent that granting of security over any such personal property would constitute a breach of or result in the termination of, or require any consent not obtained under, any license, agreement, instrument or other document evidencing or giving rise to such property, or is otherwise prohibited by any requirement of law, and (iii) our equity interests in Jaguahr Therapeutics Pte. Ltd (JAGUAHR). Such pledge and collateral may be enforced only if there has been an event of default as stipulated in the K2HV Facility.

On June 30, 2023, we entered into a First Amendment to the K2HV Facility (Loan Amendment) with K2HV to, among other things, extend the interest-only period under the K2HV Facility to November 1, 2023, February 1, 2024 or August 1, 2024, dependent on our achievement of certain milestones.

On December 6, 2023, we entered into an amendment (Second Amendment) of K2HV Facility pursuant to which K2HV agreed to extend the period under the K2HV Facility in which we are not required to make payments with respect to the outstanding principal amount (during which period interest payments continue to become due and payable in accordance with the terms of the K2HV Facility). The first date from which we are required to make monthly payments of principal is now January 1, 2025. In addition, pursuant to the Second Amendment, (i) we made a payment of $12.0 million to the administrative agent, which has been applied to the outstanding principal under the Loan Agreement (Prepayment) and (ii) the lenders and the administrative agent waived a prepayment fee of 2.0% that otherwise would have been required under the Loan Agreement with respect to the Prepayment. After giving effect to the Prepayment, $13.0 million of principal will remain outstanding under the Loan Agreement. In connection with the Second Amendment, K2HV received a lien on certain of our intellectual property, subject to customary exceptions.

As of December 31, 2023, we were in full compliance with the K2HV Facility and there have been no events of default.

Borrowings under the K2HV Facility can be used to advance the clinical development of *farudodstat*, *eblasakimab*, and general corporate purposes. The K2HV Facility includes customary affirmative and negative covenants applicable to us and our subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, cash management, dividends and other distributions. ASLAN Pharmaceuticals Pte. Ltd., a private company limited by shares formed under the laws of the Republic of Singapore, is the guarantor of the K2HV Facility. In addition, the K2HV Facility also includes customary events of default, including, but not limited to, failure to pay interest, principal and fees or other amounts when due, material misrepresentations or misstatements, covenant defaults, certain cross defaults to other material indebtedness, certain judgment defaults and events of bankruptcy or insolvency. Upon the occurrence and continuance of an event of default, the lenders may declare all outstanding obligations immediately due and payable and take such other actions as set forth in the loan agreement and other loan documents.

If we are liquidated, the rights of our lenders to repayment would be senior to the rights of the holders of our ordinary shares including ordinary shares represented by ADSs to receive any proceeds from the liquidation. Any declaration by our lenders of an event of default could significantly harm our business and prospects and could cause the price of our ordinary shares and ADSs to decline. If we raise any additional debt financing, the terms of such additional debt could further restrict our operating and financial flexibility.

We may face potential product liability, and, if successful claims are brought against us, we may incur substantial liability.

The use of our product candidates in clinical trials and the sale of any products for which we obtain marketing approval exposes us to the risk of product liability claims. Product liability claims might be brought against us by consumers, healthcare providers, pharmaceutical companies or others selling or otherwise coming into contact with our products and product candidates. If we cannot successfully defend against product liability claims, we could incur substantial liability and costs. In addition, regardless of merit or eventual outcome, product liability claims may result in:

- Impairment of our business reputation;
- Withdrawal of clinical trial participants;
- Costs due to related litigation;
- Distraction of management's attention from our primary business;
- Substantial monetary awards to patients or other claimants;
- The inability to commercialize our product candidates; and
- Decreased demand for our product candidates, if approved for commercial sale.

Our current clinical trial liability insurance coverage may not be sufficient to reimburse us for any expenses or losses we may suffer. Moreover, insurance coverage is becoming increasingly expensive and in the future we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. If and when we obtain marketing approval for our product candidates, we intend to expand our insurance coverage to include the sale of commercial products; however, we may be unable to obtain product liability insurance on commercially reasonable terms or in adequate amounts. On occasion, large judgments have been awarded in class action lawsuits based on drugs that had unanticipated AEs. A successful product liability claim or series of claims brought against us could cause the price of our ADSs or ordinary shares to decline and, if judgments exceed our insurance coverage, could adversely affect our results of operations and business.

If our information technology systems or those of third parties upon which we rely, or our data are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; and other adverse consequences.

In the ordinary course of our business, we and the third parties upon which we rely process sensitive data, and, as a result, we and the third parties upon which we rely face a variety of evolving threats, that could cause security incidents. Cyberattacks, malicious internet-based activity, online and offline fraud, and other similar activities threaten the confidentiality, integrity, and availability of our sensitive data and information technology systems, and those of the third parties upon which we rely. Such threats are prevalent and continue to rise, are becoming increasingly difficult to detect, and come from a variety of sources, including traditional computer "hackers," threat actors, "hacktivists," organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation-states, and nation-state-supported actors.

Some actors now engage and are expected to continue to engage in cyber-attacks, including without limitation nation-state actors for geopolitical reasons and in conjunction with military conflicts and defense activities. During times of war and other major conflicts, we and the third parties upon which we rely may be vulnerable to a heightened risk of these attacks, including retaliatory cyber-attacks, that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our services.

We and the third parties upon which we rely are subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through deep fakes, which may be increasingly more difficult to identify as fake, and phishing attacks), malware (including as a result of advanced persistent threat intrusions), personnel misconduct or error, ransomware attacks, supply-chain attacks, software bugs, server malfunctions, software or hardware failures, loss of data or other information technology assets, adware, malicious code (such as viruses and worms), personnel misconduct or error, denial-of-service attacks, credential stuffing, credential harvesting, telecommunications failures, earthquakes, fires, floods, attacks enhanced or facilitated by artificial intelligence, and other similar threats.

In particular, ransomware attacks are becoming increasingly prevalent and severe and can lead to significant interruptions in our operations, loss of sensitive data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments.

Remote work has become more common and has increased risks to our information technology systems and data, as more of our employees utilize network connections, computers and devices outside our premises or network, including working at home, while in transit and in public locations. Additionally, past or future business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program.

In addition, our reliance on third-party service providers could introduce new cybersecurity risks and vulnerabilities, including supply-chain attacks, and other threats to our business operations. We rely on third-party service providers and technologies to operate critical business systems to process sensitive data in a variety of contexts, including, without limitation, cloud-based infrastructure, CROs, CMOs, data center facilities, encryption and authentication technology, employee email, content delivery to customers, and other functions. We also rely on third-party service providers to provide other products, services, parts, or otherwise to operate our business. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If our third-party service providers experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if our third-party service providers fail to satisfy their privacy or security-related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award. In addition, supply-chain attacks have increased in frequency and severity, and we cannot guarantee that third parties' infrastructure in our supply chain or our third-party partners' supply chains have not been compromised.

While we have security measures designed to protect against security incidents and detect vulnerabilities, there can be no assurance that these measures will be effective. We take steps to detect, mitigate, and remediate vulnerabilities in our information systems (such as our hardware and/or software, including that of third parties upon which we rely). We may not, however, detect and remediate all such vulnerabilities including on a timely basis. Further, we may experience delays in developing and deploying remedial measures designed to address any such identified vulnerabilities. Vulnerabilities could be exploited and result in a security incident.

Any of the previously identified or similar threats could cause a security incident or other interruption that could result in unauthorized, unlawful, or accidental acquisition, modification, destruction, loss, alteration, encryption, disclosure of, or access to our sensitive data or our information technology systems, or those of the third parties upon whom we rely. A security incident or other interruption could disrupt our ability (and that of third parties upon whom we rely) to provide our services.

We may expend significant resources or modify our business activities to try to protect against security incidents. Additionally, certain data privacy and security obligations may require us to implement and maintain specific security measures or industry-standard or reasonable security measures to protect our information technology systems and sensitive data.

Applicable data privacy and security obligations may require us to notify relevant stakeholders, including affected individuals, customers, regulators, and investors, of security incidents. Such disclosures are costly, and the disclosures or the failure to comply with such requirements could lead to adverse consequences.

If we (or a third party upon whom we rely) experience a security incident, or are perceived to have experienced a security incident, we may experience adverse consequences. These consequences may include: government enforcement actions (for example, investigations, fines, penalties, audits, and inspections); additional reporting requirements and/or oversight; restrictions on processing sensitive data (including personal data); litigation (including class claims); indemnification obligations; negative publicity; reputational harm; monetary fund diversions; diversion of management attention; interruptions to our operations (including availability of data); financial loss; and other similar harms. For example, the loss of clinical trial data from completed or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our data privacy and security obligations.

In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position. Additionally, sensitive data of the Company could be leaked, disclosed, or revealed as a result of or in connection with our employees', personnel's, or vendors' use of generative artificial intelligence (AI) technologies.

Our operations could be subject to natural disasters, health pandemics or epidemics and other business disruptions, which could have a material adverse effect on our business, results of operation and financial condition.

Some of our operations, including in particular some of our clinical trials, are being conducted across areas that may be prone to natural disasters, such as earthquakes, cyclones, monsoons and floods, which could cause interruptions to our operations. We do not have a disaster recovery or business continuity plan in place to cover such natural disasters and may incur substantial expenses as a result of the absence or limited nature of our internal or third-party service providers' disaster recovery and business continuity plans, which could have a material adverse effect on our business.

Any occurrence of these natural disasters or pandemic diseases or other adverse public health developments in the areas in which we operate our clinical trials could disrupt or delay our business operations or clinical development, which could materially adversely affect our business.

Our business could continue to be adversely affected by the effects of health pandemics or epidemics.

Our business could continue to be adversely affected by the effects of health pandemics or epidemics. The COVID-19 pandemic resulted in travel restrictions, quarantine orders and other restrictions by governments to reduce the spread of the disease. The effects of restrictions imposed in the event of a pandemic or of other health epidemics, and our related workplace policies, may negatively impact productivity, disrupt our business and delay our clinical programs and timelines, the magnitude of which will depend, in part, on the length and severity of the restrictions and other limitations on our ability to conduct our business in the ordinary course. These and similar, and perhaps more severe, disruptions in our operations could negatively impact our business, operating results and financial condition.

Quarantines, shelter-in-place and similar government orders, or the perception that such orders, shutdowns or other restrictions on the conduct of business operations could occur, could impact personnel at third-party manufacturing facilities, or the availability or cost of materials, which would disrupt our supply chain. While many of these materials may be obtained by more than one supplier, port closures and other restrictions resulting from the coronavirus outbreak in the region or other regions may disrupt our supply chain or limit our ability to obtain sufficient materials for our product candidates.

We do not yet know the full extent of potential delays or impacts on our business, our clinical trials, healthcare systems or the global economy as a whole. These effects could have a material impact on our operations, or the operations of third parties on whom we rely.

Our business is subject to economic, political, regulatory and other risks associated with international operations.

As a company with significant operations in Singapore, our business is subject to risks associated with conducting business outside of the United States. Many of our suppliers and collaborative and clinical trial relationships are located outside the United States. Accordingly, our future results could be harmed by a variety of factors, including:

- Economic weakness, including inflation, or political instability;
- Differing and changing regulatory requirements for drug approvals;
- Differing jurisdictions could present different issues for securing, maintaining or obtaining freedom to operate in such jurisdictions;
- Potentially reduced protection for intellectual property rights;
- Difficulties in compliance with local laws and regulations;
- Changes in local regulations and customs, tariffs and trade barriers;
- Changes in currency exchange rates, including the Singapore dollar;
- Changes in macroeconomic conditions or a specific country's or region's political or economic environment, including bank failures;
- Trade protection measures, import or export licensing requirements or other restrictive actions;
- Differing reimbursement regimes and price controls;
- Negative consequences from changes in tax laws;
- Compliance with tax, employment, immigration and labor laws for employees;
- Workforce uncertainty in countries where labor unrest is more common than in the United States;
- Difficulties associated with staffing and managing international operations, including differing labor relations;
- Production shortages resulting from any events affecting raw material supply or manufacturing capabilities;
- Disruptions on us or our strategic partners, third-party manufacturers, suppliers and other third parties upon which we rely resulting from the impact of public health epidemics or pandemics (including, for example, the COVID-19 pandemic); and
- Business interruptions resulting from geo-political actions, including war, such as the ongoing conflict between Russia and Ukraine and ongoing conflicts in the Middle East, and terrorism, or natural disasters including typhoons, floods and fires.

We are subject to stringent and evolving U.S. and foreign laws, regulations, and rules, contractual obligations, industry standards, policies and other obligations related to data privacy and security. Our actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation (including class claims) and mass arbitration demands; fines and penalties; disruptions of our business operations; reputational harm; and other adverse business consequences.

In the ordinary course of business, we collect, receive, process, generate, use, transfer, disclose, make accessible, protect, secure, dispose of, transmit, share and store (collectively, process) personal data and other sensitive data, including proprietary and confidential business data, trade secrets, intellectual property, data we collect about trial participants in connection with clinical trials, sensitive third-party data, and employee and patient data (collectively, sensitive data).

Our data processing activities subject us to numerous data privacy and security obligations, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contractual requirements, and other obligations relating to data privacy and security.

In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including health information privacy laws, data breach notification laws, personal data privacy laws, and consumer protection laws (e.g., Section 5 of the Federal Trade Commission Act), and other similar laws (e.g., wiretapping laws). For example, the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH), imposes specific requirements relating to the privacy, security, and transmission of individually identifiable health data.

In the past few years, numerous U.S. states—including California, Virginia, Colorado, Connecticut, and Utah—have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making. The exercise of these rights may impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (CPRA) (collectively, CCPA) applies to personal data of consumers, business representatives, and employees who are California residents, and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights. The CCPA provides for fines up to $7,500 per intentional violation and allows private litigants affected by certain data breaches to recover significant statutory damages. Although the CCPA exempts some data processed in the context of clinical trials, the CCPA may increase compliance costs and potential liability with respect to other personal data we maintain about California residents.

Similar laws are being considered in several other states, as well as at the federal and local levels, and we expect more states to pass similar laws in the future. While these states, like the CCPA, also exempt some data processed in the context of clinical trials, these developments may further complicate compliance efforts, and increase legal risk and compliance costs for us and the third parties upon whom we rely.

Outside the United States, an increasing number of laws, regulations, and industry standards may govern data privacy and security. For example, because we are headquartered in Singapore, we may be subject to Singapore's Personal Data Protection Act of 2012 (PDPA), which generally requires covered organizations to provide notice and obtain consents prior to the collection, use, or disclosure of personal data. The PDPA also provides individuals with certain rights regarding their personal data and imposes certain compliance obligations related to accountability, protection, transfer, and permitted uses of personal data.

Other foreign jurisdictions have enacted statutes imposing strict requirements for processing personal data, such as the European Union's General Data Protection Regulation (EU GDPR), the United Kingdom's GDPR (UK GDPR), Singapore's Personal Data Protection Act, and Canada's Personal Information Protection and Electronic Documents Act (PIPEDA). For example, under the EU GDPR, companies may face temporary or definitive bans on data processing, other corrective actions, fines of up to 20 million Euros or 4% of annual global revenue, whichever is greater, or private litigation related to processing of personal data brought by classes of data subject or consumer protection groups authorized at law to represent their interests.

In addition, we may be unable to transfer personal data from Europe and other jurisdictions to the United States or other countries due to data localization requirements or limitations on cross-border data flows. Europe and other jurisdictions have enacted laws requiring data to be localized or limiting the transfer of personal data to other countries. In particular, the European Economic Area (EEA) and the United Kingdom (UK) have significantly restricted the transfer of personal data to the United States and other countries whose privacy laws it generally believes are inadequate. Other jurisdictions may adopt similarly stringent interpretations of their data localization and cross-border data transfer laws. Although there are currently various mechanisms that may be used to transfer personal data from the EEA and UK to the United States in compliance with law, such as the EEA's standard contractual clauses, the UK's International Data Transfer Agreement / Addendum, and the EU-U.S. Data Privacy Framework and the UK extension thereto (which allows for transfers to relevant U.S.-based organizations who self-certify compliance and participate in the Framework), these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. If there is no lawful manner for us to transfer personal data from the EEA, the UK, or other jurisdictions to the United States, or if the requirements for a legally-compliant transfer are too onerous, we may face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions (such as Europe) at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors, and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups. Some European regulators have ordered certain companies to suspend or permanently cease certain transfers of personal data out of Europe for allegedly violating cross-border data transfer limitations.

We publish privacy policies and other statements regarding data privacy and security. If these policies or statements are found to be deficient, lacking in transparency, deceptive, unfair, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators, or other adverse consequences.

Our employees and personnel may use generative AI technologies to perform their work, and the disclosure and use of personal data in generative AI technologies is subject to various privacy laws and other privacy obligations. Governments have passed and are likely to pass additional laws regulating generative AI. Our use of this technology could result in additional compliance costs, regulatory investigations and actions, and lawsuits. If we are unable to use generative AI, it could make our business less efficient and result in competitive disadvantages.

In addition to data privacy and security laws, we are contractually subject to industry standards adopted by industry groups and may become subject to such obligations in the future. We are also bound by other contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful.

Obligations related to data privacy and security (and consumers' data privacy expectations) are quickly changing, becoming increasingly stringent, and creating uncertainty. Additionally, these obligations may be subject to differing applications and interpretations, which may be inconsistent or conflict among jurisdictions. Preparing for and complying with these obligations requires us to devote significant resources, which may necessitate changes to our services, information technologies, systems, and practices and to those of any third parties that process personal data on our behalf.

We may at times fail (or be perceived to have failed) in our efforts to comply with our data privacy and security obligations. Moreover, despite our efforts, our personnel or third parties on whom we rely may fail to comply with such obligations, which could negatively impact our business operations. If we or the third parties on which we rely fail, or are perceived to have failed, to address or comply with applicable data privacy and security obligations we could face significant consequences, including but not limited to: government enforcement actions (e.g., investigations, fines, penalties, audits, inspections, and similar), litigation (including class-action claims) and mass arbitration demands, additional reporting requirements and/or oversight, orders to destroy or not use personal data, the inability to process sensitive data, regulatory scrutiny, disruptions to our operations (including our ability to conduct clinical trials), diversion of time and effort, and/or adverse publicity and could negatively affect our operating results and business. In particular, plaintiffs have become increasingly more active in bringing privacy-related claims against companies, including class claims and mass arbitration demands. Some of these claims allow for the recovery of statutory damages on a per violation basis, and, if viable, carry the potential for monumental statutory damages, depending on the volume of data and the number of violations. Any of these events could have a material adverse effect on our reputation, business, or financial condition, including but not limited to: loss of customers; interruptions or stoppages in our business operations (including, as relevant, clinical trials); inability to process personal data or to operate in certain jurisdictions; limited ability to develop or commercialize our products; expenditure of time and resources to defend any claim or inquiry; adverse publicity; or substantial changes to our business model or operations.

Risks Related to Our Intellectual Property

If we are unable to obtain or protect intellectual property rights related to our current product candidates or any future product candidates which we may develop, we may not be able to compete effectively in our market.

We rely upon a combination of patents, trade secret protection, confidentiality agreements and proprietary know-how, and intend to seek marketing exclusivity for any approved product, in order to protect the intellectual property related to product candidates. The patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patent applications at a reasonable cost or in a timely manner. The strength of patents in the biotechnology and pharmaceutical field involves complex legal and scientific questions, is highly uncertain, and has, in the recent years, been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. The patent applications that we own or in-license may fail to result in issued patents with claims that cover our product candidates in the United States or in other foreign countries for a number of reasons, including because of a finding of lack of novelty or that the claimed inventions are already in the public domain. If this were to occur, early competition from third parties could be expected against our product candidates.

Even if patents do successfully issue, third parties may challenge their validity, enforceability or scope, which may result in such patents being invalidated, rendered unenforceable, narrowed or deemed as not infringing. Also, a third party may challenge our ownership of patents and patent applications assigned to us, or may challenge our exclusive rights to patents and patent applications that we license from third parties. Furthermore, even if they are unchallenged, our patents and patent applications may not adequately protect our intellectual property or prevent others from circumventing our patents by developing products similar to or competing with our product candidates. If the patent applications we hold with respect to our product candidates fail to issue or if their breadth or strength of protection is threatened, it could dissuade companies from collaborating with us to develop them, and threaten our ability to commercialize any resulting products. We cannot offer any assurances about which, if any, applications will issue as patents or whether any issued patents will be found not invalid and not unenforceable or will go unthreatened by third parties. In addition, due to 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. Furthermore, patent applications by third parties can result in an interference proceeding in the United States being invoked by a third party or instituted by us to determine who was the first to invent any of the subject matter covered by the patent claims of our applications or patents.

Because patent applications in the United States, Europe and many other jurisdictions are typically not published until 18 months after filing, and because publications of discoveries in scientific literature lag behind actual discoveries, we cannot be certain that we 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. Therefore, the enforceability and scope of our patents in the United States, Europe and in many other jurisdictions 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.

Moreover, some of our owned patents and patent applications are, and may in the future be, co-owned with third parties. For example, under our license agreement with CSL Limited (CSL) we and CSL co-own certain intellectual property that we jointly developed prior to the completion of the single ascending dose clinical trial for *eblasakimab*. While we currently have an exclusive license to CSL's rights under such co-owned intellectual property, if we are unable to maintain such exclusive license, or if we are unable to obtain and maintain an exclusive license to any of our other third-party co-owners' rights under any intellectual property that we co-own, such co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. In addition, we may need the cooperation of any such co-owners of our patents in order to license and/or enforce such patents against third parties, and such cooperation may not be provided to us. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

Our inability to protect our confidential information and trade secrets would harm our business and competitive position.

In addition to the protection afforded by patents, we rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable, processes for which patents are difficult to enforce and any other elements of our drug development process that involve proprietary know-how, information or technology that is not covered by patents. Trade secrets can be difficult to protect. We seek to protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate collaborators, outside scientific collaborators, CROs, contract manufacturers, consultants, advisors, and other third parties. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary technology and processes. Despite these efforts, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Furthermore, we cannot guarantee that our trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. If we are unable to prevent material disclosure of the non-patented intellectual property related to our technologies to third parties, and there is no guarantee that we will have any such enforceable trade secret protection, we may not be able to establish or maintain a competitive advantage in our market, which could materially adversely affect our business, results of operations and financial condition.

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

Filing, prosecuting, and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and the laws of foreign countries may not protect our rights to the same extent as the laws of 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 in jurisdictions where we have not obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we have patent protection but enforcement is not as strong as that in the United States. These products may compete with our products, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. If we are unable to block the commercialization of these products, these products may erode our commercial position in the marketplace.

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 rights, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our intellectual property and proprietary rights generally. Proceedings to enforce our intellectual property and proprietary 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, could put our patent applications at risk of not issuing, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property and proprietary rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Several countries have compulsory licensing laws under which, in certain circumstances, a patent owner may be compelled to grant licenses to third parties on low or no compensation. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired, and our business, financial condition, results of operations, and prospects may be adversely affected.

If we fail to comply with our obligations in the agreements under which we license rights to technology from third parties, or if the license agreements are terminated for other reasons, we could lose license rights that are important to our business.

We are heavily reliant upon licenses to certain patent rights and proprietary technology from third parties that are important or necessary to the development of our product candidates. Accordingly, we are party to a number of technology licenses that are important to our business and expect to enter into additional licenses in the future. For example, our rights to *eblasakimab* are the subject of an exclusive license agreement with CSL. If we fail to comply with our obligations under our agreement with CSL (including, among other things, if we fail to develop and commercialize *eblasakimab* in a proper, efficient, skillful, diligent and competent manner) or our other license agreements, or we are subject to insolvency or liquidation, our licensors may have the right to terminate the license.

In addition, under our agreement with CSL, in the event of a change of control, we are required to receive CSL's prior consent to engage in such a transaction if the change of control, in CSL's reasonable opinion, adversely affects our ability to carry out the development of *eblasakimab* or would damage CSL's reputation. A breach of this obligation may result in termination of the license. In the event that any of our important technology licenses were to be terminated by the licensor, we may need to negotiate new or reinstated agreements, which may not be available to us on equally favorable terms, or at all, or we could lose our rights under these agreements, including our rights to intellectual property or technology important to our development programs, which would likely cause us to cease further development of the related program, including *eblasakimab*. Furthermore, under certain of our collaboration agreements, our licensors may retain the right to grant non-exclusive licenses to the licensed patents and technology to other academic or research institutions for non-commercial research purposes, in which case we would not have exclusive rights to such licensed patents and technologies.

Our technology agreements under which we currently license intellectual property or technology to and from third parties are complex and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, increase what we believe to be our financial or other obligations under the relevant agreement or decrease the third party's financial or other obligations under the relevant agreement, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, disputes may arise regarding intellectual property subject to a licensing agreement, including:

- The scope of rights granted under the license agreement and other interpretation-related issues;
- The extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;

- The sublicensing of patent and other rights under our existing collaborative development relationships and any collaboration relationships we might enter into in the future;
- Our diligence obligations under the license 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 current and future licensors and us; and
- The priority of invention of patented technology.

We are generally also subject to all of the same risks with respect to protection of intellectual property that we license, as we are for intellectual property that we own, which are described elsewhere under "Risks Related to Our Intellectual Property." If we or our licensors fail to adequately protect this intellectual property, our ability to commercialize products could suffer. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates, which could have a material adverse effect on our business, financial conditions, results of operations, and prospects.

Third-party claims of intellectual property infringement may prevent or delay our development and commercialization efforts.

Our commercial success depends in part on our avoiding infringement of the patents and proprietary rights of third parties. There is a substantial amount of litigation, both within and outside the United States, involving patent and other intellectual property rights in the biotechnology and pharmaceutical industries, including patent infringement lawsuits, interferences, oppositions, reexamination, post-grant review, *inter partes* review, and derivation proceedings before the U.S. Patent and Trademark Office (USPTO), and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings). Numerous U.S. and foreign issued patents and pending patent applications which are owned by third parties, exist in the fields in which we and our collaborators are developing product candidates. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our product candidates may be subject to claims of infringement of the patent rights of third parties.

Third parties may assert that we or our product candidates are infringing, misappropriating or otherwise violating their intellectual property without authorization. There may be third-party patents or patent applications with claims to materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of our product candidates. Because patent applications can take many years to issue, there may be currently pending patent applications which may later result in issued patents that our product candidates may infringe.

In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents. If any third-party patents were held by a court of competent jurisdiction to cover the manufacturing process of any of our product candidates, any drug substance formed during the manufacturing process or any final product itself, the holders of any such patents may be able to block our ability to commercialize such product candidate unless we obtain a license under the applicable patents, which may not be available on commercially reasonable terms or at all, or until such patents are invalidated or expire. Similarly, if any third-party patent were held by a court of competent jurisdiction to cover aspects of our formulations or methods of use, the holders of any such patent may be able to block our ability to develop and commercialize the applicable product candidate formulation or use unless we obtain a license, which may not be available on commercially reasonable terms or at all, or until such patent expires. In either case, such a license may not be available on commercially reasonable terms or at all.

Parties making intellectual property claims against us may request and/or obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize one or more of our product candidates. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. Even if we believe any third-party intellectual property claims are without merit, there is no assurance that a court would find in our favor on questions of validity, enforceability, priority, or non-infringement. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties, pay royalties or redesign our infringing products or manufacturing processes, which may be impossible or require substantial time and monetary expenditure. We cannot predict whether any such license would be available at all or whether it would be available on commercially reasonable terms. Furthermore, even in the absence of litigation, we may need to obtain licenses from third parties to advance our research, manufacture clinical trial supplies or allow commercialization of our product candidates. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources and greater clinical development or commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all. In that event, we would be unable to further develop and commercialize one or more of our product candidates, which could harm our business significantly. We cannot provide any assurances that third-party patents do not exist which might be enforced against our products, resulting in either an injunction prohibiting our sales, or, with respect to our sales, an obligation on our part to pay royalties and/or other forms of compensation to third parties.

We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time consuming and unsuccessful.

Competitors may infringe our patents or the patents of our licensors. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. If we or one of our licensors were to initiate legal proceedings against a third party to enforce a patent covering one of our products, the defendant could counterclaim that such patent is invalid or unenforceable. In patent litigation in the United States or in Europe, defendant counterclaims alleging invalidity or unenforceability are commonplace. In addition, in an infringement proceeding, a court may decide that a patent of ours or our licensors is not valid or is unenforceable, may narrow the scope of our or our licensor's patents, or may refuse to stop the defendant from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation or defense proceedings could put one or more of our patents at risk of being invalidated or interpreted narrowly and could put our patent applications at risk of not issuing.

Interference proceedings provoked by third parties or brought by us may be necessary to determine the priority of inventions with respect to our patents or patent applications or those of our collaborators or licensors. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Our defense of litigation or interference proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. We may not be able to prevent, alone or with our licensors, misappropriation of our intellectual property rights, particularly in countries where the laws may not protect those rights as fully as in the United States.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. 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 a material adverse effect on the price of our ADSs.

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

Obtaining and enforcing patents in the biopharmaceutical industry involves both technological and legal complexity and is therefore costly, time-consuming and inherently uncertain. Changes in either the patent laws or interpretation of the patent laws in the United States could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. Recent patent reform legislation in the United States and other countries, including the Leahy-Smith America Invents Act (Leahy-Smith Act), could increase those uncertainties and costs. The Leahy-Smith Act includes provisions that affect the way patent applications are prosecuted, redefine prior art and provide more efficient and cost-effective avenues for competitors to challenge the validity of patents, and may also affect patent litigation. These include allowing third-party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO administered post-grant proceedings, including post-grant review, inter partes review and derivation proceedings. In addition, assuming that other requirements for patentability are met, prior to March 15, 2013, in the United States, the first to invent the claimed invention was entitled to the patent, while outside the United States, the first to file a patent application was entitled to the patent. After March 15, 2013, under the Leahy-Smith Act, the United States transitioned to a first inventor to file system in which, assuming that the other statutory requirements are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. However, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, the U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. This combination of events has created uncertainty with respect to the validity and enforceability of patents, once obtained. Depending on future actions by the U.S. Congress, the U.S. courts, the USPTO and the relevant law-making bodies in other countries, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

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

Periodic maintenance fees on any issued patent are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of the patent. The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. While an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which non-compliance can (i) result in abandonment or lapse of, or (ii) otherwise affect the patentability of, the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. If we or our licensors that control the prosecution and maintenance of our licensed patents fail to maintain the patents and patent applications covering our product candidates, our competitors might be able to enter the market, which would have a material adverse effect on our business.

In addition, as licensees we may not be responsible for or have control over the prosecution or enforceability of our licensed patents. In such cases, we have to rely on the licensor to comply with the requisite obligations of the patent offices, including the duty of disclosure, filing assignments, etc. We cannot guarantee that our licensed patents and patent applications will be prosecuted, maintained and enforced in a manner consistent with the best interests of our business. As licensees, we may not be in a position to assess if these duties have been complied with or have the ability to complete these duties on behalf of the licensor. Failure by our licensors to comply with such duties may affect the enforceability of the patent rights, narrow the scope of our patent protection and, more generally, could affect the value of our patent rights. If our patent protection is reduced or eliminated, we may not be able to prevent our competitors or other third parties from developing or commercializing products similar to ours and may be required to cease development of our product candidates, which could have a material adverse effect on our business.

If we do not obtain patent term extension for any product candidates we may develop, our business may be materially harmed.

Depending upon the timing, duration and specifics of any U.S. FDA marketing approval of any product candidates we may develop, one or more of our owned or in-licensed U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984 (Hatch-Waxman Amendments). The Hatch-Waxman Amendments permit a patent term extension of up to five years as compensation for the patent term lost during the U.S. FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent may be extended and only those claims covering the approved drug, a method for using it or a method for manufacturing it may be extended. However, we may not be granted an extension because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents, or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. Similar issues apply in the patent legal systems of other key markets such as the EU. If we are unable to obtain patent term extension or the term of any such extension is less than we request, our competitors may obtain approval of competing products following our patent expiration, and our business, financial condition, results of operations and prospects could be materially harmed.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties.

We employ individuals, and work with consultants or independent contractors, who were previously employed at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information, including trade secrets, of any such individual's former employers or other third parties. We may also be subject to claims that former employers or other third parties have an ownership interest in our patents. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. There is no guarantee of success in defending these claims, and even if we are successful, litigation could result in substantial cost and be a distraction to our management and other employees.

In addition, while it is our policy to require our employees, consultants and independent contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing (and may require further action), or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Such claims could have a material adverse effect on our business, financial condition, results of operations, and prospects.

If our trademarks and tradenames are not adequately protected, then we may not be able to build name recognition in our markets and our business may be adversely affected.

We have registered or applied to register certain trademarks to protect our company name and plan to apply to register trademarks to cover product names in the future once our product candidates are closer to commercialization. We cannot assure you that our trademark applications will be approved or that we will seek registered trademark protection for each of our product names in each jurisdiction in which we operate. During trademark registration proceedings, we may receive rejections. Although we are given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in proceedings before the USPTO and in proceedings before comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive such proceedings. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition and could require us to devote resources toward advertising and marketing new brands. Further, we cannot assure you that competitors will not infringe our trademarks or that we will have adequate resources to enforce our trademarks.

Intellectual property rights do not necessarily address all potential threats.

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. For example:

- Others may be able to make products that are similar to any product candidates we may develop or utilize similar technology but that are not covered by the claims of the patents that we license or may own in the future;
- We, or our license partners or current or future collaborators, might not have been the first to make the inventions covered by the issued patent or pending patent application that we license or may own in the future;
- We, or our license partners or current or future collaborators, might not have been the first to file patent applications covering certain of our or their inventions;
- Others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our owned or licensed intellectual property rights;
- It is possible that our pending licensed patent applications or those that we may own in the future will not lead to issued patents;
- Issued patents that we hold rights to may be held invalid or unenforceable, including as a result of legal challenges by our competitors;
- 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 not develop additional proprietary technologies that are patentable;
- The patents of others may harm our business; and
- We may choose not to file a patent in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent covering such intellectual property.

Should any of these events occur, they could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Risks Related to Commercialization of Our Product Candidates

Our commercial success depends upon attaining significant market acceptance of our product candidates, if approved, among physicians, healthcare payors, patients and the medical community.

Even if we obtain regulatory approval for our product candidates, the product may not gain market acceptance among physicians, healthcare payors, patients and the medical community, which is critical to commercial success. Market acceptance of any product candidate for which we receive approval depends on a number of factors, including:

- The efficacy and safety as demonstrated in clinical trials;
- The timing of market introduction of the product candidate as well as competitive products;
- The clinical indications for which the product candidate is approved;
- Acceptance by physicians, the medical community and patients of the product candidate as a safe and effective treatment and also the willingness of physicians to prescribe a drug based on an active pharmaceutical ingredient (API), that is less familiar to them than other drug APIs;
- The convenience of prescribing and initiating patients on the product candidate;
- The potential and perceived advantages of such product candidate over alternative treatments;
- The cost of treatment in relation to alternative treatments, including any similar generic treatments;
- Favorable pricing and the availability of coverage and adequate reimbursement by third-party payors, such as government authorities;
- Relative convenience and ease of administration;
- The prevalence and severity of adverse side effects; and
- The effectiveness of sales and marketing efforts.

If our product candidates are approved but fail to achieve an adequate level of acceptance by physicians, healthcare payors, patients and the medical community, we will not be able to generate significant revenue, and we may not become or remain profitable. In addition, even if any of our product candidates gain acceptance, the markets for the treatment of patients with our target indications may not be as significant as we estimate.

Our organization has no prior sales and marketing experience and resources.

We have never, as an organization, commercialized a product and there is no guarantee that we will be able to do so successfully. We will need to establish a commercial team and hire sales forces in the geographies where we are permitted and intend to market our drugs. We will also need to develop a marketing team and strategy in order to successfully market and sell our product candidates, which will require significant time and resources and the development of our ability to market and sell our product and generate revenues from our product candidates may be delayed or limited. We cannot assure you that our sales efforts will be effective or produce the results we expect. We will be competing with other pharmaceutical and biotechnology companies to recruit, hire, train and retain marketing and sales personnel. Further, we may face difficulties or delays in obtaining and maintaining the required licenses and permits to sell our product candidates in individual states and jurisdictions. If the commercialization of any of our product candidates is unsuccessful or perceived as disappointing, the price of our ADSs or ordinary shares could decline significantly and the long-term success of the product and our company could be harmed.

We may also seek to establish collaborations with pharmaceutical companies to maximize the potential of our products in other markets. For example, we have conducted a Phase 2b clinical trial to develop *eblasakimab* as a treatment for AD, and, we are seeking a global partner to support Phase 3 clinical trials and potential commercialization. We may not be successful in establishing development and commercialization collaborations which could adversely affect, and potentially prohibit, our ability to develop our product candidates.

Part of our business strategy is to establish collaborative relationships to commercialize and fund development and approval of certain of our product candidates. We may not succeed in establishing and maintaining collaborative relationships, which may significantly limit our ability to develop and commercialize products, for which we pursue this commercialization strategy.

We will need to establish and maintain successful collaborative relationships to obtain sales, marketing and distribution capabilities for the product candidates we do not intend to commercialize ourselves. The process of establishing and maintaining collaborative relationships is difficult, time-consuming and involves significant uncertainty, including:

- We may have limited control over the decisions of any partners and they may change the priority of any programs in a manner that would result in termination or significant delays to a partnered program;
- Our ability to generate future payments and royalties from any partners will depend upon the ability of a partner to obtain regulatory approvals and achieve market acceptance of products developed from our product candidates;
- A partner may fail to properly initiate, maintain or defend our intellectual property rights, where applicable, or a party may use our proprietary information in such a way as to invite litigation that could jeopardize or potentially invalidate our proprietary information or expose us to potential liability;
- A partner may not devote sufficient capital or resources towards our product candidates; and,
- A partner may not comply with applicable government regulatory requirements necessary to successfully market and sell our products.

If any collaborator fails to fulfill its responsibilities in a timely manner, or at all, any clinical development, manufacturing or commercialization efforts pursuant to that collaboration could be delayed or terminated, or it may be necessary for us to assume responsibility for expenses or activities that would otherwise have been the responsibility of our collaborator. If we are unable to establish and maintain collaborative relationships on acceptable terms or to successfully and timely transition terminated collaborative agreements, we may have to delay or discontinue further development of one or more of our product candidates, undertake development and commercialization activities at our own expense or find alternative sources of capital.

Attempting to secure additional financing for a product candidate may also lead to the risks discussed under the risk factor titled “We will need to obtain substantial amounts of financing for our operations, and if we fail to obtain additional financing, we may be forced to delay, reduce or eliminate our product development programs or commercialization efforts” described above.

We rely completely on third parties to manufacture our preclinical and clinical drug supplies and we intend to rely on third parties to produce commercial supplies of any approved product candidate.

If we were to experience an unexpected loss of supply of our product candidates for any reason, whether as a result of manufacturing, supply or storage issues or otherwise (including, for example, any disruptions caused by the COVID-19 pandemic), we could experience delays, disruptions, suspensions or terminations of, or be required to restart or repeat, clinical trials. We do not currently have nor do we plan to acquire the infrastructure or capability internally to manufacture our preclinical and clinical drug supplies and we lack the resources and the capability to manufacture any of our product candidates on a clinical or commercial scale. The facilities used by our contract manufacturers or other third-party manufacturers to manufacture our product candidates must be approved by the U.S. FDA or other regulators pursuant to inspections. While we work closely with our third-party manufacturers on the manufacturing process for our product candidates, including quality audits, we generally do not control the implementation of the manufacturing process of, and are completely dependent on, our contract manufacturers or other third-party manufacturers for compliance with cGMP regulatory requirements and for manufacture of both active drug substances and finished drug products.

If our contract manufacturers or other third-party manufacturers cannot successfully manufacture material that conforms to applicable specifications and the strict regulatory requirements of the U.S. FDA or other regulators, 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 or other third-party manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the U.S. FDA or other regulators do not approve these facilities for the manufacture of our product candidates or if they withdraw any such approval in the future, we may need to find alternative manufacturing facilities, which could take several years and would significantly impact our ability to develop, obtain regulatory approval for or market our product candidates, if approved.

We rely on our manufacturers to purchase from third-party suppliers the materials necessary to produce our product candidates for our clinical trials. There are a limited number of suppliers of raw materials that we use to manufacture our product candidates and there may be a need to assess alternate suppliers to prevent a possible disruption of the manufacture of the materials necessary to produce our product candidates for our clinical trials, and if approved, for commercial sale. We do not have any control over the process or timing of the acquisition of these raw materials by our manufacturers. Although we generally do not begin a clinical trial unless we believe we have a sufficient supply of a product candidate to complete the clinical trial, any significant delay in the supply of a product candidate, or the raw material components thereof, for an ongoing clinical trial due to the need to replace a contract manufacturer or other third-party manufacturer could considerably delay completion of our clinical trials, product testing and potential regulatory approval of our product candidates. If our manufacturers or we are unable to purchase these raw materials after regulatory approval has been obtained for our product candidates, the commercial launch of our product candidates would be delayed or there would be a shortage in supply, which would impair our ability to generate revenue from the sale of our product candidates.

We expect to continue to depend on contract manufacturers or other third-party manufacturers for the foreseeable future, and our requirements for and dependence upon these third-party manufacturers will increase when and if one or more of our product candidates is approved and commercialized. We have not entered into any long-term commercial supply agreements with our current contract manufacturers or with any alternate contract manufacturers. Although we intend to do so prior to any commercial launch of our product candidates, if approved by the U.S. FDA, in order to ensure that we maintain adequate supplies of finished drug product, we may be unable to enter into such an agreement or do so on commercially reasonable terms, which could have a material adverse impact upon our business, including delaying a product launch or subjecting our commercialization efforts to significant supply risk. Even if we are able to enter into long-term agreements with manufacturers for commercial supply on reasonable terms, we may be unable to do so with sufficient time prior to the launch of our product candidates, which would expose us to substantial supply risk and potentially jeopardize our launch.

Manufacturing issues may arise that could increase product and regulatory approval costs or delay commercialization.

As we scale up manufacturing of our product candidates and conduct required stability testing, product, packaging, equipment and process-related issues may require refinement or resolution in order to proceed with our planned clinical trials and obtain regulatory approval for commercial marketing. In the future, we may identify impurities, which could result in increased scrutiny by the regulatory agencies, delays in our clinical program and regulatory approval, increases in our operating expenses, or failure to obtain or maintain approval for our product candidates.

Guidelines and recommendations published by various organizations can reduce the use of our product candidates.

Government agencies promulgate regulations and guidelines directly applicable to us and to our product candidates. In addition, professional societies, such as practice management groups, private health and science foundations and organizations involved in various diseases from time to time may also publish guidelines or recommendations to the healthcare and patient communities. Recommendations of government agencies or these other groups or organizations may relate to such matters as usage, dosage, route of administration and use of concomitant therapies. Recommendations or guidelines suggesting the reduced use of our product candidates or the use of competitive or alternative products as the standard of care to be followed by patients and healthcare providers could result in decreased use of our product candidates.

We face significant competition from other biopharmaceutical companies, and our operating results will suffer if we fail to compete effectively.

Our industry is intensely competitive and subject to rapid and significant technological change. While we believe that our development platform, knowledge, experience and scientific resources provide us with competitive advantages, we face substantial competition from multinational pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies, universities and other research institutions worldwide. For example, there are several therapies currently in clinical development or awaiting regulatory approval for AD, including *lebrikizumab* being developed by Dermira, Inc./Eli Lilly and Company. In addition, *dupilumab*, developed by Sanofi S.A. and Regeneron Pharmaceuticals, Inc., and *tralokinumab*, developed by Leo Pharma A/S, are approved for the treatment of moderate-to-severe AD.

Many of our competitors have significantly greater financial, clinical and human resources. Additionally, small and early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. As a result, our competitors may discover, develop, license or commercialize products before or more successfully than we do. Competition may increase further as a result of advances in the commercial applicability of technologies and greater availability of capital for investment in these industries. Our competitors may succeed in developing, acquiring or licensing on an exclusive basis drug products or drug delivery technologies that are more effective or less costly than our product candidates that we are currently developing or that we may develop.

We believe that our ability to successfully compete will depend on, among other things:

- The efficacy and safety of our product candidates, especially as compared to marketed products and product candidates in development by third parties;
- The time it takes for our product candidates to complete clinical development and receive marketing approval;
- The ability to commercialize and market any of our product candidates that receive regulatory approval;
- The price of our products;
- Whether coverage and adequate levels of reimbursement are available from third-party payors, such as private and governmental health insurance plans, including Medicare;
- The duration of, and our ability to protect, intellectual property rights related to our product candidates;
- The ability to manufacture on a cost-effective basis and sell commercial quantities of any of our product candidates that receive regulatory approval; and
- Acceptance of any of our product candidates that receive regulatory approval by physicians and other healthcare providers.

If our competitors market products that are more effective, safer or less expensive than our future products, if any, or that reach the market sooner than our future products, if any, we may not achieve commercial success. Because we have limited research and development capabilities, it may be difficult for us to stay abreast of the rapid changes in technology. If we fail to stay at the forefront of technological change, we may be unable to compete effectively. Technological advances or products developed by our competitors may render our technologies or product candidates obsolete, less competitive or not economical.

Price controls may adversely affect our future profitability.

In certain countries, prescription drug pricing and reimbursement is subject to governmental control. In those countries that impose price controls, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. To obtain reimbursement or pricing approval in some countries, we or our strategic partners may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidates to other available therapies.

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 certain markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we or our strategic partners might obtain marketing approval for a product candidate in a particular country, but then be subject to price regulations that delay commercial launch of the product candidate, possibly for lengthy time periods, and negatively impact the revenue that we generate 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.

Legislative or regulatory healthcare reforms may make it more difficult and costly for us to obtain regulatory clearance or approval of our product candidates and to produce, market and distribute our products after clearance or approval is obtained.

From time to time, legislation is drafted and introduced that could significantly change the statutory provisions governing the regulatory clearance or approval, manufacture and marketing of regulated products or the reimbursement thereof. In addition, U.S. FDA regulations and guidance are often revised or reinterpreted by the U.S. FDA in ways that may significantly affect our business and our products. Any new regulations or revisions or reinterpretations of existing regulations may impose additional costs or lengthen review times of our product candidates. We cannot determine what effect changes in regulations, statutes, legal interpretation or policies, when and if promulgated, enacted or adopted may have on our business in the future. Such changes could, among other things, require:

- Changes to manufacturing methods;
- Change in clinical trial design, including additional treatment arm (control);
- Recall, replacement or discontinuance of one or more of our products; and
- Additional recordkeeping.

Each of these would likely entail substantial time and cost and could harm our business and our financial results.

In addition, in the United States, there have been a number of legislative and regulatory proposals to change the health care system in ways that could affect our ability to sell our products profitably. The pharmaceutical industry in the United States, as an example, has been affected by the passage of the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (collectively PPACA) which, among other things, imposed new fees on entities that manufacture or import certain branded prescription drugs and expanded pharmaceutical manufacturer obligations to provide discounts and rebates to certain government programs. There have been executive, judicial and Congressional challenges to certain aspects of PPACA. For example, on June 17, 2021 the U.S. Supreme Court dismissed a challenge on procedural grounds that argued the PPACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress. Further, prior to the U.S. Supreme Court ruling, on January 28, 2021, President Biden issued an executive order to initiate a special enrollment period for purposes of obtaining health insurance coverage through the PPACA marketplace. The executive order also instructs certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the PPACA. On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022, or IRA, into law, which, among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in PPACA marketplaces through plan year 2025. The IRA also eliminates the "donut hole" under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out-of-pocket cost and creating a new manufacturer discount program. It is possible that the PPACA will be subject to judicial or Congressional challenges in the future. It is unclear how such challenges and the healthcare reform measures of the Biden administration will impact the PPACA and our business.

Other legislative changes have been proposed and adopted in the United States since the PPACA was enacted. For example, in August 2011, the Budget Control Act of 2011, among other things, created measures for spending reductions by U.S. Congress. A Joint Select Committee on Deficit Reduction, tasked with recommending a targeted deficit reduction of at least $1.2 trillion for the years 2012 through 2021, was unable to reach required goals, thereby triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions of Medicare payments to providers of up to 2% per fiscal year, which went into effect in April 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2031 unless additional Congressional action is taken. Under current legislation, the actual reduction in Medicare payments will vary from 1% in 2022 to up to 4% in the final fiscal year of this sequester. In January 2013, the American Taxpayer Relief Act of 2012, among other things, further reduced Medicare payments to certain providers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Further, there has been particular and increasing legislative and enforcement interest in the United States with respect to drug pricing practices in recent years, particularly with respect to drugs that have been subject to relatively large price increases over relatively short time periods. There have been several recent Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. At the federal level, in July 2021, the Biden administration released an executive order, "Promoting Competition in the American Economy," with multiple provisions aimed at prescription drugs. In response to Biden's executive order, on September 9, 2021, the U.S. Department of Health and Human Services (HHS) released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform and sets out a variety of potential legislative policies that Congress could pursue to advance these principles. In addition, the IRA, among other things, (i) directs HHS to negotiate the price of certain high-expenditure, single-source drugs and biologics covered under Medicare, and subject drug manufacturers to civil monetary penalties and a potential excise tax by offering a price that is not equal to or less than the negotiated "maximum fair price" for such drugs and biologics under the law, and (ii) imposes rebates with respect to certain drugs and biologics covered under Medicare Part B or Medicare Part D to penalize price increases that outpace inflation. The IRA permits HHS to implement many of these provisions through guidance, as opposed to regulation, for the initial years. These provisions will take effect progressively starting in fiscal year 2023, although they may be subject to legal challenges. It is currently unclear how the IRA will be implemented but is likely to have a significant impact on the pharmaceutical industry. Further, the Biden administration released an additional executive order on October 14, 2022, directing HHS to submit a report on how the Center for Medicare and Medicaid Innovation can be further leveraged to test new models for lowering drug costs for Medicare and Medicaid beneficiaries. It is unclear whether this executive order or similar policy initiatives will be implemented in the future. 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.

In the future, there will likely continue to be proposals relating to the reform of the U.S. healthcare system, some of which could further limit coverage and reimbursement of drug products, including our product candidates.

Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. Our results of operations could be adversely affected by PPACA and by other health care reforms that may be enacted or adopted in the future.

It may be difficult for us to profitably sell any future products that may be approved if coverage and reimbursement for these products is limited by government authorities and/or third-party payor policies.

In addition to any healthcare reform measures which may affect reimbursement, market acceptance and sales of our product candidates, if approved, will depend on, in part, the extent to which our products, and the procedures which utilize our products, will be covered by third-party payors, such as government health care programs, commercial insurance and managed care organizations. These third-party payors determine the extent to which new drugs, and the procedures which utilize new drugs, will be covered as a benefit under their plans and the level of reimbursement for any covered product and procedures utilizing such products. It is difficult to predict at this time what third-party payors will decide with respect to the coverage and reimbursement for our product candidates, and the procedures which utilize our product candidates.

A primary trend in the healthcare industry has been cost containment, including price controls, restrictions on coverage and reimbursement and requirements for substitution of generic products and/or biosimilars. Third-party payors decide which drugs, and procedures using such drugs, they will pay for and establish reimbursement and co-payment levels. Government and other third-party payors are increasingly challenging the prices charged for health care products and services, examining the cost effectiveness of drugs in addition to their safety and efficacy, and limiting or attempting to limit both coverage and the level of reimbursement for prescription drugs and the procedures which utilize prescription drugs. We cannot be sure that coverage will be available for our product candidates, and the procedures which utilize our product candidates, if approved, or, if coverage is available, the level of reimbursement.

There is significant uncertainty related to the insurance coverage and reimbursement of newly approved products, and the procedures which utilize such products. In the United States, the principal decisions about reimbursement for new medicines, and the procedures which utilize new medicines, are typically made by the Centers for Medicare & Medicaid Services (CMS), as CMS decides whether and to what extent a new medicine, and procedures which utilize a new medicine, will be covered and reimbursed under Medicare. Private payors may follow CMS, but have their own methods and approval processes for determining reimbursement for new medicines, and the procedures that utilize new medicines. It is difficult to predict what CMS or other payors will decide with respect to reimbursement for fundamentally novel products such as ours, as there is no body of established practices and precedents for these new products.

Reimbursement may impact the demand for, and/or the price of, any product for which we obtain marketing approval. Assuming we obtain coverage for a given product, or a procedure which utilizes 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. Patients who are prescribed medications and procedures for the treatment of their conditions, and their prescribing physicians, generally rely on third-party payors to reimburse all or part of the costs associated with those prescription drugs and procedures. Patients are unlikely to use our products, or agree to procedures utilizing our products, unless coverage is provided and reimbursement is adequate to cover all or a significant portion of the associated costs. Therefore, coverage and adequate reimbursement is critical to new product acceptance. Coverage decisions may depend upon clinical and economic standards that disfavor new drug products when more established or lower cost therapeutic alternatives are already available or subsequently become available. There may be significant delays in obtaining coverage and reimbursement for newly approved drugs, and the procedures which utilize newly approved drugs, and coverage may be more limited than the purposes for which such drug is approved by the U.S. FDA or comparable foreign regulatory authorities.

Moreover, eligibility for coverage and reimbursement does not imply that a drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. 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, medical devices and surgical procedures and other treatments, has become very intense. As a result, increasingly high barriers are being erected to the successful commercialization of new products. Further, the adoption and implementation of any future governmental cost containment or other health reform initiative may result in additional downward pressure on the price that we may receive for any approved product. Reimbursement by a third-party payor may depend upon a number of factors including the third-party payor’s determination that use of a product is:

- A covered benefit under its health plan;
- Safe, effective and medically necessary;
- Appropriate for the specific patient;
- Cost-effective; and
- Neither experimental nor investigational.

Obtaining coverage and reimbursement approval for a product, or a procedure which utilizes a product, from a government or other third-party payor is a time-consuming and costly process that could require us to provide supporting scientific, clinical and cost effectiveness data for the use of our products, and the procedures which utilize our products, to the payor. Further, no uniform policy requirement for coverage and reimbursement for drug products, and procedures which utilize drug products, exists among third-party payors in the United States. Therefore, coverage and reimbursement for drug products, and the procedures which utilize drug products, can differ significantly from payor to payor. As a result, the coverage determination process may 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. We may not be able to provide data sufficient to gain acceptance with respect to coverage and/or sufficient reimbursement levels. We cannot be sure that coverage or adequate reimbursement will be available for our product candidates, or the procedures which utilize our product candidates, if approved. Also, we cannot be sure that reimbursement amounts will not reduce the demand for, or the price of, our future products. If reimbursement is not available, or is available only to limited levels, we may not be able to commercialize our product candidates, or achieve profitably at all, even if approved.

We may be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws and health information privacy and security laws. If we are unable to comply, or have not fully complied, with such laws, we could face substantial penalties.

Our current and future operations may be directly or indirectly through our relationships with healthcare providers, patients and other persons and entities, subject to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we research, market, sell and distribute our products. In addition, we may be subject to patient privacy regulation by both the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include:

The U.S. Anti-Kickback Statute prohibits, among other things, any person or entity from knowingly and willfully offering, paying, soliciting, receiving or providing any remuneration, directly or indirectly, overtly or covertly, to induce or in return for purchasing, leasing, ordering or arranging for or recommending the purchase, lease or order of any item or service reimbursable, in whole or in part, under Medicare, Medicaid or other U.S. federal healthcare programs. The U.S. Anti-Kickback Statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, purchasers, and formulary managers, among others, on the other. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution.

The U.S. federal false claims laws, including the False Claims Act (FCA) and civil monetary penalties laws, which prohibit any person or entity from, among other things, knowingly presenting, or causing to be presented, a false, fictitious or fraudulent claim for payment to, or approval by, the U.S. federal government or knowingly making, using or causing to be made or used a false record or statement material to a false or fraudulent claim to the U.S. federal government. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes “any request or demand” for money or property presented to the U.S. government. In addition, manufacturers can be held liable under the FCA even when they do not submit claims directly to government third-party payors if they are deemed to “cause” the submission of false or fraudulent claims. The FCA also permits a private individual acting as a “whistleblower” to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery. FCA liability is potentially significant in the healthcare industry because the statute provides for treble damages and mandatory penalties per false claim or statement. Government enforcement agencies and private whistleblowers have investigated pharmaceutical companies for or asserted liability under the FCA for a variety of alleged promotional and marketing activities, such as providing free product to customers with the expectation that the customers would bill federal programs for the product; providing consulting fees and other benefits to physicians to induce them to prescribe products; engaging in promotion for “off-label” uses; and submitting inflated best price information to the Medicaid Rebate Program.

HIPAA prohibits, among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third-party payors, knowingly and willfully embezzling or stealing from a healthcare benefit program, willfully obstructing a criminal investigation of a healthcare offense, and knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services.

The Physician Payments Sunshine Act, enacted as part of PPACA, imposes, among other things, annual reporting requirements for covered manufacturers for certain payments and "transfers of value" provided to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), other healthcare professionals (such as physicians assistants and nurse practitioners) and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members.

HIPAA, as amended by HITECH, and their respective implementing regulations, impose, among other things, specified requirements relating to the privacy, security and transmission of individually identifiable health information held by covered entities, which include certain healthcare providers, health plans and healthcare clearinghouses, and their business associates, which include individuals or entities that perform services for covered entities that involve the creation, use, maintenance or disclosure of, individually identifiable health information, and their covered subcontractors. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in U.S. federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in specified circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

Many U.S. states and other foreign jurisdictions have analogous laws and regulations, such as state anti-kickback and false claims laws, that may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers. In addition, certain states require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures and certain states and local jurisdictions require the registration of pharmaceutical sales representatives.

Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. In addition, recent health care reform legislation has strengthened these laws. For example, recent health care reform legislation, has among other things, amended the intent requirement of the U.S. Anti-Kickback Statute and criminal healthcare fraud statutes. A person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it in order to have committed a violation. Moreover, recent health care reform legislation provides that the government may assert that a claim including items or services resulting from a violation of the U.S. Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the FCA.

Ensuring that our business arrangements with third parties comply with applicable healthcare laws and regulations will likely be costly. It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations were found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, possible exclusion from government funded healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws, and curtailment of our operations, any of which could substantially disrupt our operations. If the physicians or other providers or entities with whom we expect to do business are found not to be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government-funded healthcare programs.

We are subject to U.S. and foreign anti-corruption and anti-money laundering laws with respect to our operations and non-compliance with such laws can subject us to criminal and/or civil liability and harm our business.

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, and possibly other state and national anti-bribery and anti-money laundering laws in countries in which we conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, third-party intermediaries, joint venture partners and collaborators from authorizing, promising, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. We engage third-party investigators, CROs, and other consultants to design and perform preclinical studies of our product candidates, and will do the same for any clinical trials. Also, once a product candidate has been approved and commercialized, we may engage third-party intermediaries to promote and sell our products abroad and/or to obtain necessary permits, licenses, and other regulatory approvals. We or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, contractors, collaborators, partners, and agents, even if we do not explicitly authorize or have actual knowledge of such activities.

Noncompliance with anti-corruption and anti-money laundering laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension and/or debarment from contracting with certain persons, the loss of export privileges, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas, investigations, or other enforcement actions are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, results of operations and financial condition could be materially harmed. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources and significant defense and compliance costs and other professional fees. In certain cases, enforcement authorities may even cause us to appoint an independent compliance monitor which can result in added costs and administrative burdens.

The incidence and prevalence for target patient populations of our product candidates are based on estimates and third-party sources. If the market opportunities for our product candidates are smaller than we estimate or if any approval that we obtain is based on a narrower definition of the patient population, our revenue and ability to achieve profitability might be materially and adversely affected.

Periodically, we make estimates regarding the incidence and prevalence of target patient populations for particular diseases based on various third-party sources and internally generated analysis and use such estimates in making decisions regarding our drug development strategy, including acquiring or in-licensing product candidates and determining indications on which to focus in preclinical or clinical trials.

These estimates may be inaccurate or based on imprecise data. For example, the total addressable market opportunity will depend on, among other things, acceptance of our drugs by the medical community and patient access, drug pricing and reimbursement. The number of patients in the addressable markets may turn out to be lower than expected, patients may not be otherwise amenable to treatment with our drugs, or new patients may become increasingly difficult to identify or gain access to, all of which may significantly harm our business, financial condition, results of operations and prospects.

Risks Related to our ADSs

The price of our ADSs has been, and may continue to be, volatile and may fluctuate due to factors beyond our control.

The trading market for publicly traded emerging biopharmaceutical and drug discovery and development companies has been highly volatile and is likely to remain highly volatile in the future. The stock market in general and the market for biopharmaceutical and drug discovery and development companies in particular, has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. The ongoing conflict between Ukraine and Russia and the ongoing conflicts in the Middle East, for example, have negatively affected the stock market and investor sentiment and this has resulted in significant volatility. The market price of our ADSs may fluctuate significantly due to a variety of factors, including:

- Positive or negative results from, or delays in, testing and clinical trials by us, our collaborators or our competitors;
- Technological innovations or commercial product introductions by us or competitors;
- Changes in government regulations;
- Changes in the structure of healthcare payment systems;
- Developments concerning proprietary rights, including patents and litigation matters;
- Public concern relating to the commercial value or safety of our product candidates;
- Financing, collaborations or other corporate transactions;
- Publication of research reports or comments by securities or industry analysts;
- General market conditions in the pharmaceutical industry or in the economy as a whole;
- The loss of any of our key scientific or senior management personnel;
- Sales of our ADSs or ordinary shares by us, our senior management and board members or holders of our ADSs or our ordinary shares in the future; or
- Other events and factors, many of which are beyond our control.

These and other market and industry factors may cause the market price and demand for our ADSs to fluctuate substantially, regardless of our actual operating performance, which may limit or prevent investors from readily selling their ADSs and may otherwise negatively affect the liquidity of our ADSs. In addition, the stock market in general, and biopharmaceutical companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. In the past, when the market price of a security has been volatile, holders of that security have sometimes instituted securities class action litigation against the issuer. If any of the holders of our ADSs were to bring such a lawsuit against us, we could incur substantial costs defending the lawsuit and the attention of our senior management would be diverted from the operation of our business. Any adverse determination in litigation could also subject us to significant liabilities.

If we are unable to regain compliance with the listing requirements of the Nasdaq Capital Market, our ADSs may remain delisted from the Nasdaq Capital Market which could have a material adverse effect on our financial condition and could make it more difficult for you to sell your shares.

On January 5, 2024, we received a notice from Nasdaq that we were not in compliance with the $1.00 minimum bid price requirement for continued listing on the Nasdaq Capital Market, as set forth in Nasdaq Listing Rule 5450(a)(1) (the Minimum Bid Price Requirement). The notice indicated that, consistent with Nasdaq Listing Rule 5810(c)(3)(A), we had 180 days, or until July 3, 2024, to regain compliance with the Minimum Bid Price Requirement by having the minimum bid price of our ADSs meet or exceed $1.00 per ADS for at least ten consecutive business days. The notice had no immediate effect on the listing of our ADSs, and our ADSs continued to trade on the Nasdaq Capital Market under the symbol “ASLN” at such time.

In order to regain compliance with the Minimum Bid Price Requirement, we may effect a change to the ratio of our ADSs to our ordinary shares. If we do not regain compliance with the Minimum Bid Price Requirement by July 3, 2024, our ADSs will become subject to delisting. In the event we receive notice that our ADSs are being delisted, the Nasdaq listing rules permit us to appeal a delisting determination to a hearings panel.

There can be no assurance, however, that we will be able to regain compliance with the Minimum Bid Price Requirement, and even if we do, there can be no assurance that we will be able to maintain compliance with the continued listing requirements for the Nasdaq Capital Market or that our ADSs will not be delisted in the future. In addition, we may be unable to meet other applicable listing requirements of the Nasdaq Capital Market, including maintaining minimum levels of shareholders' equity or market values of our ADSs in which case, our ADSs could be delisted notwithstanding our ability to demonstrate compliance with the Minimum Bid Price Requirement.

Delisting from the Nasdaq Capital Market may adversely affect our ability to raise additional financing through the public or private sale of equity securities, may significantly affect the ability of investors to trade our securities and may negatively affect the value and liquidity of our ADSs. Delisting also could have other negative results, including the potential loss of employee confidence, the loss of institutional investors or interest in business development opportunities.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law, we conduct the majority of our operations, and substantially all of our directors and executive officers reside, outside of the United States.

We are an exempted company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our Twelfth Amended and Restated Memorandum and Articles of Association (Articles), the Companies Act (as amended) of the Cayman Islands (the Companies Act), and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary duties of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands.

The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England and Wales, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. Similarly, the rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws than the United States, and some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, Cayman Islands companies do not have standing to sue before the federal courts of the United States.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. Although our shareholders are permitted by our Articles to request access to our books and records, our directors have discretion under our Articles to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

Certain corporate governance practices in the Cayman Islands, which is our home country, differ significantly from requirements for companies incorporated in other jurisdictions such as the United States. To the extent we choose to follow home country practice with respect to corporate governance matters, our shareholders may be afforded less protection than they otherwise would under rules and regulations applicable to U.S. domestic issuers.

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States. For a discussion of significant differences between the provisions of the Companies Act and the laws applicable to companies incorporated in the United States and their shareholders, see "Memorandum and Articles of Association–Material Differences in Corporate Law".

Future sales, or the possibility of future sales, of a substantial number of our ADSs or ordinary shares could adversely affect the price of our ADSs.

Future sales of a substantial number of our ADSs or ordinary shares, or the perception that such sales will occur, could cause a decline in the market price of our ADSs or ordinary shares. If any of our large shareholders or members of our management team sell substantial amounts of our securities in the public markets, or the market perceives that such sales may occur, the market price of our ADSs and our ability to raise capital through an issue of equity securities in the future could be adversely affected.

We may sell additional equity or debt securities or enter into other financing arrangements to fund our operations, which may result in dilution to our shareholders and holders of our ADSs and impose restrictions on our business.

In order to raise additional funds to support our operations, we may sell additional equity or debt securities, which could adversely impact our existing shareholders and new investors, as well as our business. The sale of additional equity or debt securities, or a combination of both, would result in the issuance of additional shares capital and dilution to our shareholders and holders of our ADSs. Please refer to the section titled "Item 18. Financial Statements" for more information on the issuance of ADSs.

For example, there are a large number of ordinary shares or ADSs underlying (i) the pre-funded warrants and warrants issued in our recent private placement offering in February 2023 and (ii) the warrants issued in our private placement that was conducted concurrently with our registered direct offering in March 2024. As of March 14, 2024, the outstanding pre-funded warrants and warrants, assuming full exercise, would be exercisable into an aggregate of 305,197,952 of our ordinary shares (or the equivalent of 12,207,918 ADSs) which would result in dilution to our shareholders and holders of our ADSs. Further, the sale of the ADSs underlying such pre-funded warrants and warrants may adversely affect the market price of our ADSs.

The incurrence of indebtedness would result in increased fixed payment obligations and could also result in certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. In the event that we enter into collaborations or licensing arrangements to raise capital, we may be required to accept unfavorable terms, including relinquishing or licensing to a third party on unfavorable terms our rights to technologies or product candidates that we otherwise would seek to develop or commercialize ourselves or potentially reserve for future potential arrangements when we might be able to achieve more favorable terms.

Because we do not anticipate paying any cash dividends on our ADSs or ordinary shares in the foreseeable future, capital appreciation, if any, will be your sole source of potential gains and you may never receive a return on your investment.

We have not paid cash dividends in the past on our ordinary shares. We intend to retain earnings, if any, for use in our business and do not anticipate paying any cash dividends in the foreseeable future. In addition, we are not permitted to dispose of our assets pursuant to the terms of the K2HV Facility without the prior consent of K2HV except for Permitted Transfers (as defined in the K2HV loan agreement). Further the K2HV loan agreement contains terms prohibiting dividends that may be declared or paid on our ADSs or ordinary shares. As a result, capital appreciation, if any, on our ADSs or ordinary shares will be your sole source of potential gains for the foreseeable future, and you will suffer a loss on your investment if you are unable to sell your ADSs or the underlying ordinary shares at or above the price you pay for our ADSs or ordinary shares. Investors seeking cash dividends should not purchase our ADSs.

Purchasers of our ADSs may not have the same voting rights as the holders of our ordinary shares and may not receive voting materials in time to be able to exercise their right to vote.

As a holder of our ADSs, you will only be able to exercise the voting rights with respect to the underlying ordinary shares in accordance with the provisions of the deposit agreement for our ADSs (the deposit agreement). Under the deposit agreement, you must vote by giving voting instructions to the depositary. Upon receipt of your voting instructions, the depositary will try to vote the underlying ordinary shares in accordance with these instructions. You will not be able to directly exercise your right to vote with respect to the underlying shares unless you withdraw the shares. When a general meeting is convened, you may not receive sufficient advance notice to withdraw the shares underlying your ADSs to allow you to vote with respect to any specific matter. After we notify the depositary of the agenda for the shareholders' meeting, the depositary will notify you of the upcoming vote and will arrange to deliver our voting materials to you once they are available. We have agreed to give the depositary at least 35 days' prior notice of shareholder meetings. Nevertheless, we cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote your shares. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for their manner of carrying out your voting instructions. This means that you may not be able to exercise your right to vote and you may have no legal remedy if the shares underlying your ADSs are not voted as you requested.

Except in limited circumstances, the depositary for our ADSs will give us a discretionary proxy to vote our ordinary shares underlying your ADSs if you do not vote at shareholders' meetings, which could adversely affect your interests.

Under the deposit agreement, to the extent we have provided the depositary with at least 35 days' notice of a proposed meeting, if voting instructions are not timely received by the depositary from you, you shall be deemed to have instructed the depositary to give a discretionary proxy to a person designated by us to vote the shares represented by your ADSs as desired. However, no such instruction shall be deemed given and no discretionary proxy shall be given (a) if we inform the depositary in writing that (i) we do not wish such proxy to be given, (ii) substantial opposition exists with respect to any agenda item for which the proxy would be given or (iii) the agenda item in question, if approved, would materially or adversely affect the rights of holders of shares and (b) unless we have provided the depositary with an opinion of our counsel to the effect that (a) the granting of such discretionary proxy does not subject the depositary to any reporting obligations in the Cayman Islands, (b) the granting of such proxy will not result in a violation of Cayman Islands laws, rules, regulations or permits, (c) the voting arrangement and deemed instruction will be given effect under Cayman Islands laws, rules, regulations and permits, and (d) the granting of such proxy will not under any circumstances result in the depositary being treated as the beneficial owner of ADSs under Cayman Islands laws, rules, regulations or permits.

The effect of this discretionary proxy is that, if you fail to give voting instructions to the depositary as to how to vote the ordinary shares underlying your ADSs at any particular shareholders' meeting, you cannot prevent our ordinary shares underlying your ADSs from being voted at that meeting, absent the situations described above, and it may make it more difficult for shareholders to influence our management. Holders of our ordinary shares are not subject to this discretionary proxy.

Purchasers of our ADSs may not receive distributions on our ordinary shares in the form of ADSs or any value for them if it is illegal or impractical to make them available to holders of ADSs.

The depositary for our ADSs has agreed to pay to purchasers of our ADSs the cash dividends or other distributions it or the custodian receives on our ordinary shares or other deposited securities after deducting its fees and expenses and certain taxes. Purchasers of our ADSs will receive these distributions in proportion to the number of our ordinary shares their ADSs represent. However, in accordance with the limitations set forth in the deposit agreement, it may be unlawful or impractical to make a distribution available to holders of ADSs. We have no obligation to take any other action to permit the distribution of our ADSs, ordinary shares, rights or anything else to holders of our ADSs. This means that purchasers of our ADSs may not receive the distributions we make on our ordinary shares or any value from them if it is unlawful or impractical to make them available to ADS holders. These restrictions may have a negative impact on the market value of our ADSs.

Purchasers of our ADSs may be subject to limitations on transfer of their ADSs.

ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. In addition, the depositary

may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason in accordance with the terms of the deposit agreement. The rights of our shareholders may differ from the rights typically offered to shareholders of a U.S. corporation.

Our corporate affairs are governed by our Articles and by the laws governing Cayman Islands corporations and companies engaging in drug development, marketing and sales businesses, as well as by the common law of the Cayman Islands. Certain rights and responsibilities of our shareholders, ADS holders and members of our board of directors under Cayman law are different from those that apply to a Delaware corporation. For example, Directors of Cayman Islands exempted companies are required to observe certain fiduciary duties. These duties are owed to the Cayman Islands company and include the duty to act in the best interests of the company and the shareholders as a whole. However, the fiduciary duties of a director of a Cayman Islands exempted company may not be the same as the fiduciary duties of a director of a U.S. corporation. In addition, controlling shareholders of U.S. corporations owe fiduciary duties to minority shareholders, while shareholders (including controlling shareholders) of Cayman Islands companies owe no fiduciary duties either to the company or to other shareholders.

Further, the rights of our shareholders to bring shareholders' suits against us or our board of directors under Cayman Islands law are much more limited than those of shareholders of a U.S. corporation. For example, under Cayman Islands law, a shareholder who wishes to bring a claim against a director would generally need to obtain permission from the courts to bring a derivative action, in the name of the company, against the director. This is because the director of a Cayman Islands exempted company owes duties to the company and not to individual shareholders. As a result, our shareholders may have more difficulty protecting their rights in connection with actions taken by our directors than they would as shareholders of a U.S. corporation. In addition, minority shareholders in a Cayman Islands exempted company have more limited rights than minority shareholders in a U.S. corporation in relation to mergers and similar transactions that the company may carry out. For example, if a merger under the Companies Act involving a Cayman Islands exempted company is approved by the requisite majority of shareholders, a dissenting minority shareholder would have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Such dissenter rights differ substantially from the appraisal rights, which would ordinarily be available to dissenting shareholders of Delaware corporations. Further, if a takeover offer is made to the shareholders of a Cayman Islands exempted company and accepted by holders of 90% of the shares affected, the offeror may require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion. A minority shareholder in this scenario would have no rights comparable to the appraisal rights which would generally be available to a dissenting shareholder of a U.S. corporation in similar circumstances. For a description of the principal differences between the provisions of Cayman law applicable to us and the U.S. Delaware General Corporate Law relating to shareholders' rights and protections, see "Memorandum and Articles of Association–Material Differences in Corporate Law".

We qualify as a foreign private issuer and, as a result, we are not subject to U.S. proxy rules and are subject to Exchange Act reporting obligations that permit less detailed and less frequent reporting than that of a U.S. domestic public company.

We report under the Exchange Act as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (i) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act; (ii) the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and (iii) the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, or current reports on Form 8-K upon the occurrence of specified significant events. In addition, our officers, directors and principal shareholders are exempt from the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act and the rules thereunder. Therefore, our shareholders may not know on a timely basis when our officers, directors and principal shareholders purchase or sell our ordinary shares or ADSs. In addition, foreign private issuers are not required to file their annual report on Form 20-F until the date that is four months after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers also are exempt from Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information. As a result of the above, you may not have the same protections afforded to shareholders of companies that are not foreign private issuers.

As a foreign private issuer, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq Stock Market LLC (Nasdaq) corporate governance listing standards. These practices may afford less protection to shareholders than they would enjoy if we complied fully with corporate governance listing standards.

As a foreign private issuer, we are permitted to take advantage of certain provisions in the Nasdaq listing rules that allow us to follow Cayman Islands law for certain governance matters. Certain corporate governance practices in the Cayman Islands may differ significantly from corporate governance listing standards. We intend to continue to follow Cayman Islands corporate governance practices in lieu of certain corporate governance requirements of Nasdaq. Therefore, our shareholders may be afforded less protection than they otherwise would have under corporate governance listing standards applicable to U.S. domestic issuers.

We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses.

As discussed above, we are a foreign private issuer, and therefore, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act. The determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter. We would lose our foreign private issuer status if, for example, more than 50% of our ordinary shares are directly or indirectly held by residents of the United States and we fail to meet additional requirements necessary to maintain our foreign private issuer status. If we lose our foreign private issuer status on this date, we will be required to file with the SEC periodic reports and registration statements on U.S. domestic issuer forms, which are more detailed and extensive than the forms available to a foreign private issuer. We will also have to mandatorily comply with U.S. federal proxy requirements, and our officers, directors and principal shareholders will become subject to the short-swing profit disclosure and recovery provisions of Section 16 of the Exchange Act. In addition, we will lose our ability to rely upon exemptions from certain corporate governance requirements under the Nasdaq listing rules. As a U.S. listed public company that is not a foreign private issuer, we will incur significant additional legal, accounting and other expenses that we will not incur as a foreign private issuer, and accounting, reporting and other expenses in order to maintain a listing on a U.S. securities exchange. These rules and regulations could also make it more difficult for us to attract and retain qualified members of our board of directors and more expensive to procure director and officer liability insurance.

Our U.S. Holders may suffer adverse tax consequences if we are characterized as a passive foreign investment company.

Generally, if for any taxable year (i) 75% or more of our gross income is passive income, or (ii) at least 50% of the average quarterly value of our assets are held for the production of, or produce, passive income, we would be characterized as a PFIC for U.S. federal income tax purposes. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes dividends, interest, rents, royalties and capital gains. Based on the nature of our income and the estimated value and composition of our assets, we believe that we were not a PFIC for the taxable year ended December 31, 2023. However, based on estimates of our gross income and gross assets (including tangible assets and intangible assets based on the market value of our ordinary shares), and the nature of our business, we believe we were a PFIC for the taxable year ended December 31, 2022. Further, there can be no assurance regarding our PFIC status for any taxable year. If we are characterized as a PFIC, our U.S. shareholders may suffer adverse tax consequences, including having gains realized on the sale of our ADSs or ordinary shares treated as ordinary income, rather than as capital gain, the loss of the preferential rate applicable to dividends received on our ordinary shares by individuals who are "U.S. Holders", and having interest charges apply to distributions by us and the proceeds of share sales and having to comply with certain reporting requirements. As used in this discussion, the term U.S. Holder has the meaning given it in the second paragraph of the discussion under "Item 10.E Taxation—Material U.S. Federal Income Tax Considerations for U.S. Holders." Certain elections exist that may alleviate some of the adverse consequences of PFIC status and would result in an alternative treatment (such as mark-to-market treatment) of our ordinary shares or ADSs; however, while we will consider providing the information necessary for U.S. Holders to make qualified electing fund (QEF) elections if we are classified as a PFIC, we provide no assurance that we will do so, in which case such QEF elections would not be available for a U.S. Holder.

If a United States person is treated as owning at least 10% of our ordinary shares or ADSs, such holder may be subject to adverse U.S. federal income tax consequences.

If a United States person is treated as owning (directly, indirectly, or constructively) at least 10% of the value or voting power of our ordinary shares (including as a result of such person's ownership of ADSs), such person may be treated as a "United States shareholder" with respect to each "controlled foreign corporation" in our group. Because our group includes one or more U.S. subsidiaries, we expect that certain of our non-U.S. subsidiaries will be treated as controlled foreign corporations (regardless of whether or not we are treated as a controlled foreign corporation). A United States shareholder of a controlled foreign corporation may be required to report annually and include in its U.S. taxable income its pro rata share of "Subpart F income," "global intangible low-taxed income," and investments in U.S. property by controlled foreign corporations, regardless of whether we make any distributions. An individual that is a United States shareholder with respect to a controlled foreign corporation generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a United States shareholder that is a U.S. corporation. Failure to comply with these reporting obligations may subject a United States shareholder to significant monetary penalties and may prevent the statute of limitations with respect to such shareholder's U.S. federal income tax return for the year for which reporting was due from starting. We cannot provide any assurances that we will assist investors in determining whether any of our non-U.S. subsidiaries is treated as a controlled foreign corporation or whether any investor is treated as a United States shareholder with respect to any such controlled foreign corporation or furnish to any United States shareholders information that may be necessary to comply with the aforementioned reporting and tax paying obligations. A United States investor should consult its advisors regarding the potential application of these rules to an investment in our ADSs.

General Risk Factors

We have incurred and will incur increased costs as a result of operating as a public company in the United States, and our senior management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

Our ADSs began trading on The Nasdaq Global Market on May 4, 2018, under the trading symbol "ASLN" and on September 29, 2022, we transferred to The Nasdaq Capital Market and continued trading under the same trading symbol "ASLN." As a U.S. public company, we have incurred significant legal, accounting and other expenses that we did not incur previously, and we will also incur additional expenses as we no longer qualify as an emerging growth company as of December 31, 2023. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of Nasdaq, and other applicable securities rules and regulations impose various requirements on non-U.S. reporting public companies, including the establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our senior management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, which in turn could make it more difficult for us to attract and retain qualified senior management personnel or members for our board of directors.

However, these rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 (Section 404), we will be required to furnish a report by our senior management on our internal control over financial reporting and an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants, adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

If we fail to maintain an effective system of internal controls over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, shareholders could lose confidence in our financial and other public reporting, which would harm our business and the trading price of our ADSs.

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 us conducted in connection with Section 404, or any subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. Inadequate 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 ADSs.

Management is required to assess the effectiveness of our internal controls annually. An independent assessment of the effectiveness of our internal controls could detect problems that our management's assessment might not. Undetected material weaknesses in our internal controls could lead to financial statement restatements requiring us to incur the expense of remediation and could also result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

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

The trading market for our ADSs depends in part on the research and reports that securities or industry analysts publish about us or our business. If no or too few securities or industry analysts provide coverage or if one or more of the analysts who cover us downgrade our ADSs or publish inaccurate or unfavorable research about our business, the price of our ADSs would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our ADSs could decrease, which might cause the price of our ADSs and trading volume to decline.

Item 4. Information on the Company

A. History and Development of the Company.

ASLAN Pharmaceuticals Pte. Ltd. was incorporated in Singapore in April 2010 and ASLAN Pharmaceuticals Limited was incorporated in the Cayman Islands in June 2014. Our ADSs were listed on The Nasdaq Global Market (Nasdaq) from May 2018 to September 2022. On September 29, 2022, we transferred to The Nasdaq Capital Market and continued trading under the same trading symbol "ASLN".

Our principal executive offices are located at 3 Temasek Avenue Level 18 Centennial Tower Singapore 039190. Our telephone number at that address is +65 6817 9598. Our registered office in the Cayman Islands is at the offices of Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008 Cayman Islands. Our agent for service of process in the United States is Cogency Global Inc. 122 East 42nd Street, 18th Floor, New York, New York 10168, and the telephone number is +1 212 947 7200. The SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at http://www.sec.gov. We also maintain a corporate website at www.aslanpharma.com. Information contained in, or that can be accessed through, our website is not a part of, and shall not be incorporated by reference into, this document. We have included our website address in this document solely as an inactive textual reference.

Under ASLAN Pharmaceuticals Limited, there are several legal entities as our fully owned subsidiaries and investment in associates. Our fully owned subsidiaries, ASLAN Pharmaceuticals Pte. Ltd., ASLAN Pharmaceuticals Australia Pty Ltd., ASLAN Pharmaceuticals Hong Kong Limited, ASLAN Pharmaceuticals (Shanghai) Co. Ltd. and ASLAN Pharmaceuticals (USA) Inc. were incorporated in Singapore, Australia, Hong Kong, China and the United States in April 2010, July 2014, July 2015, May 2016 and October 2018 respectively.

We have established a joint venture called JAGUAHR Therapeutics Pte. Ltd. with Bukwang Pharmaceutical Co., Ltd. (Bukwang), a leading research and development focused Korean pharmaceutical company, to develop antagonists of the aryl hydrocarbon receptor (AhR), an immune checkpoint inhibitor.

Since our inception in 2010, we have devoted substantially all of our resources to acquiring rights to, and developing our product candidates, including preclinical studies and clinical trials and providing general and administrative support for our operations. We have not generated any revenue from product sales and we do not currently have any products approved for commercialization. We have financed our operations through a combination of debt and equity financings and government grants.

B. Business Overview.

We are a clinical-stage immunology focused biopharmaceutical company developing innovative treatments to transform the lives of patients.

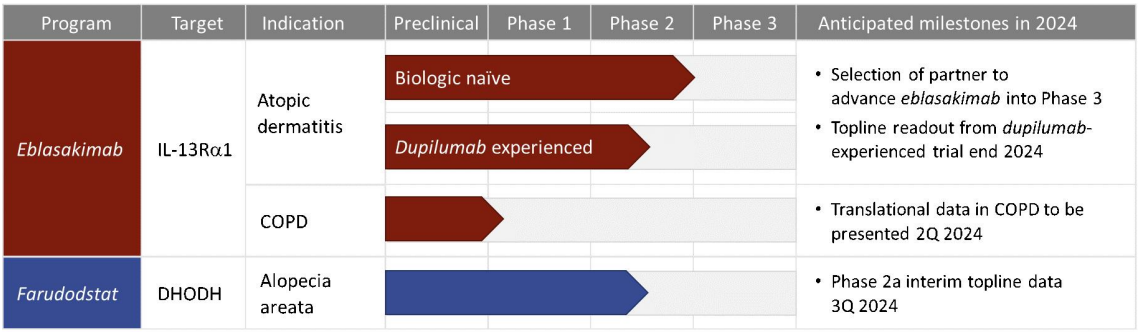
Our portfolio is led by *eblasakimab* (also known as ASLAN004), a potential first-in-class human monoclonal antibody that binds to the IL-13 receptor α1 subunit (IL-13Rα1), blocking signaling of two pro-inflammatory cytokines, IL-4 and IL-13 which are central to triggering symptoms of atopic dermatitis (AD), such as redness and itching of the skin. *Eblasakimab* has the potential to improve upon current biologics used to treat allergic disease.

We are currently investigating *eblasakimab* as a therapeutic antibody for moderate-to-severe AD. In July 2023 we reported positive topline data from our Phase 2b TREK-AD study in moderate-to-severe AD, supporting *eblasakimab*'s potential to deliver a monthly dosing regimen from initiation in AD. We are also investigating *eblasakimab* in *dupilumab*-experienced, moderate-to-severe AD patients in the Phase 2 trial, TREK-DX.

We are developing *farudodstat* (also known as ASLAN003), an orally active, potent inhibitor of human dihydroorotate dehydrogenase (DHODH) that has the potential to be a best-in-class therapy in autoimmune disease. Inhibition of DHODH is demonstrated to have anti-inflammatory and immunomodulatory effects that are selective towards rapidly proliferating lymphocytes, making it an attractive target for immune-mediated inflammatory diseases, such as alopecia areata (AA). We initiated a Phase 2 clinical trial in AA in the second quarter of 2023 with an interim readout expected in the third quarter of 2024.

Our Product Candidates

The following table summarizes our product candidate pipeline and discovery programs:



We hold global rights to all of our product candidates with the exception of (1) *farudodstat*, for which Kyungnam Biopharma (previously known as BioGenetics) acquired rights for the Republic of Korea (South Korea) and (2) *eblasakimab*, for which Zenyaku Kogyo Co., Ltd acquired rights for Japan.

Eblasakimab. *Eblasakimab* is a fully human monoclonal antibody that binds to the IL-13 receptor α1 subunit (IL-13Rα1), blocking signaling of two pro-inflammatory cytokines, IL-4 and IL-13, which are central to triggering signs and symptoms of AD, such as redness and itching of the skin. In July 2023, we announced topline results from a Phase 2b study of *eblasakimab* in patients with moderate-to-severe AD over a range of dosages with subcutaneous administration for 16 weeks. *Eblasakimab* met the primary endpoint of percent change in EASI score from baseline in three dose arms of 600mg dosed every four weeks (Q4W), 400mg dosed every two weeks (Q2W) and 300mg dosed Q2W, and also showed statistically significant improvements in– other key efficacy endpoints, including EASI-50, EASI-75and Validated Investigator Global Assessment(vIGA-0/1). In addition, *eblasakimab* was generally well-tolerated with no major safety concerns. In October, new data was presented from a post-hoc analysis of patients with severe AD (baseline EASI score of at least 21), which showed that monthly dosing with 600mg *eblasakimab* for 16 weeks led to a nearly 75% reduction in EASI score (versus 38.0% on placebo, $p<0.0001$) and EASI-75 of 54% (versus 13% on placebo, $p=0.0009$), representing a marked widening in placebo-adjusted efficacy.

In the fourth quarter of 2022, we initiated a Phase 2 study of *eblasakimab* in moderate-to-severe AD patients previously treated with *dupilumab*. U.S. sites are now recruiting and additional sites in Europe are expected in the first half of 2024. We expect to report topline data from this Phase 2 trial in end of 2024. We are also currently evaluating the potential use of *eblasakimab* in other diseases driven by type 2 inflammation, such as chronic obstructive pulmonary disease (COPD).

Farudodstat. *Farudodstat* is an orally administered, small-molecule inhibitor of dihydroorotate dehydrogenase (DHODH) and has been investigated in three phase 1 clinical studies in healthy volunteers, and one Phase 2 study in patients with acute myeloid leukemia (AML). The high potency and selectivity of *farudodstat*, and the favorable safety profile demonstrated in clinical studies to date, may offer best-in-class potential as a treatment for autoimmune conditions. We initiated a Phase 2 clinical study for the treatment of AA in the second quarter of 2023 with an interim readout expected in the third quarter of 2024.

Additional Pipeline Programs. We have established a joint venture called JAGUAHR Therapeutics Pte. Ltd. with Bukwang Pharmaceutical Co., Ltd. (Bukwang), a leading research and development focused Korean pharmaceutical company, to develop antagonists of the aryl hydrocarbon receptor (AhR), an immune checkpoint inhibitor. Our shareholding in JAGUAHR Therapeutics Pte. Ltd. in April 2021 was diluted from 55% to 35%, as a result of which, we no longer held a majority interest.

Our Product Candidates

Eblasakimab (ASLAN004)

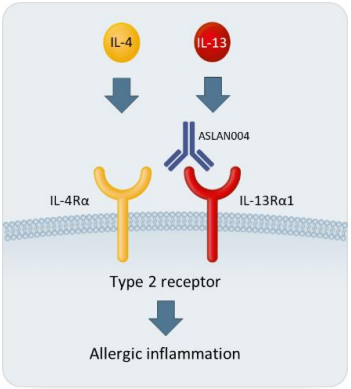
Eblasakimab is a fully human monoclonal antibody that targets the IL-13 receptor α1 subunit (IL-13Rα1). *Eblasakimab* is currently in clinical development, and we are not aware of any other antibodies in clinical development targeting IL-13Rα1. By targeting IL-13Rα1, which forms the type 2 receptor complex with IL-4Rα, *eblasakimab* potently inhibits signaling of both interleukin 4 (IL-4) and interleukin 13 (IL-13). IL-4 and IL-13 are central to triggering the signs and symptoms of AD, such as redness and itching of the skin, as well as signs and symptoms of asthma such as shortness of breath, wheeze and cough. *Dupilumab* is marketed by Sanofi/Regeneron for moderate-to-severe AD, moderate-to-severe asthma, chronic rhinosinusitis with nasal polyposis, eosinophilic eosophagitis (EoE) and prurigo nodularis (PN) and is in development for other type 2 driven diseases including COPD, chronic spontaneous urticaria (CSU), eosinophilic gastritis and bullous pemphigoid. As we target the same pathways as *dupilumab*, we believe *eblasakimab* can follow a similar regulatory path. We believe *eblasakimab* has the potential to become a first-in-class inhibitor of the IL-13 receptor and best-in-disease therapy for AD and other type 2 driven allergic disease. By targeting IL-13Rα1, rather than IL-4Rα, we believe *eblasakimab* has the potential to offer a differentiated profile, including competitive efficacy, lower dosing frequency and a favorable side effect profile.

In September 2021, we reported positive topline results from the Phase 1 multiple ascending dose trial of *eblasakimab* in moderate-to-severe AD, establishing proof of concept for *eblasakimab* in AD. In July 2023, we reported positive topline results from the Phase 2b clinical trial which supported *eblasakimab*'s potential to deliver a monthly dosing regimen from initiation in AD without compromising efficacy and with an encouraging safety profile. We are also testing *eblasakimab*'s potential in *dupilumab* experienced AD patients previously treated with *dupilumab* (*dupilumab* experienced) in a Phase 2 study.

We recently conducted translational work in a human model of COPD using precision cut lung slices, where reduction in IL-4/IL-13 driven airway constriction was observed with use of *eblasakimab*. In the future, we may also develop *eblasakimab* in other type 2 driven inflammatory indications, such as COPD, EoE, CSU and PN.

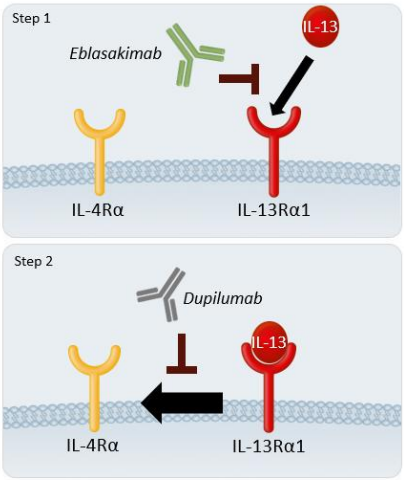
We licensed worldwide rights for *eblasakimab* from CSL Limited (CSL) in May 2014.

Mechanism of Action

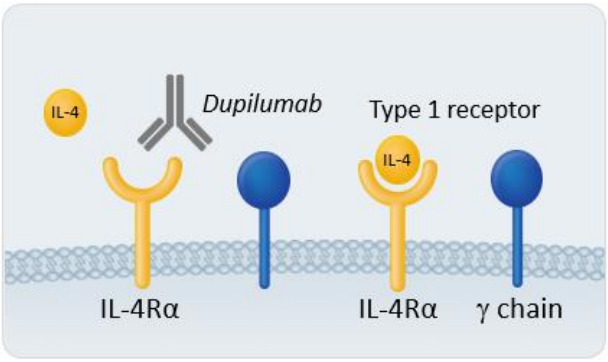


Eblasakimab has stronger binding to its target receptor than *dupilumab* relative to ligands IL-13 and IL-4 respectively. *Eblasakimab* has a 60-fold higher affinity for the IL-13Rα1 than IL-13, whereas *dupilumab* only has a three-fold higher affinity for the IL-4Rα than its ligand IL-4. This greater affinity difference between ligand and receptor binding may translate to a lower required concentration of *eblasakimab*, compared to *dupilumab*, and may provide improved dosing frequency and efficacy.

While *dupilumab* can indirectly block IL-13 signaling via the IL-4Rα subunit, *eblasakimab*'s direct binding of IL-13Rα1 has the potential for more efficient blockade of the type 2 receptor compared to binding the IL-4Rα subunit. Formation of the type 2 receptor complex occurs in 2 steps: the first step involves ligand binding to its receptor and the second step involves the bound receptor binding to the partner receptor to form the type 2 receptor heterodimer. Step 1 is a weaker, lower affinity interaction and a rate limiting step while step 2 is a high affinity interaction. By directly blocking the rate limiting step, *eblasakimab* has the potential to provide more efficient blockade of IL-13 signaling versus *dupilumab* which interferes with step 2, a high affinity interaction. This may translate to lower required concentrations *in vivo* and may provide improved dosing frequency and efficacy.



Unlike *dupilumab*, *eblasakimab* does not bind to the type 1 receptor, which contains the IL-4Rα but not IL-13Rα1. We believe that by avoiding inhibition of the type 1 receptor, *eblasakimab* may have fewer side effects than *dupilumab*, which does bind the type 1 receptor.



Advantages

We believe that *eblasakimab* has the potential to be a best-in-disease therapy:

- **Validated mechanism with the potential for greater efficacy than IL-13 selective and IL-4 selective inhibitors.** IL-13 selective inhibitors, such as *lebrikizumab* and *tralokinumab*, have shown mixed efficacy in treating allergic inflammation. We believe that agents that can block the activity of both IL-4 and IL-13 will be more efficacious as redundancy in signaling is removed by blocking type 2 receptor signaling. *Dupilumab* was shown to be effective in treating moderate-to-severe AD. *Eblasakimab* and *dupilumab* share the same mechanism of action by blocking IL-4 and IL-13 signaling through the type 2 receptor. In our Phase 2b clinical trial, the mean change from baseline in EASI in the 600mg Q4W arm was 73% versus 51% in the placebo arm after 16 weeks of treatment with *eblasakimab* in the Intent-to-Treat (ITT) population. 52% of patients in the active arm achieved EASI-75 versus 24% of patients on the placebo arm.

- **Potential for less frequent dosing.** *Dupilumab* may require significantly higher steady state concentrations than *eblasakimab* for full target inhibition, which may allow for less frequent dosing. *Dupilumab* is dosed once every two weeks via subcutaneous injection. Results from our Phase 2b clinical trial showed *eblasakimab* 600mg Q4W dose was the best performing arm versus the 400mg and 300mg Q2W doses. A reduced injection frequency would provide patients with greater convenience.
- **Potential for faster onset of action.** In the clinic, *eblasakimab* delivered intravenously demonstrated a rapid onset of action with full receptor occupancy and complete inhibition of a key downstream biomarker of IL-13 and IL-4 signaling, STAT6, within one hour of dosing, closely reflecting the data obtained in the cynomolgus monkey. In the Phase 2b trial, we saw significant reduction in EASI score by week 4 in the ITT population and by week 2 in a subpopulation of patients with baseline EASI ≥18.
- **Potential for improved safety profile.** In published clinical studies in AD, *dupilumab* demonstrated persistent conjunctivitis in 5-28% of patients, often requiring topical ocular treatment with tacrolimus or steroids. As well as blocking the type 2 receptor, *dupilumab* also blocks the type 1 receptor, which may drive certain T cells to release pro-inflammatory cytokines, which may be responsible for these high rates of conjunctivitis. Treatment with *eblasakimab* may result in lower rates of conjunctivitis as it only blocks the type 2 receptor and does not block the type 1 receptor. In the Phase 2b trial, *eblasakimab* treated patients demonstrated low rates of conjunctivitis (less than 6%).
- **Potential for increased drug stability.** *Dupilumab* may be stored for a maximum of 14 days at room temperature (25°C or 77°F) and cannot be stored above room temperature. As *dupilumab* can be self-administered, it may require special storage and handling when travelling. *Eblasakimab* may have increased drug stability and therefore greater storage flexibility.
- **Potential for rapid control of itch:** In addition to driving inflammation in AD patients, IL-4 and IL-13 can enhance the neuronal itch response via the type 2 receptor expressed on itch-specific sensory neurons. Through blockade of the type 2 receptor, *eblasakimab* could potentially decrease sensitivity to itch and provide rapid itch relief in AD patients. In translational studies of ex vivo human sensory neurons, *eblasakimab* significantly reduced neuronal responses to IL 4, IL 13, and their combination by an average of 40% ($p<0.0001$).

Market Opportunity

Market Opportunity in Moderate-to-Severe Atopic Dermatitis

AD is the most common form of eczema, affecting over 200 million patients worldwide, characterized by red inflamed skin and severe daytime and nighttime itching, which can severely impact patients' quality of life. Over 30% of AD patients are considered moderate-to-severe, for which currently available therapeutics are limited and management is challenging in the majority of cases.

Treatment options for patients with mild-to-moderate disease have historically focused on topical therapies including topical steroids and topical calcineurin inhibitors. In December 2016, the U.S. FDA granted approval for *crisaborole* (developed by Pfizer Inc.), a topical treatment for mild-to-moderate AD. In March 2017, the U.S. FDA granted approval for *dupilumab* (developed by Sanofi S.A. and Regeneron Pharmaceuticals, Inc.) for adults with moderate-to-severe AD. Until recently, *dupilumab* was the only approved biologic therapy available and has been driving significant growth in the market, which is expected to reach $39 billion by 2031. *Dupilumab* is currently approved for the treatment of AD in adults and pediatric patients 6 months of age or older. In December 2021, *tralokinumab* (Leo Pharma A/S) was approved by the FDA for adults with moderate-to-severe AD and in November 2023, *lebrikizumab* (Eli Lilly) was approved in the European Union for adults with moderate-to-severe AD. However there remains a significant unmet need, with only 35% of patients treated with *dupilumab* achieving an optimal response and conjunctivitis reported in 5-28% to patients in clinical practice.

In 2022, two small molecule inhibitors of Janus kinase (JAK), *abrocitinib* (Pfizer Inc.) and *upadacitinib* (AbbVie Inc), were approved by the U.S. FDA for treatment of moderate-to-severe atopic dermatitis, however their use is limited to patients with refractory, moderate-to-severe AD whose disease is not adequately controlled with other systemic drug products, including biologics, or when use of those therapies is inadvisable. *Abrocitinib* is currently approved for the treatment of AD in adults and *upadacitinib* is approved for the treatment of AD in adults and pediatric patients 12 years of age and older. Moreover, *abrocitinib* and *upadacitinib* carry three black box warnings for safety: higher rates of cardiovascular events such as heart attack or stroke, cancer, and blood clots.

Market Opportunity in Type 2 Driven Diseases

The type 2 immune response is dominant against environment-related antigens. While important in protection against helminths and in tissue repair, uncontrolled type 2 responses are implicated in allergy and atopic diseases. The type 2 response is orchestrated by key cytokines IL-4, IL-5 and IL-13 which are produced by type 2 T helper cells and type 2 innate lymphoid cells. This results in production of Immunoglobulin E (IgE) and activation of mast cells and eosinophils. Several conditions including asthma, COPD, AD, allergic rhinitis, eosinophilic gastrointestinal disorders are driven by type 2 inflammation and can be grouped as type 2 driven diseases. The market for type 2 driven diseases is large and continues to grow with over 500 million patients affected worldwide.

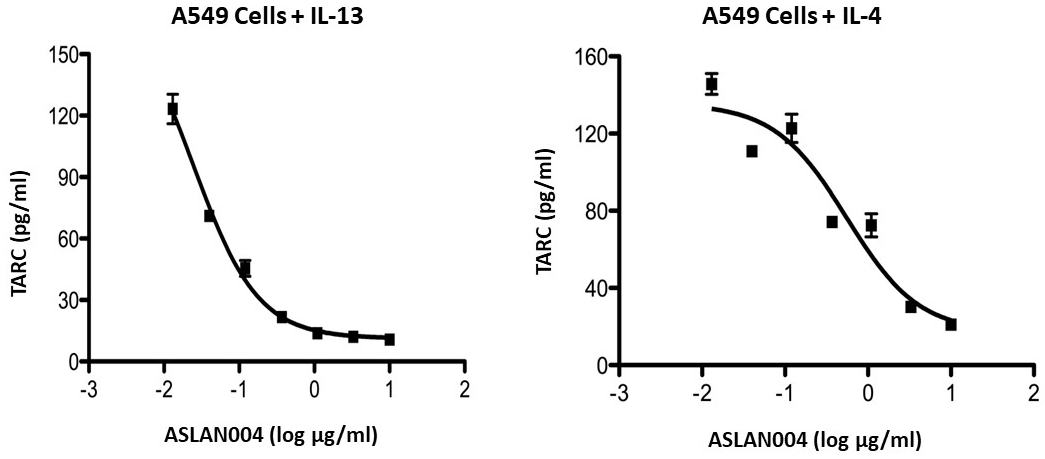
The development of *dupilumab* has demonstrated the importance of IL-4 and IL-13 signaling in multiple type 2 driven diseases. By targeting the IL-13 receptor, we believe *eblasakimab* has the potential to be an effective treatment in a similar range of diseases.

Preclinical and Clinical Development

Eblasakimab is a fully human IgG4 monoclonal antibody that specifically binds to the human IL-13Rα1 protein and was originally made using the Medarex mouse technology. The antibody was isolated and optimized to have picomolar binding affinity by CSL Behring.

Eblasakimab is a potent inhibitor of both IL-4 and IL-13 signaling with a binding affinity in the picomolar range for human IL-13Rα1. In *in vitro* assays, *eblasakimab* inhibits the release of key allergic mediators, such as thymus and activation regulated chemokine (TARC) that maintain and amplify allergic reactions initiated by IL-4 and IL-13.

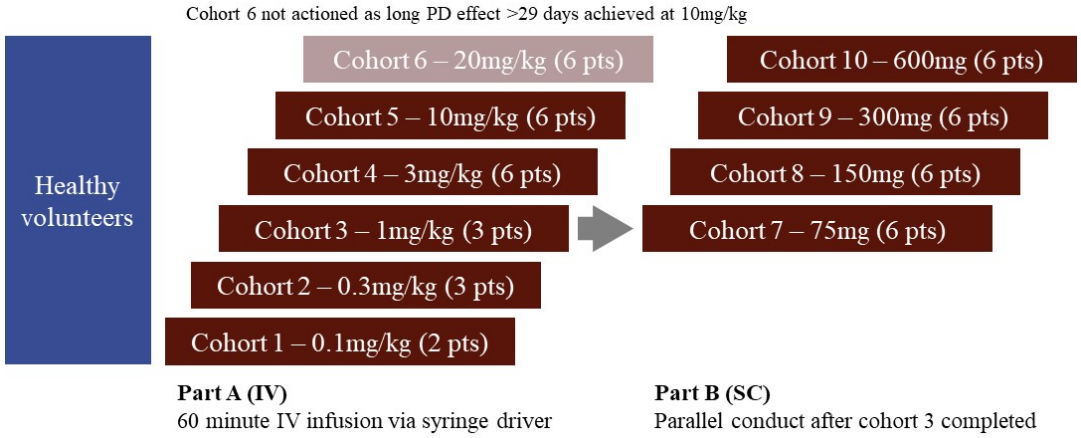
***Eblasakimab* potently inhibits TARC release from human cells**



Single Ascending Dose Clinical Trial in Healthy Volunteers

In June 2019, we announced the successful completion of a Single Ascending Dose (SAD) clinical trial testing intravenous and subcutaneous administration of *eblasakimab* in healthy volunteers. The first subject was enrolled in October 2018 and the last subject was dosed in March 2019. The single ascending dose clinical trial explored the safety, tolerability, pharmacokinetic profile and pharmacodynamic profile of *eblasakimab* when dosed via both intravenous and subcutaneous routes of administration. The clinical trial consisted of 10 cohorts with up to six patients per cohort.

Phase 1 *eblasakimab* Single Ascending Dose Trial Design (completed)



Eblasakimab was well tolerated at all dose levels via both intravenous and subcutaneous routes of administration. No conjunctivitis was noted in any subjects dosed with e*blasakimab* and there were no adverse events that led to discontinuation at any dose level.

Drug-related adverse event	N = 44				
	Any grade		Severity		
	N	(%)	Mild	Moderate	Severe
Decreased appetite	2	5	1	1	0
Alanine aminotransferase increased	1	2	1	0	0
Diarrhea	1	2	1	0	0
Pyrexia	1	2	1	0	0
Blood lactate dehydrogenase increase	1	2	1	0	0
Weight decrease	1	2	1	0	0
Lymphocyte count decrease	1	2	1	0	0
Headache	1	2	0	1	0
C-reactive protein increase	1	2	1	0	0
Injection site pruritus (mild)	1	2	1	0	0

The SAD clinical trial also measured the pharmacokinetic profile of *eblasakimab* and pharmacodynamic markers of inhibiting IL-4 and IL-13 binding to the IL-13Rα1, such as IL-13α1 receptor occupancy and inhibition of phosphorylation of STAT6 (pSTAT6), a key marker of the signal transduction in allergic inflammation immediately downstream of IL-4 and IL-13 binding to the type 2 receptor. In mouse models of allergic inflammation, the knockout of STAT6 completely abolished allergic inflammation.

When greater than or equal to 600mg *eblasakimab* was administered intravenously (10mg/kg) it demonstrated 100% receptor occupancy and complete inhibition of STAT6 phosphorylation in less than 1 hour after dosing. These effects were maintained for over 29 days following a single dose of *eblasakimab*, suggesting monthly dosing may be achievable. The rapid inhibition of IL-4 and IL-13 signaling by *eblasakimab* could also lead to a fast onset of symptom relief in AD patients.

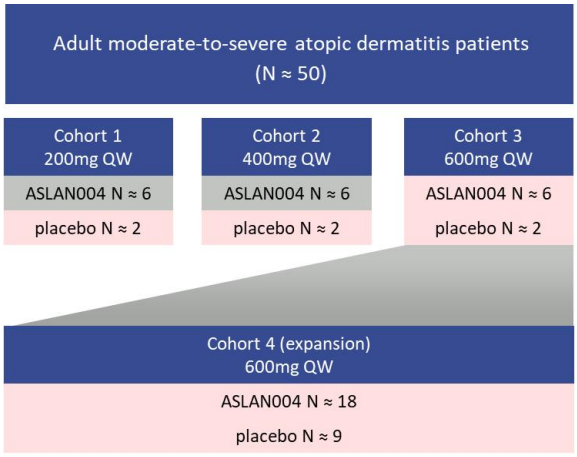
Multiple Ascending Dose Clinical Trial in Moderate-to-Severe Atopic Dermatitis

In October 2019, we initiated a MAD clinical trial testing *eblasakimab* in moderate-to-severe AD patients. The randomized, double-blind, placebo-controlled trial evaluated three doses (200mg, 400mg and 600mg) of *eblasakimab* delivered weekly via subcutaneous injection, with approximately 8 patients in each cohort. Based on a review of blinded safety data completed in January 2021, the highest dose, 600mg, was selected for the expansion cohort, which recruited 27 additional patients. Patients were dosed weekly for eight weeks to determine safety and the efficacy of *eblasakimab*. The primary endpoint was safety and tolerability. Secondary endpoints included efficacy at eight weeks as measured by improvement in the Eczema Area and Severity Index (EASI) score, EASI-50, EASI-75, Investigators Global Assessment (IGA), pruritis numeric rating scale (P-NRS) and Patient-Oriented Eczema Measure (POEM).

The trial was designed with 80% power to detect a 39% improvement in EASI compared to placebo at eight weeks.

The trial recruited approximately 50 moderate-to-severe AD patients and recruitment into the expansion cohort started in January 2021. We reported topline data from this trial in the third quarter of 2021. After completion of the MAD trial, we initiated a Phase 2b dose-range finding trial in AD patients.

***Eblasakimab* MAD Design in Moderate-to-Severe Atopic Dermatitis**



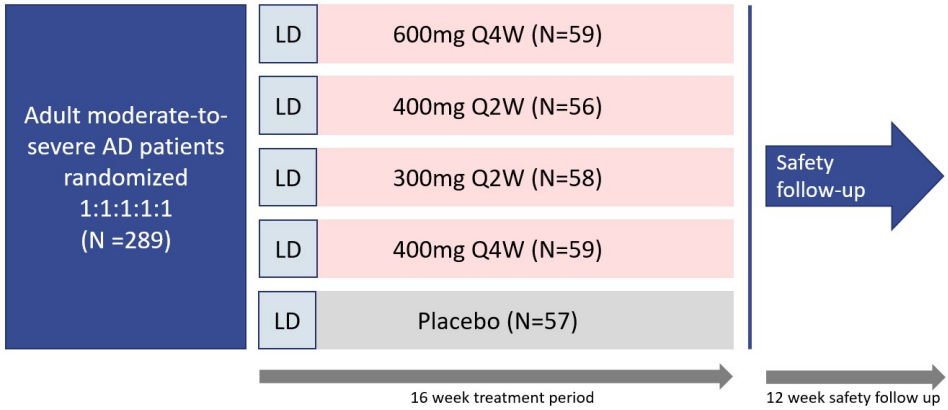
In March 2021, we reported positive interim unblinded data from the first three dose cohorts (200mg, 400mg and 600mg) of the ongoing MAD clinical trial. The first three cohorts randomized 25 patients from the United States, Australia and Singapore. Three patients discontinued the trial due to restrictions imposed in response to COVID-19. Of the remaining 22 patients, 18 completed at least 29 days of dosing and assessment and were evaluable for efficacy. The average baseline EASI score of patients was 32.5 and the average IGA score was 3.4 (n=18). At week 8, the average reduction in EASI from baseline at therapeutic doses (400mg and 600mg cohorts) was 74% (n=9) compared to 42% (n=5) for patients on placebo. 89% of patients achieved EASI-50 versus 40% on placebo; 67% achieved EASI-75 versus 0% on placebo; 56% achieved EASI-90 versus 0% on placebo; and 22% of patients achieved IGA of 0 or 1 versus 0% on placebo. Peak pruritus improved after just one dose and continued to improve by an average of 46% relative to baseline at week 8 compared to 16% for patients on placebo. The proportion of patients with adverse events and treatment-related adverse events were similar across treatment and placebo arms. There were no treatment-related adverse events in the active arm that led to discontinuation.

In September 2021, we announced positive topline data from the completed study conclusively establishing proof-of-concept for *eblasakimab* in AD. Efficacy analysis was performed on a modified Intent-to-Treat (mITT) population, excluding 9 patients from a single site because their eligibility could not be confirmed and was pre-specified and defined prior to unblinding. In both ITT and mITT populations, *eblasakimab* achieved a statistically significant improvement versus placebo in the primary efficacy endpoint of percent change from baseline in the Eczema Area Severity Index (EASI), and, although the study was not designed to do so, also showed statistically significant improvements in other key efficacy endpoints, such as EASI-50, EASI-75 and POEM.

In the mITT population, the average reduction from baseline in EASI at 8 weeks was 65% (n=16) compared to 27% (n=13) for patients on placebo (one-sided p-value of 0.014), and 69% achieved EASI-75 versus 15% on placebo (one-sided p-value of 0.005). 44% of patients achieved Investigator's Global Assessment (IGA) of 0 or 1 versus 15% on placebo. Peak pruritus improved by an average of 49% (n=16) relative to baseline at 8 weeks compared to 6% for patients on placebo.

Phase 2b Dose-Ranging Clinical Trial in Moderate-to-Severe Atopic Dermatitis

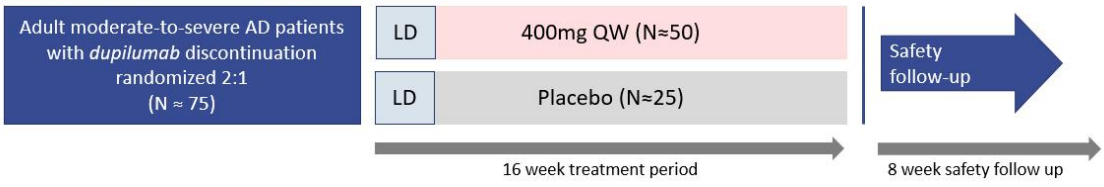
TREK-AD is a randomized, double-blind, placebo-controlled, multicenter, dose-ranging trial to evaluate the efficacy and safety of *eblasakimab* in adult patients with moderate-to-severe AD. The study will evaluate the efficacy and safety of *eblasakimab* as monotherapy in adult patients with moderate-to-severe AD who are candidates for systemic therapy. The study has 5 treatment arms (4 active treatment arms and 1 placebo arm) evaluating *eblasakimab* administered as subcutaneous injections at three dose levels and two dosing frequencies (Q2W or Q4W) after 2 or 3 loading doses:



The study randomized 289 adult patients in the ITT population across over 80 sites in the United States, Europe and Asia and consisted of a 16-week treatment period and 12-week safety follow-up period. In July 2023, we announced positive topline results from the 16 week treatment period demonstrating *eblasakimab* 600mg Q4W dose was the best performing arm versus Q2W doses. *Eblasakimab* dosed once with 600mg every 4 weeks met primary endpoint in TREK-AD, achieving EASI-75 of 52.0% (compared to 24% on placebo), EASI-90 of 27.6% (compared to 8% on placebo) and vIGA-AD 0/1 of 31.2% (compared to 15% on placebo). *Eblasakimab* dosed once every two weeks also met the primary endpoint with statistical significance, as well as meeting key secondary endpoints. The unique loading dose regimen delivered rapid onset of action with statistically significant improvement in EASI score reduction by week 4 and *eblasakimab* was generally well-tolerated at all dose levels with low rates of conjunctivitis and injection site reactions supporting the potential for a differentiated safety profile. In keeping with several other recent studies, the placebo response was higher than *dupilumab* studies conducted a decade ago. A high proportion of patients with milder levels of AD in the US contributed to the high placebo response (over a third of patients in the US had an EASI score less than 18). *Eblasakimab* performed equally well in patients with more severe levels of AD, however placebo scores were greatly reduced, resulting in competitive placebo-adjusted scores. Onset of action in patients with baseline EASI $\geq$ 18 was also significant from an earlier timepoint of week 2.

Phase 2 Trial in Moderate-to-Severe Atopic Dermatitis Patients Previously Treated with Dupilumab

TREK-DX is a randomized, double-blinded, placebo-controlled Phase 2 trial to evaluate the efficacy of *eblasakimab* in *dupilumab*-experienced moderate-to-severe AD patients. Due to the growing use of *dupilumab* in moderate-to-severe AD patients, this study is designed to establish the potential of *eblasakimab* in patients who have discontinued *dupilumab* treatment for any reason, including inadequate control of AD, loss of access or an adverse event.



The study is expected to enroll approximately 75 patients randomized 2:1 to receive either *eblasakimab* 400mg every week or placebo and will consist of a 16-week treatment period and 8-week safety follow-up period. The primary efficacy endpoint is percentage change in EASI score from baseline to Week 16. Other key secondary endpoints at Week 16 include proportion of patients achieving EASI score reductions of 50% (EASI-50) or 75% (EASI-75), vIGA of clear or almost clear (IGA 0/1 response on 5-point scale), and reductions in P-NRS, and various patient reported outcomes including POEM, as well as safety and tolerability. The topline data readout is expected to be at the end of 2024.

Farudodstat (ASLAN003)

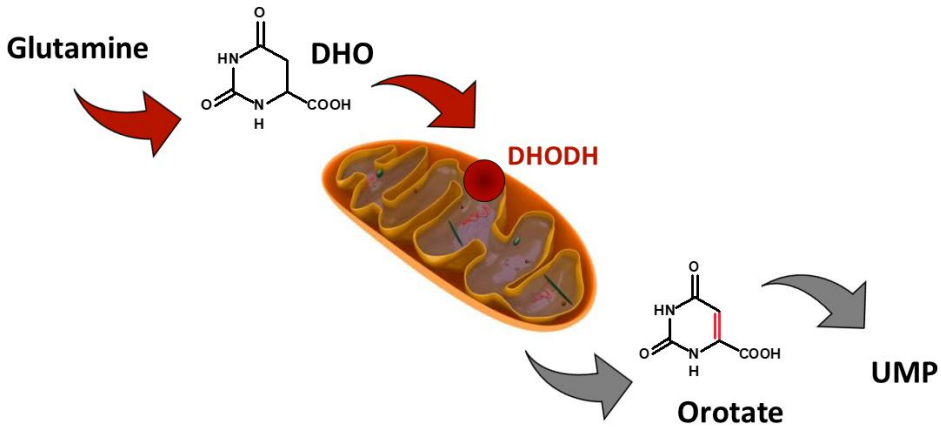
Farudodstat is an orally active, potent inhibitor of DHODH which was designed to address the limitations of first generation DHODH inhibitors in inflammatory autoimmune diseases. *Leflunomide* and *teriflunomide*, which is the active metabolite of *leflunomide*, are first generation DHODH inhibitors, approved in the United States, Europe and Asia for the treatment of rheumatoid arthritis and multiple sclerosis, respectively. These molecules are less potent inhibitors of DHODH as compared to *farudodstat* and are sufficient to slow the proliferation of inflammatory cells and therefore adequate in treating chronic inflammatory disorders.

However, these molecules are known to have off-target activities, extremely long wash-out period and have black box warnings for hepatotoxicity and reproductive toxicity, requiring close patient monitoring or restricting use altogether. In contrast, *farudodstat* is structurally distinct from and up to two orders of magnitude more potent at inhibiting DHODH than *teriflunomide.* It has a half-life of 16 hours with no accumulation, allowing for rapid clearance on cessation of treatment. In contrast to *teriflunomide*, *farudodstat* was not found to be hepatotoxic in rodent studies.

We licensed *farudodstat* from Almirall, S.A. (Almirall) in 2012 after Almirall's completion of a Phase 1 single ascending dose clinical trial, in which the drug was well-tolerated in healthy volunteers. We then conducted two additional Phase 1 clinical trials, exploring multiple ascending doses and fed/fasted comparison in healthy volunteers. These trials demonstrated that the drug was well-tolerated and had the potential for once daily dosing. We subsequently explored the activity of *farudodstat* in AML, by conducting a small Phase 2 study, which showed some signs of activity in patients with AML and demonstrated that *farudodstat* was well-tolerated in this population. A Phase 2a proof of concept clinical study to investigate *farudodstat* for the treatment of AA was initiated in May 2023 and is expected to read out in third quarter of 2024.

Mechanism of Action

Pyrimidines are nucleotides and are essential building blocks for the production of deoxyribonucleic acid (DNA) and ribonucleic acid (RNA) in mammalian cells. Rapidly proliferating cells, such as immune cells in response to disease, require increased levels of adenosine triphosphate (ATP) and pyrimidines for growth and replication. *Farudodstat* is an inhibitor of DHODH, which is the enzyme controlling the conversion of dihydroorotate (DHO) to orotate, the rate limiting step in the de novo synthesis of uridine monophosphate (UMP) which is a pyrimidine precursor. Inhibition of DHODH therefore restricts the pyrimidine pool available to rapidly proliferating cells. DHODH is located in the mitochondria and during manufacture of nucleotides it also contributes to the production of ATP. Inhibition of DHODH depletes the intracellular pool of pyrimidines and contributes to lower levels of ATP, which inhibits the cell's ability to replicate. Importantly, normally functioning, non-proliferating cells can utilize salvage pathways to obtain ATP and pyrimidines, so the effects of DHODH inhibition are expected to selectively affect only the types of rapidly proliferating cells implicated in disease. The metabolic stress induced in response to DHODH inhibition leads to the reduction of pro-inflammatory cytokine secretion, including interferon gamma (IFNγ), and to increased apoptosis, and these mechanisms are implicated in a number of autoimmune diseases, including AA, which have shared genetics and immune pathways. This broad mechanism may have utility in several distinct therapeutic areas. In T-cell mediated inflammatory autoimmune diseases such as rheumatoid arthritis and multiple sclerosis, inhibition of DHODH to arrest the proliferation of autoreactive lymphocytes is a well-established treatment strategy.



The causes of AA are not fully understood, but it is believed to result from a loss of immune privilege in the hair follicle following a triggering event (e.g., stress, infection, trauma) mediated by IFNγ. This leads to an upregulation of inflammatory cytokine signaling, which results in an autoimmune-mediated hair loss. In AA, the local increase in IFNγ leads to collapse of immune privilege around the hair follicle and a Th1 inflammatory response towards the hair bulb, resulting in a premature start of the hair loss cycle and hair follicle degeneration. DHODH inhibition reduces cytokine secretion and Th1 cell differentiation, thereby directly blocking the key drivers of AA.

Advantages

We believe that *farudodstat* has the potential to be a best-in-class DHODH inhibitor in autoimmune disease due to the following competitive advantages:

- **Potent inhibition of DHODH.** The binding affinity of *farudodstat* to DHODH is up to two orders of magnitude stronger than first generation DHODH inhibitors, such as *leflunomide* and *teriflunomide*, and other clinical stage compounds.
- **Addresses the toxicities associated with first generation inhibitors.** Existing DHODH inhibitors, such as *leflunomide* and *teriflunomide*, are associated with significant off-target toxicities and carry black box warnings for hepatotoxicity and reproductive toxicity. *Farudodstat* has been found to be well tolerated in Phase 1 and Phase 2 studies. In rats and mice, *farudodstat* was not hepatotoxic at doses three times higher than the doses of *teriflunomide* at which hepatotoxicity was observed, despite *farudodstat* being over 30 times more potent at inhibiting DHODH, and this study suggested that the on-target mechanism of DHODH inhibition was not responsible for the hepatotoxicity observed with *teriflunomide*. Furthermore, in work undertaken by Liverpool University, a world leading center for hepatotoxicity, scientists evaluated the hepatotoxic potential of a panel of six DHODH inhibitors in two hepatic in vitro models. In one model, *farudodstat* was shown to be the least toxic compound tested despite being one of the most potent DHODH inhibitors, while *teriflunomide* and *leflunomide* were equally the most toxic compounds tested. In the ongoing Phase 2a proof of concept study in AA, emerging blinded safety data has shown no liver or other major safety concerns to date.
- **Highly favorable pharmacokinetic (PK) profile.** Both *leflunomide* and *teriflunomide* take between three and four weeks to build to therapeutic levels and two years to clear completely after dosing is stopped. In contrast, *farudodstat* reaches full exposure in 24 hours with a half-life of 16 hours allowing rapid clearance following cessation of treatment. *Farudodstat* shows a linear, dose-proportional PK profile and allows for once-daily, oral dosing which is important in ensuring patient compliance.

Market Opportunity in Autoimmune Disease

The autoimmune diseases market is large and continues to grow, with indications such as psoriasis and inflammatory bowel disease (IBD) affecting as many as 2% and 1% of the United States population, respectively. In 2021, the global autoimmune disease therapeutics market was valued at $55 billion and is forecast to reach $114 billion by 2028. Many diseases have similar or related underlying pathogenesis, and some have few or no effective pharmaceutical treatment options.

Autoimmune diseases of the skin include multiple indications such as psoriasis, AA, vitiligo and pemphigus. Patient symptoms vary based on the specific conditions but can include skin lesions, blisters, plaque and skin scarring. Current treatments are limited to systemic corticosteroids and immunosuppressive treatments with limited safe and effective long term treatment options.

The broad immunomodulatory and anti-inflammatory properties of *farudodstat* may have utility in several different diseases and may offer a safe and convenient treatment option for patients with these diseases. Other than the first generation DHODH inhibitors, *leflunomide* and *teriflunomide*, approved in rheumatoid arthritis and multiple sclerosis respectively, there are no DHODH inhibitors approved for the treatment of autoimmune disease, presenting a compelling opportunity for *farudodstat*.

Market Opportunity in Alopecia Areata

AA is a common, inflammatory, non-scarring, autoimmune-mediated hair loss condition with limited treatment options. The cumulative lifetime prevalence of AA is estimated at about 2%. Among the US population, there are currently 700,000 prevalent cases of AA with 25% of patients having severe disease and 60% of all patients receiving drug treatment. Until recently there were no approved systemic treatments for AA.

Baricitinib (Olumiant®), a Janus Kinase (JAK) inhibitor, was approved by FDA in 2022 for the treatment of adult patients with severe AA. In a Phase 3 study, up to 35% of patients who received *baricitinib* achieved adequate scalp hair coverage. However, *baricitinib* has a black box warning for serious infections, mortality, malignancy, major adverse cardiovascular events, and thrombosis. A second JAK inhibitor, *Ritlecitinib* (Litfulo®) was approved by FDA in 2023 for the treatment of severe AA in adults and adolescents 12 years and older and carries a similar black box warning. Other drugs currently in Phase 3 clinical studies in AA are also JAK inhibitors and, if approved, are expected to have similar black box warnings as *baricitinib* and *ritlecitinib*. Other clinical-stage treatments are few and to our knowledge no other DHODH inhibitors are currently being investigated for the treatment of AA. Hence, there remains an unmet need for safe and effective treatment options for AA, and *farudodstat* is the only DHODH inhibitor currently in clinical development in this disease.

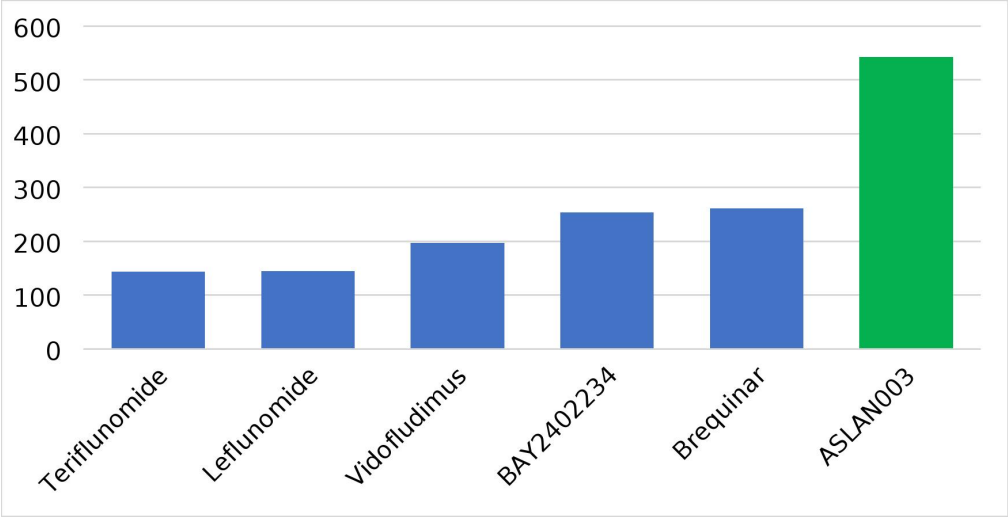
Preclinical and Clinical Development

We assessed the potency of *farudodstat* using three standard assays: cell free, human primary cell, and human whole blood. The table below shows that *farudodstat* is more potent than *teriflunomide*. The IC50 value is the concentration of the drug required to produce 50% inhibition of response in the assay.

Study	*Farudodstat* IC50 (μM)	*Teriflunomide* IC50 (μM)
Enzymatic DHODH inhibition	0.035	1.1
Human PBMC proliferation inhibition	1.4	46
IFNγ inhibition in human whole blood	2.5	259

To address the black box warnings for hepatotoxicity associated with the first generation DHODH inhibitors *leflunomide* and *teriflunomide*, *in vitro* studies were conducted to further investigate the hepatotoxicity of several DHODH inhibitors. The study demonstrated that *farudodstat* has the lowest potential for hepatotoxicity out of 6 approved and clinical stage DHODH inhibitors.

Concentration (µM IC50) required to induce mitochondrial toxicity in HepaRG cells at 24 hours

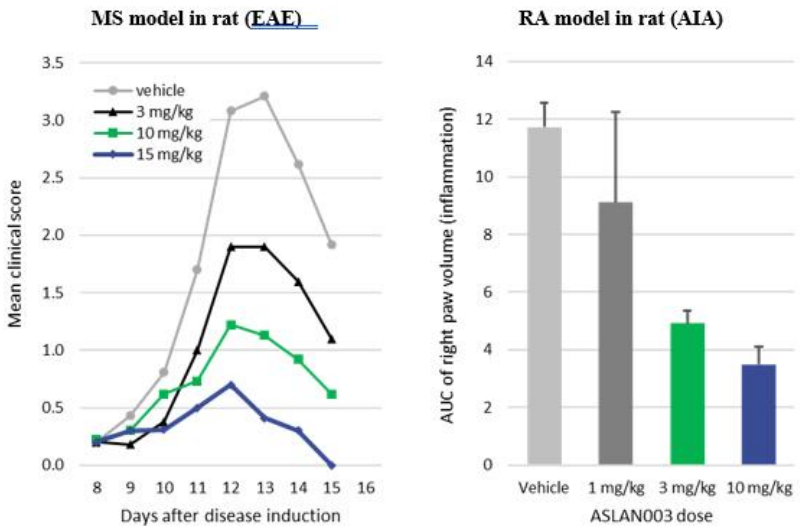


Jones et al (2021) Toxicology in Vitro 72:105096

In established animal models of multiple sclerosis (Experimental Autoimmune Encephalomyelitis - EAE) and rheumatoid arthritis (Adjuvant-Induced Arthritis - AIA) *farudodstat* inhibited disease progression in a dose-dependent manner.

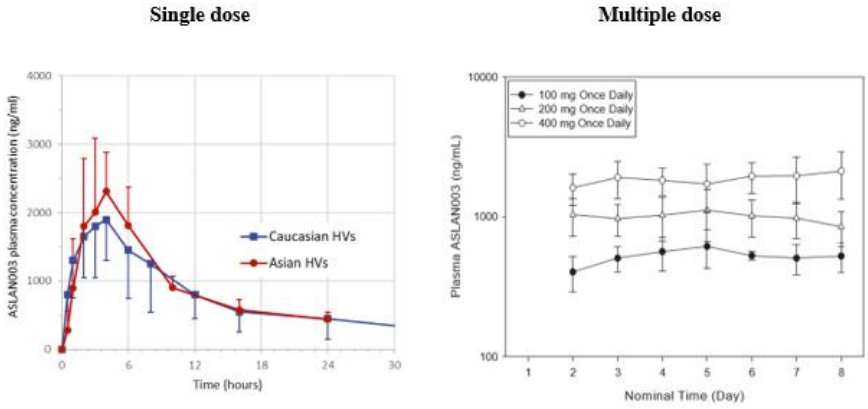
Farudodstat's mechanism of action was tested in an established ex vivo human model of AA. Micro-dissected hair follicles from human scalp were tested in ex vivo culture systems which preserve the architecture of the hair follicle and allow investigation of molecular mechanisms of immune privilege (IP) collapse- a key precursor to AA. IP collapse is characterized by expansion of T cells in hair follicle, IFN*γ* expression and upregulation of major histocompatibility complex (MHC) I and II proteins. *Farudodstat* treatment at clinically relevant doses, significantly inhibited expansion of CD3+ T cells and downregulated MHC I and MHC II expression after AA induction. These results provide evidence that *farudodstat* could have the potential to restore immune privilege by inhibiting the key processes of T cell expansion and MHC expression.

Activity of ASLAN003 in animal models of disease



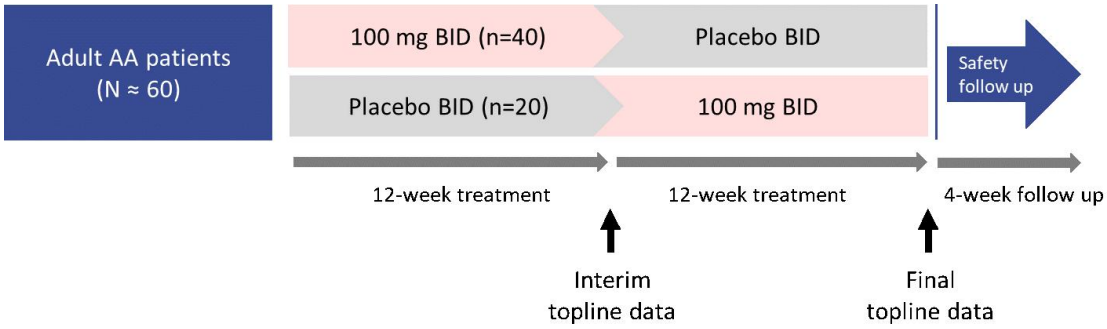
Our Phase 1 single and multiple ascending dose clinical trials of *farudodstat*, which were conducted with 95 healthy subjects, demonstrated dose proportional pharmacokinetics and no accumulation in the body. After a single 100 mg oral dose of *farudodstat*, the plasma levels of the drug in Caucasians and Asians were highly similar and demonstrated stable drug levels in plasma at multiple doses. *Farudodstat* also reached steady state within about four days of dosing and with minimal accumulation.

Farudodstat Pharmacokinetic Profile



Phase 2a Proof of Concept Study in Alopecia Areata

We initiated a Phase 2a, proof of concept study to investigate the efficacy and safety of *farudodstat* compared to placebo in adult AA patients. The study is expected to recruit around 60 patients in the US who will be randomized in 2:1 onto one of the two arms (100mg *farudodstat* twice-daily and placebo). An initial treatment period of 12 weeks will be followed by a 12-week crossover treatment period. An interim analysis will evaluate safety and efficacy after the first 12-week treatment period, and the efficacy assessment will be based on the percent of change from baseline in the Severity of Alopecia Tool (SALT) score at week 12. We expect to report topline data from the interim readout in the third quarter of 2024.



Discovery Pipeline

Joint Venture to Develop Novel Pre-clinical AhR Antagonists

In September 2019, we announced that we had established a new joint venture with Bukwang to develop preclinical aryl hydrocarbon receptor (AhR) antagonists from our early-stage pipeline. The joint venture, JAGUAHR Therapeutics Pte. Ltd. (JAGUAHR), focuses on developing new immuno-oncology therapeutics for global markets targeting the AhR pathway.

AhR is a druggable transcription factor that acts as a master regulator of the immune system. The enzymes IDO1, IDO2 and TDO are frequently overexpressed in numerous tumor types and convert tryptophan into kynurenine (KYN) in the tumor microenvironment. KYN is then actively transported into dendritic cells and effector T-cells that are mobilized to detect and kill tumor cells. KYN signaling via AhR in these cell types converts them into regulatory T-cells, suppressing the immune system and preventing it from attacking tumor cells. Research has demonstrated that the unique advantages of AhR antagonists include broadly inhibiting the signaling of all AhR ligands produced by any enzyme that metabolizes tryptophan, and robust activation of the immune response to kill cancer cells.

Pursuant to the terms of the agreement establishing the joint venture agreement (the JV Agreement), we transferred the global rights to all of the assets related to AhR technology, originally discovered and developed by ASLAN and its collaborators, into JAGUAHR. Bukwang invested a total of $5.0 million in JAGUAHR in two tranches to fund lead optimization and candidate selection. In 2023 JAGUAHR nominated a Candidate Drug, following which Bukwang made available up to an additional $1.5 million to fund further development. Until the IND application is filed, we retain the rights to buy back the assets related to AhR technology at a price equal to three times the amount invested by Bukwang.

At inception we owned a controlling stake 55% of the JAGUAHR entity. The first tranche of $2.5 million was received by JAGUAHR from Bukwang in October 2019 and the second tranche of $2.5 million was received on April 28, 2021. In consideration for such payment, our shareholding of JAGUAHR was diluted to 35% from 55%. Bukwang agreed to make up to $1.5 million available to JAGUAHR in 2023, for which they were granted an option, which, upon the occurrence of certain defined trigger events, requires JAGUAHR to repay Bukwang the outstanding principal plus accrued interest, or to convert such principal amount to shares following an agreed formula.

Competition

Our industry is intensely competitive and subject to rapid and significant technological change. While we believe that our knowledge, experience and scientific resources provide us with competitive advantages, we face substantial competition from major pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies worldwide. Many of our competitors have significantly greater financial, technical and human resources. Small and early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. As a result, our competitors may discover, develop, license or commercialize products before or more successfully than we do.

We face competition with respect to our current product candidates, and will face competition with respect to future product candidates, from segments of the pharmaceutical, biotechnology and other related sectors, as well as from academic institutions.

The acquisition or licensing of pharmaceutical products is also very competitive. If we seek to acquire or license products, we will face substantial competition from a number of more established companies, some of which have acknowledged strategies to license or acquire products and many of which are bigger than us and have more institutional experience and greater cash flows than we have. These more established companies may have competitive advantages over us, as may other emerging companies taking similar or different approaches to product licenses or acquisitions. In addition, a number of established research-based pharmaceutical and biotechnology companies may acquire products in late stages of development to augment their internal product lines, which may provide those companies with an even greater competitive advantage.

If our product candidates are approved, they may compete with currently marketed drugs and therapies used for treatment of the same indications, and potentially with drug candidates currently in development. The key competitive factors affecting the success of any approved product include its efficacy, safety profile, price, method of administration and level of promotional activity.

Certain competitor drugs and drug candidates to *eblasakimab* and *farudodstat* include:

Eblasakimab

- We are not aware of any other drugs targeting IL-13Rα1.
- *Dupilumab* from Sanofi S.A. and Regeneron Pharmaceuticals, Inc. is approved to treat moderate-to-severe AD, moderate-to-severe asthma, chronic rhinosinusitis with nasal polyposis, eosinophilic esophagitis and prurigo nodularis.

- *Tralokinumab* from Leo Pharma A/S is approved to treat moderate-to-severe AD.
- APG777 targets the IL-13 ligand and is being developed by Apogee Therapeutics for moderate-to-severe AD. APG777 is currently in Phase 1 trials, interim data from healthy volunteers was reported in March 2024.
- In addition to the biologics in the market, there are two newly approved JAK inhibitor drugs targeting AD. *Abrocitinib* from Pfizer Inc. and *upadacitinib* from AbbVie Inc. are both approved for the treatment of adults living with refractory, moderate-to-severe AD, whose disease is not adequately controlled with other systemic drug products, including biologics, or when use of those therapies is inadvisable.
- *Lebrikizumab* targets the IL-13 ligand and being developed by Dermira, Inc./Eli Lilly. *Lebrikizumab* completed Phase 3 clinical trials in AD. a BLA was submitted to the US FDA for AD treatment in November 2022, while European Medicines Agency (EMA) granted marketing authorization for *lebrikizumab* in the treatment of moderate-to-severe AD patients.

Farudodstat

- In 2022, *baricitinib* (Olumiant®), a Janus Kinase (JAK) inhibitor, was the first systemic therapy to be approved by the FDA for AA. In 2023, *ritlecitinib* (Litfulo®), also a JAK inhibitor, was approved by FDA for AA. Several other JAK inhibitors including *deuruxolitinib*, *upadacitinib*, *jaktinib*, SHR0302 and *deucravacitinib* are currently in clinical development and, if approved, will pose direct competition to *baricitinib* and *ritlecitinib*.
- Besides JAK inhibitors, there are other drugs currently in clinical development for AA but none have demonstrated proof of concept. These include *daxdilimab* (anti ILT7), *etrasimod* (S1P inhibitor) and EQ101 (IL-2/9/15 inhibitor), ADX-914 (IL-7/TSLP), Rezpegaldesleukin (IL-2 T regulatory cell stimulator), IMG-007 (OX40).
- We are not aware of any DHODH inhibitors currently in clinical development for AA. *Teriflunomide* and *leflunomide* from Sanofi S.A. are DHODH inhibitors approved for the treatment of multiple sclerosis and rheumatoid arthritis respectively. *Vidofludimus* (Immunic, Inc) is a DHODH inhibitor currently in Phase 3 development for multiple sclerosis.

Manufacturing

All of our clinical supplies are manufactured in accordance with current good manufacturing practices (cGMP) using high quality contract manufacturing organizations, and we plan to continue to rely on contract manufacturing organizations for our production needs for the foreseeable future. We do not have internal manufacturing capabilities for small molecules or biological drugs and we do not intend to build or acquire infrastructure for manufacturing our product candidates for clinical or commercial supply.

License and Collaboration Agreements

License Agreement with CSL

On May 12, 2014, we entered into a license agreement with CSL, which was subsequently amended and restated on May 31, 2019, pursuant to which we obtained an exclusive, worldwide license to certain intellectual property owned or licensed by CSL, including patents and know-how, to develop, manufacture for clinical trials and commercialize *eblasakimab* for the treatment, diagnosis or prevention of diseases or conditions in humans. Our development under such agreement is currently focused on the treatment of respiratory and inflammatory conditions, and in particular, AD.

Under the amended agreement, we are generally obligated to use diligent efforts to develop *eblasakimab* products in accordance with the development plan, to obtain marketing approvals for *eblasakimab* products worldwide and to commercialize *eblasakimab* products, either by ourselves or through sublicensees. We have conducted a Phase 2b clinical trial investigating *eblasakimab* as a therapeutic antibody for moderate-to-severe AD. In consideration of the rights granted to us under the amended agreement, we will make a first payment of $30 million to CSL upon commencement of a Phase 3 clinical trial of *eblasakimab*. We will also be required to pay up to an aggregate of $95 million to CSL if certain regulatory milestones are achieved, up to an aggregate of $655 million if certain sales milestones are achieved and tiered royalties on net sales of *eblasakimab* products ranging between a mid-single digit percentage and 10%. We are also responsible for all payments to third-party licensors to CSL, to the extent such obligations relate to our exploitation of the rights licensed under CSL's agreement with those parties and sublicensed to us under the amended agreement. For the year ended December 31, 2022, the Company made a milestone payment of $1 million to CSL in fulfilment of our obligation under the CSL agreement to be responsible for payment required to be made by CSL to third party licensors of technology relating to exploitation of the rights subject to the CSL agreement. The commencement of the first Phase 2 clinical trial, being the Phase 2b trial investigating *eblasakimab* as a therapeutic antibody for moderate-to-severe AD. The trial is still ongoing and no further milestones have been met.

The amended agreement continues, unless terminated earlier in accordance with its terms, until the last to occur, in the relevant country, on a country-by-country and product-by-product basis, of: (a) expiry of the last valid CSL patent covering such product in such country, (b) 12 years from first commercial sale of such product in such country or (c) lapse of data or market exclusivity for such product in such country.

In addition to certain other customary termination bases, either party may terminate the amended agreement (i) in the event of the other party's material breach of the agreement that remains uncured for a specified period of time, (ii) under certain circumstances related to the safety of *eblasakimab* or (iii) if the other party becomes insolvent. In addition, we may terminate the agreement under certain circumstances related to the development and commercialization of *eblasakimab*.

If the agreement is terminated in certain circumstances and CSL subsequently commercializes *eblasakimab* products or grants third-party rights to commercialize *eblasakimab* products, then CSL will pay us royalties on the net sales of *eblasakimab* products or share a low double-digit percentage of license revenue with us (whichever is applicable). To the extent that CSL is required to pay us royalties following the termination of the agreement, such royalties will range from a mid-single digit percentage to mid-double digit percentage of net sales of *eblasakimab* products, depending on the cause of termination and the stage of development of the *eblasakimab* products at the time of termination.

Development and License Agreement with Almirall

On May 16, 2012, we entered into a development and license agreement with Almirall, pursuant to which we obtained an exclusive, worldwide license to certain patents, know-how and other intellectual property controlled by Almirall to a DHODH inhibitor, LAS186323, which we refer to as *farudodstat.* The licensed field covered by this agreement was limited to the treatment or prevention of rheumatoid arthritis, excluding any topical formulation.

On December 21, 2015, we entered into an amended development and license agreement with Almirall which replaced the previous agreement, further amended by an amendment agreement entered into on March 16, 2018. Under the agreement as so amended, we obtained from Almirall an expanded exclusive, worldwide license to develop, manufacture and commercialize *farudodstat* products for all human diseases, excluding topically administered products embodying the compound for keratinocyte hyperproliferative disorders, and the non-melanoma skin cancers basal cell carcinoma, squamous cell carcinomas and Gorlin Syndrome (collectively, the KHD/NMSC products). We generally have the right to sublicense our rights under the agreement. If Almirall wishes to use a third party to develop KHD/NMSC products, we have a right of first negotiation to obtain a license from Almirall to carry out those developments.

Under the amended agreement, we are generally obligated to use commercially reasonable efforts to develop *farudodstat* products in accordance with the development plan, and to commercialize *farudodstat* products, either by ourselves or through sublicensees. We agreed not to develop or commercialize any competing product that has the same mechanism of action as *farudodstat* while the intellectual property licensed from Almirall remains in force or for ten years after the launch of *farudodstat* products on a country-by-country basis, whichever is longer. In addition, we granted to Almirall the right to use certain know-how developed by or on behalf of us for Almirall's internal and commercial programs for KHD/NMSC products, and Almirall granted us the right to use certain know-how developed by or on behalf of Almirall in the course of its programs for KHD/NMSC products in the field licensed to ASLAN.

In consideration of the rights granted to us under the amended agreement, we will be required to pay an aggregate of up to $30 million if certain development milestones are achieved and an aggregate of up to $50 million if certain regulatory milestones are achieved, in each case across different indications. If we commercialize any *farudodstat* products, we will be required to pay Almirall tiered royalties in the mid-single-digit range on net sales of *farudodstat* products, subject to adjustments in certain circumstances. In the event we sublicense any of our rights under the agreement relating to the *farudodstat* technology, we will be obligated to pay Almirall 10% of sublicensee income (excluding royalties) we may receive under such sublicenses.

Unless earlier terminated, the amended agreement continues indefinitely. Either party may terminate the agreement (i) in the event of the other party's material breach of the agreement that remains uncured for a specified period of time, (ii) if significant safety issues arise which make development or commercialization of the product unlawful or in violation of standard industry practices, (iii) if the other party becomes insolvent or (iv) if the continuation of the agreement is no longer commercially viable, as proven by us based on supporting objective data reasonably acceptable to Almirall and us. Almirall may terminate the agreement (i) if we fail to provide evidence of having used commercially reasonable efforts to pursue development or commercialization, (ii) if we challenge or assist third parties in challenging any intellectual property rights licensed from Almirall under the amended agreement, (iii) if there is a general withdrawal or recall of *farudodstat* products from any country, on a product-by-product and/or country-by-country basis or (iv) upon a change of control of ASLAN if such change of control could reasonably be expected to lead to an impairment to Almirall, subject to certain conditions.

Collaboration and License Agreement with Kyungnam Biopharma

On March 11, 2019, we entered into a collaboration and license agreement with Kyungnam Biopharma (previously known as BioGenetics), pursuant to which we granted Kyungnam Biopharma the exclusive right under certain of our intellectual property and intellectual property that we have licensed from Almirall, to commercialize, and if agreed, manufacture, *farudodstat* for the treatment of all indications in South Korea, excluding topically administered products for the treatment of keratinocyte hyperproliferative disorders and certain non-melanoma skin cancers. Under the agreement, Kyungnam Biopharma will be responsible for obtaining initial and all subsequent regulatory approvals of *farudodstat* in South Korea, and we are obligated to use commercially reasonable efforts to provide information and cooperation as needed for these regulatory approvals. We may provide clinical drug supplies to Kyungnam Biopharma required for regulatory filings and for commercialization of products, pursuant to a separate manufacturing and supply agreement to be agreed between the parties.

In consideration of the rights granted to Kyungnam Biopharma under the agreement, we received an upfront payment of $1.0 million from Kyungnam Biopharma and are eligible to receive up to $8.0 million in certain one-time sales and development milestones, the thresholds for payment of such sales milestones being the aggregate of sales of our asset *varlitinib* (ASLAN001) under a collaboration and license agreement with Kyungnam Biopharma entered into on February 27, 2019 and sales of *farudodstat* products. We are also eligible to receive tiered double-digit royalties on the aggregate net sales of *farudodstat* products, ranging from a percentage in the mid-teens up to a percentage within the mid-twenties. Kyungnam Biopharma is obligated to pay such royalties on a product-by-product basis until the expiration of the license period described below. Kyungnam Biopharma agreed to contribute a low single-digit percentage of certain clinical trial costs we incur in the clinical development of *farudodstat* products for the treatment of acute myeloid leukemia.

Under the agreement, we reserve the right to revoke the rights granted to Kyungnam Biopharma under this agreement at any time until the date of a certain regulatory milestone. If we exercise our right to revoke the rights granted to Kyungnam Biopharma, we will be obligated to pay Kyungnam Biopharma a sum of (i) a low single-digit multiple of certain sums paid by Kyungnam Biopharma under this license agreement and, if we have agreed upon an international licensing deal for *farudodstat*, (ii) a low single-digit percentage of the upfront payment, royalties and sales milestones received by us in any such deal.

During the license period and for one year thereafter, neither Kyungnam Biopharma, nor any of its affiliates, will participate in or fund, directly or indirectly, the development, manufacture or commercialization of a product which competes with *farudodstat.* The license period commences on the effective date of the agreement and, unless terminated earlier pursuant to the terms of the agreement, expires on the tenth anniversary of first commercial sale, subject to an automatic renewal for a further year, which may be cancelled upon either party's notice. Either party may terminate the agreement in the event of an uncured material breach by, or insolvency of, the other party, or in the event of a material safety risk associated with the product. On any termination of the agreement, the license granted to Kyungnam Biopharma will terminate, subject to certain transitional provisions.

Intellectual Property

Patents

Our commercial success depends in part on our ability to identify, obtain and seek protection for our products, drug candidates and our core technologies employing a combination of patent rights, trade secrets, confidentiality agreements and contractual obligations, and to operate without infringing, misappropriating or otherwise violating the proprietary rights of third parties. It is also important we prevent others from infringing, misappropriating or otherwise violating our proprietary or intellectual property rights.

Our intellectual property strategy is, where appropriate, to file new patent applications on inventions, including improvements to existing products/candidates and processes to improve our competitive edge or to improve business opportunities. We continually assess and refine our intellectual property strategy to endeavor to ensure it is fit for purpose.

Our strategy requires us to license assets from third parties with suitable protection and to identify and seek patent protection for our inventions, when possible. This process is expensive and time consuming and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost, in a timely manner or in all jurisdictions where protection may be commercially advantageous, or we may financially not be able to protect our proprietary rights at all. Despite our efforts to protect our proprietary rights, unauthorized parties may be able to obtain and use information we regard as proprietary. Where possible, we seek to file in at least major commercial jurisdictions relevant to the product or technology, however, this is assessed on a case-by-case basis.

Licensing assets from third parties involves technical and scientific due diligence to assess the opportunity, the strength of the intellectual property protection for the asset and the ability to commercialize the asset. This due diligence is usually conducted over a relatively short period of time. It can be difficult to identify all the issues relevant to the assessment. Failure to identify all the relevant issues can impact negatively on the value of the asset.

The issuance of a patent does not ensure that it is valid or enforceable. Therefore, even if we are issued a patent, it may not be valid or enforceable against third parties. Issued patents may be challenged, narrowed, invalidated or circumvented. In addition, court decisions may introduce uncertainty in the enforceability or scope of patents owned by pharmaceutical and biotechnology companies. Thus, any of our patents, including patents that we may rely on to protect our market for approved drugs, may be held invalid or unenforceable by a court of final jurisdiction.

Because patent applications in the United States, Europe and many other jurisdictions are typically not published until 18 months after filing, and because publications of discoveries in scientific literature lag behind actual discoveries, we cannot be certain that we 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. Therefore, the enforceability and scope of our patents in the United States, Europe and in many other jurisdictions 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 prevent marketing of our products or working our own technology. We endeavor to identify early third-party patents and patent applications which may be blocking to a product or technology, to minimize this risk. However, relevant documents may be overlooked or missed, which may in turn impact on the freedom to commercialize the relevant asset.

The term of a patent depends upon the laws of the country in which it is issued. In most jurisdictions, including the United States, Europe, China and Japan, the basic patent term is 20 years from the earliest filing date of a non-provisional patent application. In the United States, Europe and Japan, patents relating to inventions are effective for 20 years, subject to the payment of renewal fees. Some jurisdictions, such as the United States, Europe and Japan provide for up to an additional five years patent term extension for therapeutic products that require marketing approval. The requirements for this supplementary protection are set by the relevant authorities in the given jurisdiction. Products approved before the expiry of the basic patent term may benefit from such a patent term extension. It is our strategy to apply for such supplementary protection, where possible.

In addition to patent protection, statutory provisions in the United States, Europe and other countries may provide a period of clinical data exclusivity which may be followed by an additional period of market exclusivity to compensate for the time required for regulatory approval of our drug products. Once the relevant criteria are satisfied, the protection applies automatically. The length of protection depends on the jurisdiction and may also depend on the type of therapy.

Third parties may seek to market “similar” versions of our approved products. Alternatively, third parties may seek approval to market their own products, similar or otherwise, competitive with our products. We may not be able to block the commercialization of these products, which may erode our commercial position in the marketplace.

If disputes over intellectual property and other rights that we have licensed or co-own prevent or impair our ability to maintain our current licensing or exclusivity arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates. In addition, under certain of our collaboration agreements, our licensors may retain the right to grant non-exclusive licenses to the licensed patents and technology to other academic or research institutions for non-commercial research purposes.

Certain provisions in the agreements under which we currently license intellectual property or technology to and from third parties 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, increase what we believe to be our financial or other obligations under the relevant agreement or decrease the third party’s financial or other obligations under the relevant agreement, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Eblasakimab

On May 12, 2014, we entered into a license agreement with CSL, which was subsequently amended and restated on May 31, 2019, pursuant to which we obtained an exclusive, worldwide license to certain patents, know-how and other intellectual property owned or controlled by CSL related to CSL’s anti-IL13 receptor monoclonal antibody, CSL334, which we refer to as *eblasakimab*, and antigen binding fragments thereof, to develop, manufacture for clinical trials and commercialize *eblasakimab* for the treatment, diagnosis or prevention of diseases or conditions in humans. Our development under such agreement is currently focused on the treatment of respiratory and inflammatory conditions, and in particular, AD.

With respect to *eblasakimab*, we exclusively licensed from CSL a family of patents which includes species (specific sequence) composition of matter patents, derived from WO2008/060813, filed October 19, 2007.

As of March 14, 2024, this family of patents included five issued patents in the United States and issued patents in a number of foreign countries and jurisdictions, including Australia, Canada, China, Europe, Hong Kong, India, and Japan. The scope of the claims may differ in the various countries. The issued patents in this family are expected to expire in October 2027, subject to the payment of renewal fees, excluding any additional term for patent term adjustments or patent term extensions.

Owned by Us

We are co-applicants together with CSL on a number of pending patents mostly relating to medical uses or combination therapies. These include the following pending patent applications:

- WO2020/197502 filed March 26, 2020 relates to use of *eblasakimab* in a dosing regimen. As of March 14, 2024, this family of patents includes patent applications filed in Australia, Canada, China, Europe, Hong Kong, Israel, Japan, South Korea, Singapore and the United States. If granted, the normal expiry of patents granted under this application is 2040, subject to the payment of renewal fees.

We are the sole applicant for the following patent applications:

- WO2022/186772 is a published PCT application filed March 1, 2022. It relates to use of *eblasakimab* to reduce EASI score. As of March 14, 2024, this family of patents includes patent applications filed in Australia, Canada, China, Europe, Israel, Japan, Korea, Singapore and the United States. If granted, this case will have a normal expiry of March 2042, subject to payment of renewal fees.
- WO2022/186773 is a published PCT application filed March 1, 2022. It relates to use of *eblasakimab* in AD patients with high baseline levels of IgE. As of March 14, 2024, this family of patents includes patent applications filed in Australia, Canada, China, Europe, Israel, Japan, Korea, Singapore and the United States. If granted, this case will have a normal expiry of March 2042.
- WO2023/048651 is a published PCT application filed on September 27, 2022. It relates to the use of *eblasakimab* for treating moderate/severe atopic dermatitis. As of March 14, 2024, this case is in the international phase and is due to enter the national/regional phase by end March 2024. If granted, this case will have a normal expiry of September 2042.
- WO2023/048650 is a published PCT application filed on September 27, 2022. It relates to the use of *eblasakimab* for pruritus. As of March 14, 2024, this case is in the international phase and is due to enter the national/regional phase by end March 2024. If granted, this case will have a normal expiry of September 2042.
- WO2023/075700 is a published PCT application filed on October 28, 2022. It relates to a formulation of *eblasakimab*. As of March 14, 2024, this case is in the international phase and is due to enter the national/regional phase in April 2024. The case was also filed in Taiwan on 28 October 2022. If progressed and granted, this case will have a normal expiry of October 2042.
- WO2023/075702 is a published PCT application filed on October 28, 2022. It relates to a formulation of *eblasakimab*. As of March 14, 2024, this case is in the international phase and is due to enter the national/regional phase in April 2024. The case was also filed in Taiwan on 28 October 2022. If progressed and granted, this case will have a normal expiry of October 2042.
- WO2023/140780 is a published PCT application filed on December 15, 2022. It relates to a dosing regimen for *eblasakimab*. As of March 14, 2024, this case is in the international phase and is due to enter the national/regional phase in July 2024. If progressed and granted, this case will have a normal expiry of December 2042.
- WO2023/163659 is a published PCT application filed on February 23, 2023. It relates to a glycosylated form of *eblasakimab*. As of March 14, 2024, this case is in the international phase and due to enter the national/regional phase in August 2024. If progressed and granted, this case will have a normal expiry of February 2043.

- WO2024/043837 is a published PCT application filed on August 28, 2023. It relates to a formulation of *eblasakimab*. As of March 14, 2024, this case is in the international phase and is due to enter the national/regional phase in February 2025. If progressed and granted, this case will have a normal expiry of August 2043.
- WO2024/054157 is a published PCT application filed on September 6, 2023. It relates to use of *eblasakimab* for treating sleep loss. As of March 14, 2024, this case is in the international phase and is due to enter the national/regional phase in March 2025. If progressed and granted, this case will have a normal expiry of September 2043.

We also own several unpublished priority applications filed in 2023 relating, variously, to the use of *eblasakimab* in treatment. These cases are at an early stage and it is unclear what claims may be granted, if any.

Pursuant to the amended and restated license agreement with CSL entered into on May 31, 2019, any patents on intellectual property newly developed prior to the completion of the SAD study are to be in the joint names of ASLAN and CSL. All patents on intellectual property newly developed after the completion of the SAD study are to be in the sole name of ASLAN.

Farudodstat

Licensed from Almirall

On May 16, 2012, we entered into a development and license agreement with Almirall, pursuant to which we obtained an exclusive, worldwide license to certain patents, know-how and other intellectual property controlled by Almirall to a DHODH inhibitor, LAS186323, which we refer to as *farudodstat*. On December 21, 2015, we entered into an amended development and license agreement with Almirall which replaced the previous agreement. This was further amended by an amendment agreement entered into on March 16, 2018. Under the amended agreement as so amended, we obtained from Almirall an expanded exclusive, worldwide license to develop, manufacture and commercialize *farudodstat* products for all human diseases with primary focus on oncology diseases, excluding topically administered products embodying the compound for keratinocyte hyperproliferative disorders, and the non-melanoma skin cancers basal cell carcinoma, squamous cell carcinomas and Gorlin Syndrome.

The basic compound protection for *farudodstat* is provided by the composition of matter family of patents derived from WO2008/077639 filed December 21, 2007. As of March 14, 2024, this family of patents included patents issued in Argentina, Australia, Bolivia, Brazil, Canada, China, Chile, Columbia, Europe, Hong Kong, India, Indonesia, Israel, Japan, Malaysia, Mexico, New Zealand, Nigeria, Norway, Peru, Philippines, Russia, Singapore, South Africa, South Korea, Taiwan, Ukraine, Uruguay, the United States (two patents) and Vietnam, and an allowed patent application in Ecuador. In addition, as of February 28, 2023, this family of patents included patent applications filed in Egypt, Pakistan, Thailand, and Venezuela. The scope of the claims may differ in different countries. The normal expiration of this family of patents is December 2027, subject to the payment of renewal fees.

Owned by Us

We are the applicant on a number of pending patents mostly relating to medical uses or combination therapies. These include the following pending patent applications:

- WO2018/160138 filed March 1, 2018 relates to use of *farudodstat* in treatment of hematological cancers. As of March 14, 2024, this family of patents includes patents issued in China, Europe, (Germany, France, and UK), Japan, and the United States (2 cases). The normal expiration of this family of patents is March 2038, subject to the payment of renewal fees.
- WO2022/045984 is a published PCT application filed August 30, 2021, related to treatment of viral infection with *farudodstat*. As of March 14, 2024, this family of patents includes patent applications filed Europe, Japan, and the United States. If granted, the normal expiry for this case will be August 2041, subject to payment of renewal fees.
- WO2022/081095 is a published PCT application filed October 15, 2021, related to treatment of autoimmune disease with *farudodstat*. As of March 14, 2024, this family of patents includes patent applications filed China, Europe, Hong Kong, Japan, Korea, Singapore and the United States. If granted, the normal expiry for this case will be October 2041, subject to payment of renewal fees.

- WO2023/204754 is a published PCT application filed April 21, 2022, relating to use of *farudodstat* for treating an autoimmune skin disease. A US-continuation-in-part was also filed on March 16, 2023. As of March 14, 2024, this case is in the international phase and due to enter the national/regional phase in October 2024. If progressed and granted, this case will have a normal expiry of April 2042.
- WO2023/149841 is a published PCT application filed February 2, 2023, relating to a polymorphic form of *farudodstat*. The case was also filed in Taiwan on February 3, 2023. As of March 14, 2024, this case is in the international phase and is due to enter the national/regional phase in August 2024. If progressed and granted, this case will have a normal expiry of February 2043.

Trade Secrets

In addition to patents, we rely upon unpatented trade secrets and know-how and continuing technological innovation to develop and maintain our competitive position. However, trade secrets and know-how can be difficult to protect. We seek to protect our proprietary information, in part, by executing confidentiality agreements with our partners, collaborators, scientific advisors, employees, consultants and other third parties, and invention assignment agreements which are included in the engagement and employment contracts we have with our consultants and employees. The confidentiality agreements we enter into are designed to protect our proprietary information and the agreements or clauses requiring assignment of inventions to us are designed to grant us ownership of technologies that are developed through our relationship with the respective counterparty. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary technology and processes or that these agreements will afford us adequate protection of our intellectual property and proprietary information rights. If any of the partners, collaborators, scientific advisors, employees and consultants who are parties to these agreements breaches or violates the terms of any of these agreements or otherwise discloses our proprietary information, we may not have adequate remedies for any such breach or violation, and we could lose our trade secrets as a result. If we are unable to maintain the confidentiality of our trade secrets, our business and competitive position may be harmed.

Trademarks and Domain Names

We conduct our business using the trademark "ASLAN," "ASLAN PHARMACEUTICALS" and our lion logo, as well as domain names incorporating either or both of these trademarks. "ASLAN" has been registered as a trademark in USA, EU, Japan, China and Singapore. "ASLAN PHARMACEUTICALS" and our lion logo has been registered in Singapore. We have a portfolio of 12 domain names, which includes: aslanpharma.com, aslanpharma.com.sg, aslanpharma.com.tw, aslanpharma.asia, aslanpharma.org, and aslanpharma.biz.

Government Regulation

The U.S. FDA and comparable regulatory agencies in state and local jurisdictions and in foreign countries impose substantial requirements upon the clinical development, manufacture and marketing of pharmaceutical products. These agencies and other federal, state and local entities regulate research and development activities and the testing, manufacture, quality control, safety, effectiveness, labeling, storage, packaging, recordkeeping, tracking, approval, import, export, distribution, advertising and promotion of our products.

U.S. Government Regulation of Drug and Biologic Products

In the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act (FFDCA) and biologics such as *eblasakimab* additionally under the Public Health Service Act, as well as the implementing regulations for these laws. The process of obtaining regulatory approvals and the subsequent compliance with applicable federal, state, local and foreign statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or after approval, may subject an applicant to a variety of administrative or judicial sanctions, such as the FDA's refusal to approve pending New Drug Applications (NDAs) or Biologics License Applications (BLAs), withdrawal of an approval, imposition of a clinical hold, issuance of warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement or civil or criminal penalties.

The process required by the FDA before product candidates may be marketed in the United States generally involves the following:

- Nonclinical laboratory and animal tests that must be conducted in accordance with GLP;
- Submission of an IND, which must become effective before clinical trials may begin;
- Approval by an independent institutional review board (IRB) for each clinical site or centrally before each trial may be initiated;
- Adequate and well-controlled human clinical trials to establish the safety and efficacy of the proposed drug product for its intended use or the safety, purity and potency of a biologic for its intended use, performed in accordance with current clinical practices (cGCP);
- Submission to the FDA of an NDA or BLA and payment of user fees;
- Satisfactory completion of a FDA advisory committee review, if applicable;
- Pre-Approval inspection of manufacturing facilities for their compliance with cGMP;
- Satisfactory completion of FDA audits of clinical trial sites to assure compliance with cGCP and the integrity of the clinical data;
- FDA approval of an NDA or BLA to permit commercial marketing for particular indications for use; and
- Compliance with any post-approval requirements, including the potential requirement to implement a Risk Evaluation and Mitigation Strategy (REMS) and the potential requirement to conduct post-approval studies.

The testing and approval process requires substantial time, effort and financial resources. Preclinical studies include laboratory evaluation of drug substance chemistry, pharmacology, toxicity and drug product formulation, as well as animal studies to assess potential safety and efficacy. Prior to commencing the first clinical trial with a product candidate, we must submit the results of the preclinical tests and preclinical literature, together with manufacturing information, analytical data and any available clinical data or literature, among other things, to the FDA as part of an IND. Some preclinical studies may continue even after the IND is submitted. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day time period, raises safety concerns or questions about the conduct of the clinical trial by imposing a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Submission of an IND may not result in FDA authorization to commence a clinical trial.

Clinical trials involve the administration of the investigational new drug to human subjects under the supervision of qualified investigators in accordance with cGCP requirements. A separate submission to the existing IND must be made for each successive clinical trial conducted during product development, as well as amendments to previously submitted clinical trials. Further, an independent IRB for each study site proposing to conduct the clinical trial must review and approve the plan for any clinical trial, its informed consent form and other communications to study subjects before the clinical trial commences at that site. The IRB must continue to oversee the clinical trial while it is being conducted, including any changes to the study plans.

Regulatory authorities, an IRB or the sponsor may suspend or discontinue a clinical trial at any time on various grounds, including a finding that the subjects are being exposed to an unacceptable health risk, the clinical trial is not being conducted in accordance with the FDA's or the IRB's requirements, if the drug has been associated with unexpected serious harm to subjects, or based on evolving business objectives or competitive climate. Some studies also include a data safety monitoring board, which receives special access to unblinded data during the clinical trial and may advise us to halt the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy.

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

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

Phase 2—Controlled studies are conducted with groups of subjects with a specified disease or condition to provide enough data to evaluate the preliminary efficacy, optimal dosages and dosing schedule and expanded evidence of safety. Multiple Phase 2 clinical trials may be conducted to obtain information prior to beginning larger and more expensive Phase 3 clinical trials.

Phase 3—These clinical trials are undertaken in larger subject populations to provide statistically significant evidence of clinical efficacy and to further test for safety in an expanded subject population at multiple clinical trial sites. These clinical trials are intended to establish the overall risk/benefit ratio of the product and provide an adequate basis for product labeling. These trials may be done globally to support global registrations so long as the global sites are also representative of the U.S. population and the conduct of the study at global sites comports with FDA regulations and guidance, such as compliance with cGCP.

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

Clinical trials must be conducted under the supervision of qualified investigators in accordance with cGCP requirements, which includes the requirements that all research subjects provide their informed consent in writing for their participation in any clinical trial, and the review and approval of the study by an IRB. Investigators must also provide information to the clinical trial sponsors to allow the sponsors to make specified financial disclosures to the FDA. Clinical trials are conducted under protocols detailing, among other things, the objectives of the trial, the trial procedures, the parameters to be used in monitoring safety and the efficacy criteria to be evaluated and a statistical analysis plan. Information about some clinical trials, including a description of the trial and trial results, must be submitted within specific timeframes to the National Institutes of Health (NIH) for public dissemination on their ClinicalTrials.gov website.

The manufacture of investigational drugs for the conduct of human clinical trials is subject to cGMP requirements. Investigational drugs and active pharmaceutical ingredients imported into the United States are also subject to regulation by the FDA relating to their labeling and distribution. Further, the export of investigational drug products outside of the United States is subject to regulatory requirements of the receiving country as well as U.S. export requirements under the FFDCA. Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and the IRB and more frequently if serious adverse events occur.

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

Orphan Drug Designation

Under the Orphan Drug Act, the FDA may designate a drug as an orphan drug if it is intended to treat a rare disease or condition (generally meaning that it affects fewer than 200,000 individuals in the United States, or more in cases in which there is no reasonable expectation that the cost of developing and making a drug available in the United States for treatment of the disease or condition will be recovered from sales of the product). Orphan product designation must be requested before submitting an NDA or BLA. After the FDA grants orphan product designation, the identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. Orphan product designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

If a product with orphan status receives the first FDA approval for the disease or condition for which it has such designation, the product is entitled to orphan product exclusivity, meaning that the FDA may not approve any other applications to market the same drug for the same indication for seven years, except in limited circumstances, such as a showing of clinical superiority to the product with orphan exclusivity or if the party holding the exclusivity fails to assure the availability of sufficient quantities of the drug to meet the needs of patients with the disease or condition for which the drug was designated. Competitors, however, may receive approval of different products for the same indication for which the orphan product has exclusivity or obtain approval for the same product but for a different indication for which the orphan product has exclusivity. Orphan medicinal product status in the European Union has similar, but not identical, benefits. For example, the European Union grants ten years of product exclusivity for orphan medicinal products.

Special FDA Expedited Review and Approval Programs

The FDA has various programs, including fast track designation, breakthrough therapy designation, accelerated approval, and priority review, which are intended to expedite or simplify the process for the development and FDA review of drugs that are intended for the treatment of serious or life-threatening diseases or conditions and demonstrate the potential to address unmet medical needs. The purpose of these programs is to provide important new drugs to patients earlier than under standard FDA review procedures.

Under the fast track program, the sponsor of a new drug candidate may request that FDA designate the drug candidate for a specific indication as a fast track drug concurrent with, or after, the filing of the IND for the drug candidate. To be eligible for a fast track designation, the FDA must determine, based on the request of a sponsor, that a product is intended to treat a serious or life threatening disease or condition and demonstrates the potential to address an unmet medical need. The FDA will determine that a product will fill an unmet medical need if it will provide a therapy where none exists or provide a therapy that may be potentially superior to existing therapy based on efficacy or safety factors. Fast track designation provides additional opportunities for interaction with the FDA's review team and may allow for rolling review of NDA or BLA components before the completed application is submitted, if the sponsor provides a schedule for the submission of the sections of the application, the FDA agrees to accept sections and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the application. However, FDA's time period goal for reviewing an application does not begin until the last section of the application is submitted. The FDA may decide to rescind the fast track designation if it determines that the qualifying criteria no longer apply.

In addition, a sponsor can request breakthrough therapy designation for a drug if it is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Drugs designated as breakthrough therapies are eligible for intensive guidance from FDA on an efficient drug development program, organizational commitment to the development and review of the product including involvement of senior managers, and, like fast track products, are also eligible for rolling review of the NDA. Both fast track and breakthrough therapy products are also eligible for accelerated approval and/or priority review, if relevant criteria are met.

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

Once an NDA or BLA is submitted for a product intended to treat a serious condition, the FDA may assign a priority review designation if FDA determines that the product, if approved, would provide a significant improvement in safety or effectiveness. A priority review means that the goal for the FDA to review an application is six months, rather than the standard review of ten months under current Prescription Drug User Fee Act (PDUFA) guidelines. Under the current PDUFA agreement, these six and ten month review periods are measured from the 60-day filing date rather than the receipt date for applications for new molecular entities, which typically adds approximately two months to the timeline for review from the date of submission. Most products that are eligible for fast track breakthrough therapy designation are also likely to be considered appropriate to receive a priority review.

Even if a product qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened. In addition, the manufacturer of an investigational drug for a serious or life threatening disease is required to make available, such as by posting on its website, its policy on responding to requests for expanded access. Furthermore, fast track designation, breakthrough therapy designation, accelerated approval and priority review do not change the standards for approval and may not ultimately expedite the development or approval process.

NDA or BLA Submission and Review by the FDA

Assuming successful completion of the required clinical and preclinical testing, among other items, the results of product development, including chemistry, manufacture and controls, nonclinical studies and clinical trials are submitted to the FDA, along with proposed labeling, as part of an NDA or BLA. The submission of an NDA or BLA requires payment of a substantial user fee to the FDA. These user fees must be filed at the time of the first submission of the application, even if the application is being submitted on a rolling basis. Fee waivers or reductions are available in some circumstances. One basis for a waiver of the application user fee is if the applicant employs fewer than 500 employees, including employees of affiliates, the applicant does not have an approved marketing application for a product that has been introduced or delivered for introduction into interstate commerce, and the applicant, including its affiliates, is submitting its first marketing application.

In addition, under the Pediatric Research Equity Act, an NDA or BLA or supplement thereto for a new active ingredient, indication, dosage form, dosage regimen or route of administration must contain data that are adequate to assess the safety and efficacy of the drug for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective.

The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults or full or partial waivers from the pediatric data requirements.

The FDA must refer applications for drugs that contain active ingredients, including any ester or salt of the active ingredients, which have not previously been approved by the FDA to an advisory committee or provide in an action letter a summary of the reasons for not referring it to an advisory committee. The FDA may also refer drugs which present difficult questions of safety, purity or potency to an advisory committee. An advisory committee is typically a panel that includes clinicians and other experts who review, evaluate and make a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

The FDA reviews applications to determine, among other things, whether a product is safe and effective for its intended use and whether the manufacturing controls are adequate to assure and preserve the product's identity, strength, quality and purity. Before approving an NDA or BLA, the FDA will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities, including contract manufacturers and subcontracts, are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving an NDA or BLA, the FDA will typically inspect one or more clinical trial sites to assure compliance with cGCP.

Once the FDA receives an application, it has 60 days to review and determine if it is substantially complete to permit a substantive review, before it accepts the application for filing. Once the submission is accepted for filing, the FDA begins an in-depth review. The FDA's review times may differ based on whether the application is a standard review or priority review application. The FDA may give a priority review designation to drugs that are intended to treat serious conditions and provide significant improvements in the safety or effectiveness of the treatment, diagnosis, or prevention of serious conditions. Under the goals and policies agreed to by the FDA under the PDUFA, the FDA has set the review goal of 10 months from the 60-day filing date to complete its initial review of a standard NDA or BLA for a new molecular entity (NME) and make a decision on the application. For non-NME standard applications, the FDA has set the review goal of 10 months from the submission date to complete its initial review and to make a decision on the application. For priority review applications, the FDA has set the review goal of reviewing NME NDAs within six months of the 60-day filing date and non-NME applications within six months of the submission date. Such deadlines are referred to as the PDUFA date. The PDUFA date is only a goal and the FDA does not always meet its PDUFA dates. The review process and the PDUFA date may also be extended if the FDA requests or the NDA sponsor otherwise provides additional information or clarification regarding the submission.

Once the FDA's review of the application is complete, the FDA will issue either a Complete Response Letter (CRL) or approval letter. A CRL indicates that the review cycle of the application is complete and the application is not ready for approval. A CRL generally contains a statement of specific conditions that must be met in order to secure final approval of the NDA or BLA and may require additional clinical or preclinical testing, or other information or analyses in order for the FDA to reconsider the application. Even with the submission of additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those conditions have been met to the FDA's satisfaction, the FDA may issue an approval letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications. The FDA may delay or refuse approval of an NDA if applicable regulatory criteria are not satisfied, require additional testing or information and/or require post-marketing testing and surveillance to monitor safety or efficacy of a product, or impose other conditions, including distribution restrictions or other risk management mechanisms. For example, the FDA may require a REMS as a condition of approval or following approval to mitigate any identified or suspected serious risks and ensure safe use of the drug. The FDA may prevent or limit further marketing of a product, or impose additional post-marketing requirements, based on the results of post-marketing studies or surveillance programs. After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes and additional labeling claims, are subject to further testing requirements, FDA notification and FDA review and approval. Further, should new safety information arise, additional testing, product labeling or FDA notification may be required.

If regulatory approval of a product is granted, such approval may entail limitations on the indicated uses for which such product may be marketed or may include contraindications, warnings or precautions in the product labeling, which has resulted in a black box warning. The FDA also may not approve the inclusion of labeling claims necessary for successful marketing. Once approved, the FDA may withdraw the product approval if compliance with pre- and post-marketing regulatory standards is not maintained or if problems occur after the product reaches the marketplace. In addition, the FDA may require Phase 4 post-marketing studies to monitor the effect of approved products, and may limit further marketing of the product based on the results of these post-marketing studies.

Post-Approval Requirements

Any products manufactured or distributed by us pursuant to FDA approvals are subject to continuing regulation by the FDA, including manufacturing, periodic reporting, product sampling and distribution, advertising, promotion, drug shortage reporting, compliance with any post-approval requirements imposed as a conditional of approval such as Phase 4 clinical trials, REMS and surveillance, recordkeeping and reporting requirements, including adverse experiences.

After approval, most changes to the approved product, such as adding new indications or other labeling claims are subject to prior FDA review and approval. There also are continuing, annual user fee requirements for any approved products and the establishments at which such products are manufactured, as well as new application fees for supplemental applications with clinical data. Drug manufacturers and their subcontractors are required to register their establishments with the FDA and certain state agencies and to list their drug products, and are subject to periodic announced and unannounced inspections by the FDA and these state agencies for compliance with cGMP and other requirements, which impose procedural and documentation requirements upon us and our third-party manufacturers.

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

Later discovery of previously unknown problems with a product, including AEs of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in withdrawal of marketing approval, mandatory revisions to the approved labeling to add new safety information or other limitations, imposition of post-market studies or clinical trials to assess new safety risks, or imposition of distribution or other restrictions under a REMS program, among other consequences.

The FDA closely regulates the marketing and promotion of drugs. A company can make only those claims relating to safety and efficacy, purity and potency that are approved by the FDA. Physicians, in their independent professional medical judgement, may prescribe legally available products for uses that are not described in the product's labeling and that differ from those tested by us and approved by the FDA. We, however, are prohibited from marketing or promoting drugs for uses outside of the approved labeling.

In addition, the Drug Supply Chain Security Act imposes obligations on manufacturers of pharmaceutical products related to product tracking and tracing.

Failure to comply with any of the FDA's requirements could result in significant adverse enforcement actions. These include a variety of administrative or judicial sanctions, such as refusal to approve pending applications, license suspension or revocation, withdrawal of an approval, imposition of a clinical hold or termination of clinical trials, warning letters, untitled letters, cyber letters, modification of promotional materials or labeling, product recalls, product seizures or detentions, refusal to allow imports or exports, total or partial suspension of production or distribution, debarment, injunctions, fines, consent decrees, corporate integrity agreements, refusals of government contracts and new orders under existing contracts, exclusion from participation in federal and state healthcare programs, restitution, disgorgement or civil or criminal penalties, including fines and imprisonment. It is also possible that failure to comply with the FDA's requirements relating to the promotion of prescription drugs may lead to investigations alleging violations of federal and state healthcare fraud and abuse and other laws, as well as state consumer protection laws. Any of these sanctions could result in adverse publicity, among other adverse consequences.

Other U.S. Healthcare Laws and Regulations

Healthcare providers and third-party payors play a primary role in the recommendation and use of medical products and drug formulations that are granted marketing approval. Arrangements with third-party payors, existing or potential customers and referral sources, including healthcare providers, are subject to broadly applicable fraud and abuse and other healthcare laws and regulations, and these laws and regulations may constrain the business or financial arrangements and relationships through which manufacturers conduct clinical research, market, sell and distribute the products for which they obtain marketing approval. Such restrictions under applicable federal and state healthcare laws and regulations include the following:

- The U.S. Anti-Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, receiving, offering or paying remuneration, directly or indirectly, in cash or kind, in exchange for, or to induce, either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made under federal healthcare programs such as the Medicare and Medicaid programs. This statute has been interpreted to apply to arrangements between pharmaceutical manufacturers, on the one hand, and prescribers, purchasers and formulary managers, among others, on the other hand. The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (PPACA), amended the intent requirement of the U.S. Anti-Kickback Statute. A person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it in order to commit a violation. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution;

- The federal false claims laws, including the False Claims Act (FCA) and civil monetary penalties laws which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment from Medicare, Medicaid or other third-party payors that are false or fraudulent, or making a false statement to avoid, decrease, or conceal an obligation to pay money to the federal government. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes "any request or demand" for money or property presented to the U.S. government. In addition, manufacturers can be held liable under the FCA even when they do not submit claims directly to government payors if they are deemed to "cause" the submission of false or fraudulent claims. The FCA also permits a private individual acting as a "whistleblower" to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery. Government enforcement agencies and private whistleblowers have investigated pharmaceutical companies for or asserted liability under the FCA for a variety of alleged promotional and marketing activities, such as providing free product to customers with the expectation that the customers would bill federal programs for the product; providing consulting fees and other benefits to physicians to induce them to prescribe products; engaging in promotion for "off-label" uses; and submitting inflated best price information to the Medicaid Rebate Program. In addition, the PPACA codified case law that a claim including items or services resulting from a violation of the U.S. Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the FCA;
- The Health Insurance Portability and Accountability Act of 1996 (HIPAA) prohibits, among other actions, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third-party payors, knowingly and willfully embezzling or stealing from a healthcare benefit program, willfully obstructing a criminal investigation of a healthcare offense, and knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services;
- The federal Physician Payments Sunshine Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid, or the Children's Health Insurance Program, with specific exceptions, to report annually to the Centers for Medicare & Medicaid Services (CMS), information related to payments and other transfers of value to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), other healthcare professionals (such as physicians assistants and nurse practitioners) and teaching hospitals, and ownership and investment interests held by physicians and their immediate family members;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH), and their respective implementing regulations, imposes, among other things, specified requirements relating to the security, privacy and transmission of individually identifiable health information held by entities subject to HIPAA, such as health plans, health care clearinghouses and certain healthcare providers, known as covered entities, and their respective business associates, persons or entities that create, use, maintain or disclose individually identifiable health information on behalf of covered entities, as well as their covered subcontractors. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in U.S. federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions; and
- State and foreign law equivalents of each of the above federal laws, such as anti-kickback and false claims laws which may apply to items or services reimbursed by any third-party payor, including commercial insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; state and local laws that require 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 may not have the same effect, thus complicating compliance efforts.

Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbors available, it is possible that certain business activities can be subject to challenge under one or more of such laws. In addition, recent health care reform legislation has strengthened these laws.

Violation of the laws described above or any other governmental laws and regulations may result in significant civil, criminal and administrative penalties, damages, fines, the curtailment or restructuring of operations, the exclusion from participation in federal and state healthcare programs, disgorgement, contractual damages, reputational harm, diminished profits and future earnings, imprisonment, and additional reporting requirements and oversight if a manufacturer becomes subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws. Furthermore, efforts to ensure that business activities and business arrangements comply with applicable healthcare laws and regulations can be costly for manufacturers of branded prescription products.

Coverage and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any products, for which we may obtain regulatory approval, and the procedures utilizing such products. In the United States, sales of any product candidates for which regulatory approval for commercial sale is obtained will depend in part on the availability of coverage and adequate reimbursement from third-party payors for the approved products, and procedures which utilize such products. Third-party payors include government authorities and health programs in the United States such as Medicare and Medicaid, managed care providers, private health insurers and other organizations. These third-party payors are increasingly reducing reimbursements for medical products and services. The process for determining whether a payor will provide coverage for a product, or procedures which utilizes such product, may be separate from the process for setting the reimbursement rate that the payor will pay for the product, or procedures which utilize such product. Third-party payors may limit coverage to specific products on an approved list, or formulary, which might not include all of U.S. FDA-approved products for a particular indication.

Additionally, the containment of healthcare costs has become a priority of federal and state governments. The U.S. government, state legislatures and foreign governments have shown significant interest in implementing cost-containment programs, including price controls, restrictions on coverage and reimbursement and requirements for substitution of less expensive products and procedures. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit our net revenue and results.

A payor's decision to provide coverage for a product, or procedures which utilize such product, does not imply that an adequate reimbursement rate will be approved. Further, coverage and reimbursement for products, and procedure which utilize such products, can differ significantly from payor to payor. Private payors may follow CMS, but have their own methods and approval processes for determining reimbursement for new medicines, and the procedures that utilize new medicines. 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.

Third-party payors are increasingly challenging the price and examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy. In order to obtain coverage and reimbursement for any product that might be approved for sale, or any procedure which utilizes such product, it may be necessary to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of the products, and procedures which utilize such products, in addition to the costs required to obtain regulatory approvals. If third-party payors do not consider a product, or procedures which utilize such product, to be cost-effective compared to other available therapies, they may not cover the product, or procedures which utilize such product, after approval as a benefit under their plans or, if they do, the level of payment may not be sufficient to allow a company to sell its products at a profit.

The marketability of any product candidates for which we or our collaborators receive regulatory approval for commercial sale may suffer if the government and third-party payors fail to provide adequate coverage and reimbursement for the product, or any procedure which utilizes such product. In addition, emphasis on managed care in the United States has increased and we expect will continue to increase the pressure on medical products and services pricing. Coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which we or our collaborators receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

In the European Union, pricing and reimbursement schemes vary widely from country to country. Some countries provide that products may be marketed only after a reimbursement price has been agreed. Some countries may require the completion of additional studies that compare the cost-effectiveness of a particular product candidate to currently available therapies. European Union Member States may approve a specific price for a product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the product on the market. Other member states allow companies to fix their own prices for products, but monitor and control company profits. The downward pressure on health care costs has become intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross-border imports from low-priced markets exert competitive pressure that may reduce pricing within a country. Any country that has price controls or reimbursement limitations may not allow favorable reimbursement and pricing arrangements.

Health Reform

The United States and some foreign jurisdictions are considering or have enacted a number of reform proposals to change the healthcare system. There is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality or expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by federal and state legislative initiatives, including those designed to limit the pricing, coverage, and reimbursement of pharmaceutical and biopharmaceutical products as well as the procedures which utilize such products, especially under government-funded health care programs, and increased governmental control of health care costs.

By way of example, in March 2010, the PPACA was signed into law, which is intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add transparency requirements for the healthcare and health insurance industries, impose taxes and fees on the healthcare industry and impose additional health policy reforms. The PPACA, among other things, increased the minimum level of Medicaid rebates payable by manufacturers of brand name drugs; required collection of rebates for drugs paid by Medicaid managed care organizations; required manufacturers to participate in a coverage gap discount program, under which they must agree to offer point-of-sale discounts (increased to 70 percent, effective as of January 1, 2019) off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D; imposed a non-deductible annual fee on pharmaceutical manufacturers or importers who sell certain "branded prescription drugs" to specified federal government programs, implemented a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted, or injected expanded the types of entities eligible for the 340B drug discount program; expanded eligibility criteria for Medicaid programs; created a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research; and established a Center for Medicare Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending, potentially including prescription drug spending.

There have been executive, judicial and Congressional challenges to certain aspects of the PPACA. For example, on June 17, 2021, the U.S. Supreme Court dismissed a challenge on procedural grounds that argued the PPACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress. Further, prior to the U.S. Supreme Court ruling, on January 28, 2021, President Biden issued an executive order that initiated a special enrollment period for purposes of obtaining health insurance coverage through the PPACA marketplace. The executive order also instructs certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the PPACA. On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022, or IRA, into law, which, among other things, extends enhanced subsidies for individuals purchasing health insurance coverage in PPACA marketplaces through plan year 2025. The IRA also eliminates the "donut hole" under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out-of-pocket cost and creating a new manufacturer discount program. It is possible that the PPACA will be subject to judicial or Congressional challenges in the future. It is unclear how such challenges and the healthcare measures of the Biden administration will impact the PPACA.

Other legislative changes have been proposed and adopted in the United States since the PPACA was enacted. For example, in August 2011, the Budget Control Act of 2011, among other things, created measures for spending reductions by U.S. Congress. A Joint Select Committee on Deficit Reduction, tasked with recommending a targeted deficit reduction of at least $1.2 trillion for the years 2012 through 2021, was unable to reach required goals, thereby triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions of Medicare payments to providers of up to 2% per fiscal year, which went into effect in April 2013 and, due to subsequent legislative amendments to the statute, including the BBA, will remain in effect through 2032 unless additional Congressional action is taken. In January 2013, the American Taxpayer Relief Act of 2012, among other things, further reduced Medicare payments to certain providers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Additionally, there have been several recent Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. At the federal level, in July 2021, the Biden administration released an executive order, "Promoting Competition in the American Economy," with multiple provisions aimed at prescription drugs. In response to Biden's executive order, on September 9, 2021, the U.S. Department of Health and Humans Services (HHS) released a Comprehensive Plan for Addressing High Drug Prices that outlines principles for drug pricing reform and sets out a variety of potential legislative policies that Congress could pursue to advance these principles. In addition, the IRA, among other things, (i) directs HHS to negotiate the price of certain high-expenditure, single-source drugs and biologics covered under Medicare, and subject drug manufacturers to civil monetary penalties and a potential excise tax by offering a price that is not equal to or less than the negotiated "maximum fair price" for such drugs and biologics under the law, and (ii) imposes rebates with respect to certain drugs and biologics covered under Medicare Part B or Medicare Part D to penalize price increases that outpace inflation. The IRA permits HHS to implement many of these provisions through guidance, as opposed to regulation, for the initial years. These provisions take effect progressively starting in fiscal year 2023. On August 29, 2023, HHS announced the list of the first ten drugs that will be subject to price negotiations, although the Medicare drug price negotiation program is currently subject to legal challenges. It is unclear how the IRA will be implemented but is likely to have a significant impact on the pharmaceutical industry. In response to the Biden administration's October 2022 executive order, on February 14, 2023, HHS released a report outlining three new models for testing by the CMS Innovation Center which will be evaluated on their ability to lower the cost of drugs, promote accessibility, and improve quality of care. It is unclear whether the models will be utilized in any health reform measures in the future. Further, on December 7, 2023, the Biden administration announced an initiative to control the price of prescription drugs through the use of march-in rights under the Bayh-Dole Act. On December 8, 2023, the National Institute of Standards and Technology published for comment a Draft Interagency Guidance Framework for Considering the Exercise of March-In Rights which for the first time includes the price of a product as one factor an agency can use when deciding to exercise march-in rights. While march-in rights have not previously been exercised, it is uncertain if that will continue under the new framework. At the state level, 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, on January 5, 2024, the FDA approved Florida's Section 804 Importation Program (SIP) proposal to import certain drugs from Canada for specific state healthcare programs. It is unclear how this program will be implemented, including which drugs will be chosen, and whether it will be subject to legal challenges in the United States or Canada. Other states have also submitted SIP proposals that are pending review by the FDA. Any such approved importation plans, when implemented, may result in lower drug prices for products covered by those programs.

Additional Regulation

In addition to the foregoing, state and federal laws regarding environmental protection and hazardous substances, including the Occupational Safety and Health Act, the Resource Conservation and Recovery Act and the Toxic Substances Control Act, affect our business. These and other laws govern the use, handling and disposal of various biologic, chemical and radioactive substances used in, and wastes generated by, operations. If our operations result in contamination of the environment or expose individuals to hazardous substances, we could be liable for damages and governmental fines. Equivalent laws have been adopted in other countries that impose similar obligations.

U.S. Foreign Corrupt Practices Act

The U.S. Foreign Corrupt Practices Act of 1977, as amended (FCPA), prohibits corporations and individuals from engaging in certain activities to obtain or retain business or secure any improper advantage, or to influence a person working in an official capacity. It is illegal to pay, offer to pay or authorize the payment of anything of value to any employee or official of a foreign government or public international organization, or political party, political party official, or political candidate in an attempt to obtain or retain business or to otherwise influence a person working in an official capacity. The scope of the FCPA also includes employees and official of state-owned or controlled enterprises, which may include healthcare professionals in many countries. Equivalent laws have been adopted in other foreign countries that impose similar obligations.

Data Privacy and Security

In the ordinary course of our business, we may process sensitive data. Accordingly, we are, or may become, subject to numerous data privacy and security obligations, including federal, state, local, and foreign laws, regulations, guidance, and industry standards related to data privacy and security. Such obligations may include, without limitation, the Federal Trade Commission Act, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (CPRA) (collectively, CCPA), the European Union's General Data Protection Regulation 2016/679 (EU GDPR), and the United Kingdom's General Data Protection Regulation (UK GDPR). Several states within the United States, including Virginia, Colorado, Connecticut, and Utah, have also enacted comprehensive data privacy and security laws and we expect more states to pass similar laws in the future.

The CCPA and EU GDPR are examples of the increasingly stringent and evolving regulatory frameworks related to personal data processing that may increase our compliance obligations and exposure for any noncompliance. For example, the CCPA imposes obligations on covered businesses to provide specific disclosures related to a business's collection, use, and disclosure of personal data and to respond to certain requests from California residents related to their personal data (for example, requests to delete the individual's personal data, and to opt out of certain personal data disclosures). The CCPA also provides for civil penalties and a private right of action for certain data breaches which may include an award of statutory damages.

Foreign data privacy and security laws, such as the EU GDPR and UK GDPR (collectively, GDPR), impose significant and complex compliance obligations on entities that are subject to those laws. For example, the GDPR imposes stringent requirements for controllers and processors of personal data of persons in the European Union and/or United Kingdom, including, more robust disclosures to individuals and a strengthened individual data rights regime, shortened timelines for data breach notifications, limitations on retention of information, increased requirements pertaining to special categories of data, such as health data, and additional obligations when we contract with third-party processors in connection with the processing of the personal data. The GDPR also imposes strict rules on the transfer of personal data out of the European Union and/or the United Kingdom to the United States and other third countries. In addition, the GDPR provides that European Union member states may make their own further laws and regulations limiting the processing of personal data, including genetic, biometric or health data.

The GDPR applies extraterritorially, and we may be subject to the GDPR because of our data processing activities that involve the personal data of individuals located in the European Union and/or the United Kingdom, such as in connection with any European Union and/or United Kingdom clinical trials. Failure to comply with the requirements of the GDPR and the applicable national data protection laws of the European Union member states and/or United Kingdom may result in fines of up to €20,000,000 for breaches of the EU GDPR, £17,500,000 for breaches of the UK GDPR, or up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher, and other administrative penalties. GDPR regulations may impose additional responsibility and liability in relation to the personal data that we process, and we may be required to put in place additional mechanisms to ensure compliance with the new data protection rules.

See the section titled "Item 3.D. – Risk Factors" for additional information about the laws and regulations to which we are or may become subject and about the risks to our business associated with such laws and regulations.

C. Organizational Structure.

Name	Place of Incorporation	Date of Incorporation	Main Business
ASLAN Pharmaceuticals Limited	Cayman Islands	June 2014	Investment holding
ASLAN Pharmaceuticals Pte. Ltd.	Singapore	April 2010	New drug research and development
ASLAN Pharmaceuticals Australia Pty Ltd.	Australia	July 2014	New drug research and development
ASLAN Pharmaceuticals Hong Kong Limited	Hong Kong	July 2015	New drug research and development
ASLAN Pharmaceuticals (Shanghai) Co. Ltd.	China	May 2016	New drug research and development
ASLAN Pharmaceuticals (USA) Inc.	United States of America	October 2018	New drug research and development
JAGUAHR Therapeutics Pte. Ltd.*	Singapore	August 2019	New drug research and development

*Our shareholding in JAGUAHR Therapeutics Pte. Ltd in April 2021 was diluted from 55% to 35% as a result of which, we no longer hold a majority controlling interest. JAGUAHR Therapeutics Pte. Ltd. is now the investment in associate of ASLAN Pharmaceuticals Pte. Ltd.

D. Property, Plants and Equipment.

Our corporate headquarters are located in Singapore. We lease all of our facilities and believe that our facilities are adequate to meet our needs for the immediate future, and that, should it be needed, suitable additional space will be available on commercially reasonable terms to accommodate any such expansion of our operations.

Item 4A. Unresolved Staff Comments

Not Applicable.

Item 5. Operating and Financial Review and Prospects

The following discussion and analysis of our financial condition and results of operations should be read together with our consolidated financial statements and related notes appearing elsewhere in this Annual Report. Some of the information contained in this discussion and analysis or set forth elsewhere in this Annual Report, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those set forth in the Item 3.D. "Risk Factors" section of this Annual Report, our actual results could differ materially from the results described in or implied by these forward-looking statements. Please also see the section titled "Cautionary Statement Regarding Forward-Looking Statements."

A. Operating Results.

Overview

We are a clinical-stage immunology focused biopharmaceutical company developing innovative treatments to transform the lives of patients.

Our portfolio is led by *eblasakimab*, a potential first-in-class human monoclonal antibody that binds to the IL-13 receptor α1 subunit (IL-13Rα1), blocking signaling of two pro-inflammatory cytokines, IL-4 and IL-13 which are central to triggering symptoms of AD, such as redness and itching of the skin. *Eblasakimab* has the potential to be a best-in-disease therapy for AD and asthma. In July 2023, we announced topline results from a Phase 2b study of *eblasakimab* in patients with moderate-to-severe AD over a range of dosages with subcutaneous administration for 16 weeks. We reported positive topline results from the Phase 2b clinical trial which supported *eblasakimab*'s potential to deliver a monthly dosing regimen from initiation in AD without compromising efficacy and with an encouraging safety profile. We are also developing *farudodstat*, an orally active, potent inhibitor of human DHODH that has the potential to be a best-in-class therapy in autoimmune disease.

Since our inception in 2010, we have devoted substantially all of our resources to acquiring rights to, and developing our product candidates, including preclinical studies and clinical trials and providing general and administrative support for our operations. We have not generated any revenue from product sales and we do not currently have any products approved for commercialization. We have financed our operations through a combination of debt and equity financings, including public and private offerings, and government grants. Our need for additional capital raises substantial doubt about our ability to continue as a going concern. We will need to obtain substantial additional financing for our operations, and if we fail to obtain additional financing, we may be forced to delay, reduce or eliminate our product development programs or commercialization efforts. See the section titled "Item 3.D. – Risk Factors" for additional information.

2024 Offering

On March 12, 2024, we entered into a Securities Purchase Agreement (the Securities Purchase Agreement) with the purchasers named therein (the 2024 Purchasers), pursuant to which we agreed to sell to the 2024 Purchasers, in a registered direct offering, 125,000,000 ordinary shares in the form of 5,000,000 ADSs, at a purchase price of $1.00 per ADS. The ADSs were offered by the Company pursuant to a shelf registration statement on Form F-3, which was filed with the SEC on March 24, 2023 and declared effective on April 6, 2023 (File No. 333-270835) and a prospectus supplement thereunder.

Pursuant to the Securities Purchase Agreement, in a concurrent private placement, we also agreed to sell and issue to the 2024 Purchasers unregistered warrants (the 2024 Warrants) to purchase up to 125,000,000 ordinary shares in the form of 5,000,000 ADSs. The 2024 Warrants are exercisable upon issuance at an exercise price of $1.00 per ADS and have a term of five years. Pursuant to the Securities Purchase Agreement, we filed a resale registration statement with the SEC on Form F-3 covering the resale of the ADSs underlying the 2024 Warrants, which was filed with the SEC on March 25, 2024 (File No. 333-278217) and which was declared effective March 29, 2024. The issuance of the ADSs and 2024 Warrants to the 2024 Purchasers (the 2024 Offering) closed on March 14, 2024 and resulted in gross proceeds to us of approximately $5.0 million. If all 2024 Warrants are fully-exercised we will receive an additional $5.0 million in gross proceeds.

2023 Private Placement

On February 24, 2023, we entered into a Unit Purchase Agreement (the Unit Purchase Agreement), with fund entities affiliated with BVF Partners L.P. (collectively, BVF) and the other purchasers named therein (the 2023 Purchasers), pursuant to which we agreed to sell to the 2023 Purchasers, in a private placement offering, an aggregate of (i) 112,359,550 ordinary shares and (i) pre-funded warrants (the Pre-Funded Warrants), to purchase twenty-five ordinary shares, represented by ADSs, at a purchase price of $0.178 per ordinary share (or the equivalent of $4.45 per ADS) and $4.4475 per Pre-Funded Warrant (or ADS), respectively, which represented a 15% premium to the ADSs' ten-day volume-weighted average price (VWAP) (the 2023 Private Placement). The 2023 Private Placement closed on February 27, 2023, and resulted in gross proceeds to us of approximately $20 million.

As part of the 2023 Private Placement, the Purchasers also received two tranches of warrants exercisable in the aggregate for up to 11,061,823 ADSs (or Pre-Funded Warrants). The first tranche of warrants, which lapsed on September 4, 2023, was comprised of (i) 50% of warrants that are exercisable upon issuance and until 60 days after the public announcement of our topline data from our TREK-AD Phase 2b clinical trial investigating *eblasakimab* in AD (the *eblasakimab* announcement) at an exercise price of $6.50 per ADS and (ii) 50% of warrants which could only be exercised within 60 days after the *eblasakimab* announcement at an exercise price based on the higher of $6.50 and a 50% discount to the ADSs' VWAP measured across a specified period after the *eblasakimab* announcement. The second tranche of warrants is similarly comprised of (i) 50% of warrants exercisable upon issuance until 60 days after the public announcement of topline interim data from our planned Phase 2 proof of concept trial investigating *farudodstat* (the *farudodstat* announcement) at an exercise price of $8.15 per ADS, and (ii) 50% of warrants which can only be exercised within 60 days after the *farudodstat* announcement at an exercise price based on the higher of $8.15 and a 50% discount to the ADS VWAP measured across a specified period after the *farudodstat* announcement (collectively, the Tranche Warrants). The Tranche Warrants have a term of five years and include a mandatory exercise provision, subject to the satisfaction of certain pre-specified conditions. If all Tranche Warrants are fully-exercised we will receive an additional $80 million in gross proceeds. As of December 31, 2023, the 2023 Purchasers had not exercised any Tranche Warrants.

Pursuant to the Unit Purchase Agreement, we granted BVF the right to nominate one individual to our Board of Directors and are required to recommend to our shareholders to elect such nominee until such time that BVF retains beneficial ownership of less than 9.9% of the issued and outstanding ordinary shares (including any Pre-Funded Warrants BVF holds as if fully exercised).

2021 Private Placement

In February 2021, we sold 25,568,180 ordinary shares (the equivalent of 1,022,727 ADSs) in a private placement for net proceeds of approximately $18.0 million pursuant to a securities purchase agreement the Company entered into with the purchasers in the private placement.

Underwritten Public Offering

In March 2021, we sold 3,450,000 ADSs representing 86,250,000 ordinary shares in an underwritten public offering for net proceeds of approximately $64.9 million after deducting underwriting discounts and commissions and offering expenses.

At-the-market Offering

On October 9, 2020, we entered into an Open Market Sale Agreement[SM] as amended on September 13, 2022 (the ATM Sale Agreement) with Jefferies LLC, pursuant to which we may issue and sell ADSs from time to time, through at-the-market offerings under which Jefferies LLC will act as sales agent and/or principal.

During the year ended December 31, 2021, we raised net proceeds of approximately $14.1 million under ATM Sale Agreement by offering 24,594,360 ordinary shares (equivalent of 983,774 ADSs). During the year ended December 31, 2022, there was no issuance of ordinary shares/ADS under the ATM Sale Agreement. During the year ended December 31, 2023, we raised net proceeds of approximately $3.0 million under the ATM Sale Agreement by offering 31,245,250 ordinary shares (an equivalent of 1,249,810 ADSs).

We did not generate revenue for the year ended December 31, 2021 and 2022. We generated $12.0 million of revenue for the year ended December 31, 2023, which was related to out-licensing activities. To date we have outsourced our manufacturing and clinical operations to third parties. We do not intend to operate our own clinical trials or build or acquire infrastructure for manufacturing our drugs for clinical or commercial supply. All of our clinical supplies are manufactured in accordance with cGMP using high quality contract manufacturing organizations based in the United States, Europe and Asia.

As of December 31, 2023, we had cash and cash equivalents of $21.3 million. We have never been profitable and have incurred significant net losses in each period since our inception. Our consolidated net loss attributable to ordinary shareholders for the years ended December 31, 2021, 2022 and 2023 was $31.3 million, $51.4 million and $44.2 million, respectively. As of December 31, 2023, we had an accumulated deficit of $321.1 million. Our primary use of cash is to fund research and development costs. Our operating activities used $34.0 million, $38.4 million and $46.6 million of cash flows during the years ended December 31, 2021, 2022 and 2023, respectively. We expect to continue to incur significant expenses and operating losses for the foreseeable future.

We expect expenses to be incurred in connection with our ongoing activities as we:

- Continue to invest in the clinical development of our product candidates, including in connection with the following planned and ongoing clinical trials:
  - *Eblasakimab* Phase 2b clinical trial in AD;
  - *Eblasakimab* Phase 2 clinical trial in *dupilumab*-experienced AD patients;
  - *Farudodstat* Phase 2a clinical trial in AA; and
  - Any additional clinical trials that we may conduct for product candidates;
- Engage third parties to manufacture product candidates for clinical trials and, if any product candidates are approved, for commercialization;

- Maintain, expand and protect our intellectual property portfolio; and
- Incur additional costs with operating as a U.S. public company.

We will continue to require additional capital to support our operating activities as we advance our product candidates through clinical development, regulatory approval and, if any of our product candidates are approved, commercialization. The amount and timing of our future funding requirements will depend on many factors, including the pace and results of our product development efforts.

Out-licensing Agreements

To date, we have an out-licensing agreement with Zenyaku Kogyo Co., Ltd.

Zenyaku Kogyo Co., Ltd – License of eblasakimab for Japan

On June 22, 2023, we entered into a development and commercialization agreement with Zenyaku Kogyo Co., Ltd. (Zenyaku) granting to Zenyaku the exclusive rights to develop and, provided certain conditions are met, commercialize *eblasakimab* in atopic dermatitis and all other indications in Japan. Zenyaku agreed to make a non-refundable upfront payment of $12.0 million in return for the use of the rights granted to Zenyaku. In addition, we are eligible to receive up to $29.5 million in development milestones and up to $94 million in commercial milestones. Zenyaku will make double digit royalty payments to ASLAN on net sales of *eblasakimab* in percentages ranging up to low twenties.

Under the terms of the agreement, Zenyaku will be exclusively responsible for all development and, potentially, commercialization activities for *eblasakimab* in Japan. Zenyaku plans to initiate a Phase 1 study of *eblasakimab* in Japan in the first half of 2024. We do not bear any risks and costs on the development of *eblasakimab* by Zenyaku in Japan. Accordingly, Zenyaku has exclusive control over relevant activities that significantly affect the returns of the development and commercialization of *eblasakimab* in Japan.

In-licensing Agreements

We are required to make milestone payments upon the achievement of certain development, regulatory and commercial milestones and royalties based on the net sales of the licensed products and therefore, we expect our results of operations will continue to be affected by these agreements. For the years ended December 31, 2022 and 2023, we did not make any other payments related to the in-license agreements. See “Item 4.B. Information on the Company – Business Overview—License and Collaboration Agreements” for a description of our license agreements, which includes a description of the termination provisions of these agreements.

Key Components of Results of Operations

Revenues

To date, we have not generated any revenue from product sales and do not expect to generate any revenue from product sales until our product candidates receive regulatory approval. We did not generate revenue for the years ended December 31, 2021, and 2022. For the year ended December 31, 2023, we generated revenue of $12.0 million which consists of an upfront payment received from Zenyaku under out-licensing arrangements, as described above.

Research and Development Expenses

The largest component of our operating expenses since inception has been research and development activities, including the preclinical and clinical development of our product candidates. Research and development costs are expensed as incurred. Our research and development expenses primarily consist of:

- Costs incurred under agreements with contract research organizations and investigative sites that conduct preclinical studies and clinical trials;
- Costs related to manufacturing pharmaceutical active ingredients and product candidates for preclinical studies and clinical trials;

- Salaries and personnel-related costs, including bonuses, related benefits and share-based compensation expense for our scientific personnel performing or managing out-sourced research and development activities;
- Fees paid to consultants and other third parties who support our product candidate development;
- Other costs incurred in seeking regulatory approval of our product candidates; and
- Allocated facility-related costs and overhead.

Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. Accordingly, we expect research and development costs to increase significantly for the foreseeable future as our programs progress. However, we do not believe that it is possible at this time to accurately project total program-specific expenses through commercialization. Our expenditures on current and future preclinical and clinical development programs are subject to numerous uncertainties in timing and cost to completion. In addition, we may enter into additional collaboration arrangements for our product candidates, which could affect our development plans or capital requirements.

We allocate direct costs to product candidates when they enter into clinical development. For product candidates in clinical development, we allocate development and manufacturing costs to our product candidates on a program-specific basis, and we include these costs in the program-specific expenses. Our direct research and development expenses tracked by program consist primarily of external costs, such as fees paid to outside consultants, CROs, and contract manufacturing organizations in connection with our preclinical development, manufacturing and clinical development activities. We do not allocate employee costs or facility expenses, including other indirect costs, to specific programs because these costs are deployed across multiple programs and, as such, are not separately presented. We use internal resources primarily to oversee research and discovery as well as for managing our preclinical development, process development, manufacturing and clinical development activities. These employees work across multiple programs and, therefore, we do not track their costs by program.

The table below summarizes our research and development expenses incurred by program for the periods presented:

	For the year ended		
	2021	2022	2023
		(in thousands)	
Direct research and development expense by product:			
Eblasakimab	15,539	27,373	31,104
Farudodstat	2,105	2,862	3,923
JAGUAHR*	717	—	
Other R&D costs related to the products	781	2,115	1,271
Indirect research and development expense:			
Employee benefit and travel expense	2,879	5,650	6,197
Other indirect research and development expense	—	—	—
Total research and development expense	**$ 22,021**	**$ 38,000**	**$ 42,495**

* On April 28, 2021, our shareholding of JAGUAHR was diluted to 35% from 55%, resulting in loss of control over the subsidiary; expenses for JAGUAHR are incurred up till the date of control loss.

General and Administrative Expenses

General and administrative expenses consist of personnel costs and other expenses for outside professional services, including legal, audit and accounting services. Personnel costs consist of salaries, bonuses, benefits and stock-based compensation. Other general and administrative expenses include facility-related costs not otherwise allocated to research and development expense, professional fees, expenses associated with obtaining and maintaining patents and costs of our information systems.

Non-Operating Income and Expenses

Other Income

Other non-operating income is the ADS issuance contribution receivable from J.P. Morgan Chase Bank N.A., the Custodian and the Depositary, as part of the conversion of ordinary shares to ADSs due to the Taiwan delisting in 2020 and issuance of new ADSs. For the year ended December 31, 2021, and 2023, the Company recognized a total of $1.1 million, and $0.4 million, respectively, as other non-operating income and did not recognize any related other income as of December 31, 2022.

Other Gains and Losses, Net

Other gains and losses are primarily net gains and losses from realized and unrealized currency exchange differences, valuation on fair value changes of financial assets and liabilities at fair value through profit or loss incurred during the period. For the years ended December 31, 2021, 2022 and 2023, other gains (losses) were $1.1 million, ($0.03) million and $3.1 million, respectively.

Finance Costs

Finance costs are interest expenses primarily from the Singapore Economic Development Board (EDB) repayable grant, the CSL Facility, the Convertible Loan Facility, the October/November 2019 Loan Facility and the K2 HealthVentures Loan Facility. For the years ended December 31, 2021, 2022 and 2023, finance costs were $1.9 million, $3.7 million and $4.3 million, respectively. The CSL Facility was repaid in July 2021 and the October/November 2019 Loan Facility was repaid in March 2021.

Results of Operations

The following table sets forth a summary of our consolidated results of operations for the periods indicated. This information should be read together with our consolidated financial statements and related notes included elsewhere in this Form 20-F. Our operating results in any period are not necessarily indicative of the results that may be expected for any future period.

	Year Ended December 31,		
	2021	2022	2023
	(in thousands, other than shares or share data)		
Net revenues	—	—	12,000
Cost of revenues	—	—	—
Operating expenses			
General and administrative expenses	(11,825)	(9,882)	(13,240)
Research and development expenses	(22,021)	(38,000)	(42,495)
Total operating expenses	(33,846)	(47,882)	(55,736)
Loss from operations	(33,846)	(47,882)	(43,736)
Non-operating income and expenses			
Interest income	—	354	405
Other income	1,108	386	462
Gain on dilution of subsidiary and recognition of associate	2,308	—	—
Other gains and losses	1,106	(29)	3,122
Finance costs	(1,861)	(3,676)	(4,332)
Total non-operating income and expenses	2,661	(2,965)	(343)
Share in losses of associated company, accounted for using equity method	(405)	(436)	(9)
Loss before income tax	(31,590)	(51,283)	(44,087)
Income tax expense	—	(99)	(133)
Net loss for the year	(31,590)	(51,382)	(44,220)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	—	—	236
Total comprehensive loss	(31,590)	(51,382)	(43,984)
Net loss attributable to:			
Stockholders of the Company	(31,321)	(51,382)	(44,220)
Non-controlling interests	(269)	—	—
	(31,590)	(51,382)	(44,220)
Total comprehensive loss attributable to:			
Stockholders of the Company	(31,321)	(51,382)	(43,984)
Non-controlling interests	(269)	—	—
	(31,590)	(51,382)	(43,984)
Weighted-Average ordinary shares used in calculating net loss per ordinary shares, basic	325,684,272	348,723,365	411,242,644
Weighted-Average ADS used in calculating net loss per ADS, basic	13,027,371	13,948,935	16,449,706
Net loss per ordinary share, basic and diluted	(0.10)	(0.15)	(0.11)
Net loss per equivalent ADS, basic and diluted	(2.40)	(3.68)	(2.69)

Each ADS represents twenty-five ordinary shares.

Comparison of the Years Ended December 31, 2022 and 2023

Revenue

We did not generate revenue for the year ended December 31, 2022. For the year ended December 31, 2023, we generated revenue of $12.0 million, which consists of an upfront payment received under an out-licensing arrangement.

General and Administrative Expenses

The following table sets forth the components of our general and administrative expenses for the years indicated.

	Year Ended December 31,			
(In thousands)	**2022**	**%**	**2023**	**%**
General and administrative expenses				
Employee benefit and travel expenses	5,992	61%	7,612	57%
Professional fees	1,999	20%	2,536	19%
Offering costs	863	9%	1,950	15%
Rent relating to operating leases	90	1%	86	1%
Other costs	937	9%	1,056	8%
Total general and administrative expense	**9,881**	**100%**	**13,240**	**100%**

General and administrative expenses increased by $3.3 million from $9.9 million for the year ended December 31, 2022, to $13.2 million for the year ended December 31, 2023. The increase in general and administrative expenses was mainly due to increase of employees and legal fees related to financing.

Research and Development Expenses

The following table sets forth the components of our research and development expenses for the years indicated.

	Year Ended December 31,			
(In thousands)	**2022**	**%**	**2023**	**%**
Research and development expenses				
Preclinical and clinical development expenses	18,347	48%	22,579	53%
Manufacturing expenses	14,003	37%	13,719	32%
Employee benefit and travel expenses	5,650	15%	6,197	15%
Total research and development expenses	**38,000**	**100%**	**42,495**	**100%**

Research and development expenses increased by $4.5 million from $38.0 million for the year ended December 31, 2022 to $42.5 million for the year ended December 31, 2023. The increase was driven primarily by the increase of clinical development expenses and manufacturing costs related to *eblasakimab*.

Other Income

For the year ended December 31, 2023, the Company recognized a total $0.5 million, as other non-operating income mainly from the ADS issuance contribution and did not recognize any related other income as of December 31, 2022.

Other Gains and Losses, Net

Other net losses for the year ended December 31, 2022, were $0.03 million and other net gains for the year ended December 31, 2023 were $3.1 million. The increase was primarily due to valuation gains on the fair value changes of financial assets and liabilities in 2023.

Net Loss Attributable to Ordinary Shareholders

For the years ended December 31, 2022, and 2023, net loss attributable to our stockholders was $51.4 million and $44.2 million, respectively. The decrease in net losses was due to the out-licensing revenue from Zenyaku in 2023.

Comparison of the Years Ended December 31, 2021 and 2022

For the discussion covering the comparison between the years ended December 31, 2022 and 2021, please refer to "Item 5" of our Annual Report on Form 20-F for the year ended December 31, 2022 filed with the SEC.

B. Liquidity and Capital Resources.

Since inception, we have invested most of our resources in the development of our product candidates, building our intellectual property portfolio, developing our supply chain, conducting business planning, raising capital and providing support for our operations. To date we have funded our operations through public and private placements of equity securities, upfront and milestone payments received from our collaborators, funding from governmental bodies and interest income from banks. As of December 31, 2023, we raised aggregate gross proceeds of $303.7 million from private and public offerings, we had received aggregate gross upfront payments of $25.3 million from our collaborators and received an aggregate of $7.5 million in grants from government bodies. Since our inception, we have incurred net losses and negative cash flows from our operations. Substantially all of our losses have resulted from funding our research and development programs and general and administrative costs associated with our operations. We incurred net losses attributed to the stockholders of the company of $31.3 million, $51.4 million and $44.2 million for the years ended December 31, 2021, 2022 and 2023, respectively. As of December 31, 2022 and 2023, we had an accumulated deficit of $278.4 million and $321.1 million, respectively. Our operating activities used $34.0 million, $38.4 million and $46.6 million of cash outflows during the years ended December 31, 2021, 2022 and 2023, respectively.

As of December 31, 2023, we had cash and cash equivalents of $21.3 million. We do not believe that our existing cash will be sufficient to fund our planned operating and capital expenditures for at least the next 12 months from the date of our financial statements included elsewhere herein. A change in circumstances may also result in the depletion of our capital resources more rapidly than we currently anticipate. These factors raise substantial doubt about our ability to continue as a going concern.

From October 9, 2020 through February 19, 2021, we sold 1,772,594 ADSs for net proceeds of $21.5 million under the ATM Sale Agreement with Jefferies LLC through at-the-market offerings, of which net proceeds of $14.1 million was raised from January 1, 2021 through February 19, 2021. In February 2021, we sold 25,568,180 ordinary shares (an equivalent of 1,022,727 ADSs) in a private placement for gross proceeds of approximately $18.0 million pursuant to a securities purchase agreement. In March 2021, we sold 3,450,000 ADSs representing 86,250,000 ordinary shares in an underwritten public offering for net proceeds of $64.9 million after deducting underwriting discounts and commissions and offering expenses. On July 12, 2021, we entered into a Loan, Guaranty, and Security Agreement with K2 HealthVentures LLC (K2HV) which provides us for up to $45.0 million of loan facility. The first tranche of $20.0 million was closed and received in 2021. In January 2022, we drew down the second tranche of the loan facility provided by K2HV and the funds were received in February 2022. Total proceeds of approximately $117.0 million was raised for year ended December 31, 2021. During the year ended December 31, 2022, there was no issuance of ordinary shares/ADS. Total proceeds of approximately $3.0 million was raised for year ended December 31, 2023. On February 24, 2023, we entered into the Unit Purchase Agreement with the 2023 Purchasers. The 2023 Private Placement closed on February 27, 2023 and we received gross proceeds of approximately $20.0 million. On March 12, 2024, we entered into the Securities Purchase Agreement with the 2024 Purchasers. The 2024 Offering closed on March 14, 2024 and we received gross proceeds of approximately $5.0 million.

We have not achieved profitability since our inception and we expect to continue to incur net losses for the foreseeable future.

We expect to fund our long-term anticipated operating and capital expenditure requirements through public and private offerings of our ADSs and ordinary shares.

Our future capital requirements will depend on many factors, including:

- The scope, progress, results and costs of drug discovery, preclinical development, laboratory testing and clinical trials for our product candidates;
- The costs, timing and outcome of regulatory review of our product candidates;
- The costs of establishing or contracting for sales, marketing and distribution capabilities if we obtain regulatory approvals to market our product candidates;

- The costs of securing and producing drug substance and drug product material for use in preclinical studies, clinical trials and for use as commercial supply;
- The costs of securing manufacturing arrangements for development activities and commercial production;
- The scope, prioritization and number of our research and development programs;
- The extent to which we are obligated to reimburse, or entitled to reimbursement of, clinical trial costs under future collaboration agreements, if any;
- The extent to which we acquire or in-license other product candidates and technologies;
- The costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims; and
- The effects of the disruptions to and volatility in the credit and financial markets in the United States and worldwide from geopolitical and macroeconomic events, including health epidemics or pandemics, the ongoing Russia-Ukraine conflict and the conflict in the Middle East, and related sanctions, and bank failures.

We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. If our planned preclinical and clinical trials are successful, or our other product candidates enter clinical trials or advance beyond the discovery stage, we will need to raise substantial additional financing in the future to fund our operations. In order to meet these additional cash requirements, we may incur debt, out-license certain intellectual property and seek to sell additional equity or convertible securities that may result in dilution to our stockholders. If we raise additional funds through the issuance of equity or convertible securities, these securities could have rights or preferences senior to those of our ADSs and ordinary shares and any indebtedness could contain covenants that restrict our operations. There can be no assurance that we will be able to obtain additional equity or debt financing on terms acceptable to us, if at all. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the disruptions to, and volatility in, the credit and financial markets in the United States and worldwide resulting from macroeconomic events, such as the COVID-19 pandemic, the ongoing Russia-Ukraine conflict and the conflict in the Middle East, and related sanctions, and bank failures, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, and uncertainty about economic stability. If the equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly and more dilutive.

K2HV Loan Facility

Loan Agreement

In July 2021, we entered into a Loan, Guaranty, and Security Agreement (Loan Agreement) with ASLAN Pharmaceuticals Pte. Ltd (ASLAN Singapore) as guarantor, the lenders from time to time party thereto, K2 HealthVentures LLC as administrative agent and Ankura Trust Company, LLC as collateral agent. The Loan Agreement provides for up to $45.0 million of delayed draw term loans, consisting of (i) the first tranche of $20.0 million available at closing, (ii) the second and third tranches in the aggregate amount of $10.0 million subject to our achievement of certain clinical milestones related to *farudodstat* and *eblasakimab* and (iii) an uncommitted fourth tranche of up to $15.0 million.

We borrowed the full $20.0 million first tranche of term loans at closing. Borrowings under the K2HV loan facility are secured with a pledge of the borrowers' equity interests in subsidiaries and collateral over all of the Company's cash, goods and other personal property, with the exception of (i) under the K2HV loan facility agreement prior to amendment, the Company's own intellectual property assets, (ii) personal property to the extent that granting of security over any such personal property would constitute a breach of or result in the termination of, or require any consent not obtained under, any license, agreement, instrument or other document evidencing or giving rise to such property, or is otherwise prohibited by any requirement of law, and (iii) the Company's equity interests in Jaguahr Therapeutics Pte. Ltd. Such pledge and collateral may be enforced only if there has been an event of default as stipulated in the K2HV loan facility agreement. The Loan Agreement includes customary affirmative and negative covenants applicable to us and our subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, cash management, dividends and other distributions. In addition, the Loan Agreement also includes customary events of default, including, but not limited to, failure to pay interest, principal and fees or other amounts when due, material misrepresentations or misstatements, covenant defaults, certain cross defaults to other material indebtedness, certain judgment defaults and events of bankruptcy or insolvency. Upon the occurrence and continuance of an event of default, the lenders may declare all outstanding obligations immediately due and payable and take such other actions as set forth in the Loan Agreement and other loan documents.

On January 5, 2022, we drew down the second tranche $5 million of the loan facility provided by K2HV pursuant to the Loan Agreement. The second tranche milestone was completed, and the full funds were received on February 4, 2022. As a result of the drawdown of the second tranche of the loan facility, the number of ordinary shares exercisable under the K2 Warrant (as defined below) increased to 2.95% of $25 million, being the aggregate term loan advances at that date.

On June 30, 2023, the parties entered into a First Amendment to the K2HV Facility (Loan Amendment) with K2HV to, among other things, extend the interest-only period under the K2HV Facility to November 1, 2023, February 1, 2024 or August 1, 2024, dependent on the Company's achievement of certain milestones, and amended the exercise price of the K2 Warrant to $0.1447 per share (equivalent to $3.6175 per ADS).

On December 6, 2023, we entered into an amendment (Second Amendment) of K2HV Facility pursuant to which K2HV agreed to extend the period under the K2HV Facility in which the Company is not required to make payments with respect to the outstanding principal amount (during which period interest payments continue to become due and payable in accordance with the terms of the K2HV Facility). The first date from which the Company is required to make monthly payments of principal is now January 1, 2025. In addition, pursuant to the Second Amendment, (i) the Company made a payment of $12.0 million to the administrative agent, which has been applied to the outstanding principal under the Loan Agreement (Prepayment) and (ii) the lenders and the administrative agent waived a prepayment fee of 2.0% that otherwise would have been required under the Loan Agreement with respect to the Prepayment. After giving effect to the Prepayment, $13.0 million of principal will remain outstanding under the Loan Agreement. In connection with the Second Amendment, K2HV received a lien on certain intellectual property owned by the Company, subject to customary exceptions.

The term loans bear interest at a floating rate equal to the greater of (i) the prime rate published by Wall Street Journal plus 5.00% or (ii) 8.25% per annum. Subsequent to the interest-only period, the term loans will be payable in equal monthly installments of principal plus accrued and unpaid interest, through the maturity date which is July 1, 2025. We paid the lenders a one-time $255,000 facility fee at closing and will be obligated to pay for an additional facility fee equal to 0.85% of any term loans borrowed under the fourth tranche. In addition, we are obligated to pay a final payment fee of 6.25% of the original principal amount of the term loans at the maturity date. We may elect to prepay all, but not less than all, of the term loans prior to the term loan maturity date, subject to a prepayment fee of up to 3.0% of the then outstanding principal balance. After repayment, no term loans may be borrowed again.

K2 Warrant and Participation Rights

In connection with the closing of the Loan Agreement, we issued a warrant to purchase ordinary shares, as amended June 30, 2023, (K2 Warrant) to K2 HealthVentures Equity Trust LLC. The number of ordinary shares exercisable under the K2 Warrant equals (i) 2.95% of the aggregate outstanding principal amount of the term loans funded to us divided by (ii) the warrant price of $0.1447 per share (equivalent to $3.6175 per ADS) (subject to adjustment as provided therein). The K2 Warrant also includes a cashless exercise feature allowing the holder to receive shares underlying the warrant in an amount reduced by the aggregate exercise price that would have been payable upon exercise of the warrant for such shares. In addition, subject to compliance with applicable securities laws (including any holding period requirements), we are required to use commercially reasonable efforts to facilitate and take all other actions required to enable the deposit of any or all of the ordinary shares exercisable under the Warrant with our depositary for the issuance of American Depositary Shares. The K2 Warrant is exercisable until its expiration on July 12, 2031. The K2 Warrant also provides for automatic cashless exercise or assumption as a result of certain transactions involving a merger, acquisition or sale of the company, as set forth in the K2 Warrant.

The Loan Agreement also provides K2 HealthVentures Equity Trust LLC with the right to participate in an aggregate amount of up to $5.0 million in any offering of our American Depositary Shares, ordinary shares, common stock, convertible preferred stock or other equity securities (or certain other convertible instruments but excluding non-convertible debt securities), but excluding any at-the-market offerings or facilities, on the same terms, conditions and pricing afforded to others participating in such offering; provided that with respect to any public offering, we are required to use commercially reasonable efforts to provide K2 HealthVentures Equity Trust LLC with the opportunity to invest in each such offering if it is lawful to do so (or if the offering is an underwritten public offering pursuant to a registration statement under the Securities Act of 1933, as amended, to use commercially reasonable efforts to cause the underwriters for such offering to offer K2 HealthVentures Equity Trust LLC an allocation of securities in such offering).

Cash Flows

The following table provides information regarding our cash flows for the years ended December 31, 2021, 2022 and 2023:

	Year Ended December 31,		
(In thousands)	**2021**	**2022**	**2023**
Net cash used in operating activities	(33,995)	(38,405)	(46,639)
Net cash (used in) generated from investing activities	(28)	414	269
Net cash generated from financing activities	109,867	4,725	10,720
Net (decrease) increase in cash and cash equivalents	**75,844**	**(33,266)**	**(35,650)**

Net Cash Used in Operating Activities

The use of cash resulted primarily from our net losses adjusted for non-cash charges and changes in components of our operating assets and liabilities. The primary use of our cash was to fund the development of our research and development activities, regulatory and other clinical trial costs, and related supporting administration. Our prepayments and other current assets, accounts payable and other payables balances were affected by the timing of vendor invoicing and payments.

Net cash used in operating activities was $34.0 million, $38.4 million and $46.6 million for the years ended December 31, 2021, 2022 and 2023, respectively. The increase of net cash used in operating activities was primarily due to an increase of research and development activities and its related general and administrative expense. These increases were mainly attributable to costs associated with the ongoing TREK-AD Phase 2b clinical trial.

Net Cash Used in Investing Activities

Net cash provided in investing activities was $268,523 for the year ended December 31, 2023.

Net cash used in investing activities was $28,155 for the year ended December 31, 2021. Net cash provided in investing activities was $414,699 for the year ended December 31, 2022. The increase in cash in investing activities for 2022 was primarily due to the Company's return on investments in the money market.

Net Cash Provided by Financing Activities

Net cash provided by financing activities was $109.9 million, $4.7 million and $10.7 million for the years ended December 31, 2021, 2022 and 2023, respectively, which consisted primarily of net proceeds from the issuance of ADSs from at-the-market offerings for the year ended December 31, 2021 and primarily of net proceeds from the 2023 Private Placement and issuance of ADSs from at-the-market offerings for the year ended December 31, 2023, and loan proceeds from K2 HealthVentures LLC for the year ended December 31, 2021 and 2022. Please refer to the section titled "Item 18. Financial Statements" for more financing information.

C. Research and Development, Patents and Licenses, etc.

Full details of our research and development activities and expenditures are given in "Item 4.B. Information on the Company – Business Overview" and "Item 5.A. Operating Results" within this Annual Report.

D. Trend Information.

See the section titled "Item 5.A. Operating Results" and "Item 5.B. Liquidity and Capital Resources" within this Annual Report.

E. Critical Accounting Estimates.

See the section titled "Item 18. Financial Statements, Note 5" within this Annual Report.

Recently Issued Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position and results of operations is disclosed in Note 3, "Application of new standards, amended and revised standards and interpretations," to our consolidated financial statements and related notes appearing elsewhere in this Annual Report.

Item 6. Directors, Senior Management and Employees

A. Directors and Senior Management.

The following table sets forth information regarding our executive officers and directors, including their ages, as of April 12, 2024.

Name	Age	Position(s)
Executive Officers:		
Carl Firth, Ph.D.	51	Chief Executive Officer and Director
Alexandre Kaoukhov	49	Chief Medical Officer
Stephen Doyle	51	Chief Business Officer
Kiran Asarpota	45	Chief Operating Officer and Head of Finance
Ben Goodger	61	General Counsel
Non-Executive Directors:		
Andrew Howden	65	Chairman
Robert E. Hoffman	58	Director
Neil Graham, M.D., M.P.H., M.B.B.S.	66	Director
Kathleen M. Metters, Ph.D.	67	Director

Executive Officers

Carl Firth, Ph.D. Dr. Firth founded our company in 2010 and served as Chairman of our board of directors from June 2014 to July 2019, as our Chief Executive Officer since January 2011 and as a director since July 2010. Prior to founding our company, Dr. Firth was Head of Asia Healthcare at Bank of America Merrill Lynch, supporting public and private financings of healthcare companies and advising on M&A transactions, from January 2008 to June 2010. Prior to joining the banking industry, Dr. Firth worked for AstraZeneca from October 1998 to December 2007 in various commercial and R&D roles, including Regional Business Development Director, Asia Pacific, and Director of New Product Development, China. Dr. Firth holds board positions at various biotechnology companies, including JAGUAHR Therapeutics and DotBio Pte. Ltd. Previously, Dr. Firth was an independent director of Hong Kong listed Uni-Bio Sciences, a leading Chinese biopharmaceutical company engaged in the research, development, production and commercialization of biopharmaceuticals for the Chinese healthcare market, where he served in such capacity from April 2014 to November 2017, and an independent director of A*ccelerate, the commercialization arm of Singapore's Agency for Science, Technology and Research (A*STAR), from January 2014 to March 2021. Dr. Firth is an Adjunct Professor at Duke-NUS Medical School, a position he has held since June 2014. He holds a Ph.D. in Molecular Biology from Cambridge University (Trinity College), an Executive M.B.A. from London Business School, and a B.A. in Molecular Biology from Cambridge University.

Alexandre Kaoukhov. M.D. has served as our Chief Medical Officer since March 2022. Prior to joining us, Dr. Kaoukhov served as the Senior Vice President, Head of Clinical Development at Bioniz Therapeutics, Inc., a private therapeutics company, from March 2021 to March 2022. Dr. Kaoukhov previously served as Head of Global Development at Almirall, S.A. (Almirall), a public pharmaceutical company listed on the Bolsa de Madrid stock market, from June 2018 to November 2020. Before Almirall, Dr. Kaoukhov spent seven years at Allergan, Inc, a public healthcare company, where he served as Head, Medical Dermatology from April 2014 to 2018 and as Senior Medical Director from 2011 to 2014. Dr. Kaoukhov has also held roles in the research departments of Novartis AG and Galderma S.A. Dr. Kaoukhov holds an M.D. from First Moscow State Medical University and trained in dermatology and conducted clinical research at Hôpital Saint-Louis, Paris.

Stephen Doyle. Mr. Doyle has served as our Chief Business Officer since January 2019 and previously served as our Vice President Commercial and Head of China from February 2018 to January 2019. Prior to joining us, Mr. Doyle was the Vice President and Head of Specialty Care for China at Boehringer Ingelheim GmbH, a global pharmaceutical company, from January 2014 to February 2018. Mr. Doyle also previously served as the Vice President of Oncology, Haematology and Transplantation Business Unit with Sanofi S.A. in Shanghai, a global pharmaceutical company, from October 2010 to October 2013, as Regional Commercial Director for Oncology for Asia Pacific, Russia and India with Sanofi-Aventis in Singapore, from 2007 to 2010, and as Director and Head of Scientific Communications, Global Marketing, Oncology Franchise with Sanofi-Aventis in Paris from 2005 to 2007. Mr. Doyle holds a B.S. in Pharmacy from The Robert Gordon University in the United Kingdom and an M.S. in Clinical Pharmacy from the University of Derby in the United Kingdom.

Kiran Asarpota. Mr. Asarpota has served as our Vice President Finance since November 2010, and was appointed Chief Operating Officer in June 2020. Prior to joining us, Mr. Asarpota was Group Finance Director at Global Brands Group Holding Limited, a public branded apparel company, where he was responsible for the group's corporate and commercial finance functions. Mr. Asarpota received his MBA from London South Bank University in the United Kingdom, and a BBM from Oxford Brookes.

Ben Goodger. Mr. Goodger has served as our General Counsel since November 2016. Prior to joining us, Mr. Goodger was the Partner and Head of Intellectual Property (IP) Licensing and Transactions with Osborne Clarke in the United Kingdom, a multinational law firm, from November 2014 to October 2016. Mr. Goodger also previously served as Partner, Head of IP Commercialization, at Edwards Wildman in the United Kingdom, a multinational law firm, from November 2010 to October 2014, as Executive, Head of IP Commercial, at Rouse & Co. International in London, Oxford, and Shanghai, a multinational law firm, from December 1997 to October 2010, and as the President of Licensing Executives Society, a not for profit, non-political, umbrella organization, from 1998 to 1999. Mr. Goodger received his M.A. in English Literature & Language from Oxford University (Exhibitioner, Keble College) and he is a Solicitor of England & Wales, enrolled October 1986.

Non-Executive Directors

Andrew Howden. Mr. Howden has served as Chairman of our board of directors since July 2019 and as a member of our board of directors since April 2016. He currently serves as Executive Chairman of First Pharma P/L, an Australian pharmaceutical company, a position he has held since September 2016. He was previously Chairman of the True Origins Company P/L, an Australian company involved in the marketing of infant formula in China and Asia from 2016 to 2019. He previously served as the Chief Executive Officer of iNova Pharmaceuticals, an Asia Pacific pharmaceutical company developing and commercializing drugs across a range of therapeutic areas, from August 2008 to February 2015. Previously, he was the President of IMS Health, Asia Pacific, a provider of information, services and technology for the healthcare industry, from 2007 to 2008, Regional Vice President of Asia Pacific for AstraZeneca, a multinational pharmaceutical and biopharmaceutical company, from 2002 to 2006, and he has held senior executive roles at Quintiles Transnational Inc. (now known as IQVIA), a clinical research company, from 1998 to 2002. Mr. Howden has also previously served on the board of directors of over 20 companies within the pharmaceutical and healthcare industries. He received a B.Sc. from the University of New England (Australia), and an M.Com. from the University of New South Wales, Australia.

Robert E. Hoffman. Mr. Hoffman has served as a member of our board of directors since October 2018. Mr. Hoffman serves as chairman of the board of Kintara Therapeutics and Antibe Therapeutics. Mr. Hoffman currently serves as the President and Chief Executive Officer of Kintara Therapeutics, a Nasdaq listed Company. Prior to Kintara Therapeutics, Mr. Hoffman served as a Chief Financial Officer of San Diego-based Heron Pharmaceuticals, a Nasdaq-listed commercial stage drug developer with a pipeline of acute pain therapeutics. From September 2016 to April 2017, Mr. Hoffman served as Executive Vice President and Chief Financial Officer of Innovus Pharmaceuticals, Inc., a public pharmaceutical company. From July 2015 to September 2016, Mr. Hoffman served as Chief Financial Officer of AnaptysBio, Inc., a public biotechnology company. From June 2012 to July 2015, Mr. Hoffman served as the Senior Vice President, Finance and Chief Financial Officer and part of the founding management team of Arena Pharmaceuticals, Inc. (Arena), a public biopharmaceutical company. From August 2011 to June 2012 and previously from December 2005 to March 2011, he served as Arena's Vice President, Finance and Chief Financial Officer and in a number of various roles of increasing responsibility from 1997 to December 2005. From March 2011 to August 2011, Mr. Hoffman served as Chief Financial Officer for Polaris Group, a biopharmaceutical drug company. Mr. Hoffman formerly served as a member of the board of directors of CombiMatrix Corporation, a molecular diagnostics company, and MabVax Therapeutics Holdings, Inc., a biopharmaceutical company. Mr. Hoffman serves as an advisory committee member of the Financial Accounting Standards Board (FASB). Mr. Hoffman formerly served as a director and President of the San Diego Chapter of Financial Executives International. Mr. Hoffman holds a B.B.A. from St. Bonaventure University, and is licensed as a C.P.A. (inactive) in the State of California.

Neil Graham. Dr. Graham has served as a member of our board of directors since February 2021. Dr. Graham has 30 years' experience in global drug development and commercialization. Currently, Dr. Graham serves as a Director on the Board of Allakos Inc. and Zura Bio Ltd. Previously, Dr. Graham served as a non-executive director of Pharmaxis from 2020 to 2023, VP of Strategic Program Direction, Immunology and Inflammation at Regeneron Pharmaceuticals, Inc., from 2010 to 2020 and SVP, Program and Portfolio Management, at Vertex Pharmaceuticals from 2007 to 2010. Dr. Graham also held roles as SVP at Vertex Pharmaceuticals, CMO at Trimeris Inc. and XTL Biopharmaceuticals and Director of HIV Medical Affairs at Glaxo Wellcome. Dr. Graham began his career as Associate Professor of Epidemiology and Medicine, Johns Hopkins Bloomberg School of Public Health MD, MPH, MBBS from the University of Adelaide.

Kathleen M. Metters. Dr. Metters has served as a member of our board of directors since March 2021. Dr. Metters has over 30 years' experience in the discovery and development of novel therapies for treatment of serious diseases. She is currently working as an independent strategic advisor for New York-based Bridge Medicines and sits on several boards. From 2011 to 2014, Dr. Metters was President and CEO of Lycera Corp., a biopharmaceutical company pioneering innovative approaches to oral medicines for treatment of autoimmune diseases and cancer. Under her leadership, Lycera developed a robust pipeline of proprietary and partnered immune modulator programs which led, in June 2015, to an exclusive global collaboration with Celgene Corporation. In 1988, Dr. Metters joined Merck Frosst Canada Inc., a wholly owned subsidiary of Merck & Co., Inc. During her early Merck career, her research focused on the arachidonic acid cascade which resulted in the development of SINGULAIR®, an oral therapy for asthma and allergic rhinitis. For her work on SINGULAIR®, she was one of the team who won the Prix Galien Canada 2000 for excellence in innovative research. In 2002, Dr. Metters was appointed vice president of Merck Frosst and in 2005, to senior vice president and head of worldwide basic research for Merck & Co. In this role, she had oversight of all research activities at major sites around the globe; across all therapeutic modalities and all therapeutic areas. Dr. Metters graduated with a B.S. in biochemistry from the University of Manchester Institute for Science and Technology, and a Ph.D. from Imperial College of Science and Technology in London. She completed post-doctoral training at the Centre National de la Recherche Scientifique in France and at the Clinical Research Institute of Montréal. During her time in Montréal Dr. Metters was an Adjunct Professor appointment in the Department of Pharmacology and Therapeutics at McGill University.

Family Relationships

There are no family relationships among any of our executive officers or directors.

Selection Arrangements

There are no arrangements or understandings with major shareholders, customers, suppliers or others, pursuant to which any of our executive officers or directors was selected to such role with us.

B. Compensation.

Compensation of Executive Officers and Directors

Incentive Compensation

For the year ended December 31, 2023, the aggregate compensation accrued or paid to the members of our executive officers for services in all capacities was $5,512,479. For the year ended December 31, 2023, the aggregate compensation accrued or paid to non-employee directors for services in all capacities was $280,417.

We did not set aside or accrue any amounts for pension, retirement or similar benefits to members of our board of directors or executive officers in the year ended December 31, 2021, 2022 and 2023.

We maintain the Senior Management Team (SMT) Long Term Incentive Plans (LTIP), pursuant to which bonus entitlement unit awards were granted in 2017, 2018 and 2019. For more information on our LTIPs, see the discussion below under "—Compensation Plans—2017, 2018 and 2019 SMT LTIPs." During the years ended December 31, 2021, 2022 and 2023, we had no awards granted under LTIP.

Executive Officer Compensation

Equity Awards

On December 10, 2020, our Board of Directors (Board) approved the 2020 Equity Incentive Plan (the 2020 EIP). The 2020 EIP, among other things, provides for the grant of restricted stock awards, stock options and other equity-based awards to employees, officers, directors, and consultants. For more information on our equity awards, see the discussion below under—"Option Grants."

Employment Agreements with Executive Officers

We have entered into employment agreements with our executive officers. Each of our executive officers is employed for a continuous term unless either we or the executive officer gives prior notice to terminate such employment. We may terminate the employment for just cause, at any time, without notice or remuneration, for certain acts of the executive officer. An executive officer may terminate his or her employment at any time by giving a minimum period of prior written notice, three months in some cases, six months in others, except for our Chief Medical Officer (CMO), who has an "at will" contract under California law. This may be terminated at any time by either us or the executive by notice in writing.

Each executive officer has agreed to maintain the confidentiality of any confidential information, both during and after the employment agreement expires or is earlier terminated. In addition, all executive officers except our CMO have agreed to be bound by a non-compete covenant that prohibits each executive officer from competing with us, directly or indirectly, during his or her employment and for a period of months (minimum of three) after the termination of his or her employment. Our CMO has agreed to be bound by a non-solicitation covenant that prohibits him during his employment and for one year after his employment with us ends, either directly or through others soliciting, inducing, or encouraging any employee, consultant, or independent contractor of ours to terminate his, her or its relationship with us.

Option Grants

We have made grants of options to our employees pursuant to our 2014 Employee Share Option Scheme Plan (the 2014 Plan) and our 2017 Employee Share Option Plan (the 2017 Plan). Options granted pursuant to the 2014 Plan are either vested in full as of the date of grant or are 25% vested as of the date of grant, with the remaining 75% vesting in equal annual installments over the three years following the date of grant. Options granted pursuant to the 2017 Plan vest in full upon the two-year anniversary of the date of grant. On December 10, 2020, the Board approved the 2020 EIP. The 2020 EIP, among other things, provides for the grant of restricted stock awards, stock options and other equity-based awards to employees, officers, directors, and consultants. The maximum number of ordinary shares that may be issued under the 2020 EIP is 20,676,974 ordinary shares (an equivalent of 827,079 ADSs) of the Company, each ADS representing twenty-five ordinary shares. Awards granted under the 2020 EIP in substitution for any options or other equity or equity-based awards granted by an entity before the entity's merger or consolidation with us or our acquisition of the entity's property or stock will not reduce the number of ordinary shares available for grant under the 2020 EIP, but will count against the maximum number of ordinary shares that may be issued upon the exercise of incentive stock options. References in this summary to ordinary shares include an equivalent number of our ADSs.

Vested options may be exercised during their term and for varying periods following termination of service, depending on the reason for termination. Options will be adjusted to account for any changes in capitalization or certain other corporate events and are not transferable (but may be exercised by the individual's heirs in the case of death, to the extent vested at the time of death).

SMT LTIPs

During the year ended December 31, 2023, we had no performance based compensation programs.

Other Programs

ASLAN Pharmaceuticals Pte. Ltd. has adopted defined contribution plans which are post-employment benefit plans under which we pay fixed contributions into the Singapore Central Provident Fund on a mandatory basis. ASLAN Pharmaceuticals Pte. Ltd. has no further payment obligations once the contributions have been paid. The contributions are recognized as employee compensation expense when they are due.

Director Compensation

We provide only cash compensation to each of our non-executive directors not serving as a representative of a shareholder for the time and effort necessary to serve as a member of our Board. The compensation of the non-executive directors complies with our Articles and is determined by our remuneration committee and Board as a whole, based on a review of individual contributions to our operations and current practices in other companies.

2023 Director Compensation Table

The following table sets forth information regarding the compensation paid to our non-executive directors for service on our Board during the year ended December 31, 2023.

Name	Fees Earned in Cash	All Other Compensation	Total
Andrew Howden	$ 92,375	$ —	$ 92,375
Robert E. Hoffman	$ 63,250	$ —	$ 63,250
Neil Graham	$ 66,292	$ —	$ 66,292
Kathleen Metters	$ 58,500	$ —	$ 58,500

Grants of Share Options to Non-Executive Directors

The following table also summarizes, as of the date of this Annual Report, outstanding share options to purchase ordinary shares granted to our non-executive directors for service on our Board.

Name	Grant Date	Number of Ordinary Shares Underlying Stock Option	Number of Equivalent ADSs Underlying Stock Option	Equivalent Exercise Price per ADS	Stock Option Expiration Date
Andrew Howden	December 15, 2020	375,000	15,000	$ 2.60	December 15, 2030
	January 1, 2022	187,500	7,500	$ 2.60	January 1, 2032
	January 1, 2023	187,500	7,500	$ 1.80	January 1, 2033
	January 1, 2024	375,000	15,000	$ 0.52	January 1, 2034
Robert E. Hoffman	December 15, 2020	375,000	15,000	$ 2.60	December 15, 2030
	January 1, 2022	187,500	7,500	$ 2.60	January 1, 2032
	January 1, 2023	187,500	7,500	$ 1.80	January 1, 2033
	January 1, 2024	375,000	15,000	$ 0.52	January 1, 2034
Neil Graham	February 22, 2021	375,000	15,000	$ 2.60	February 22, 2031
	January 1, 2022	187,500	7,500	$ 2.60	January 1, 2032
	January 1, 2023	187,500	7,500	$ 1.80	January 1, 2033
	January 1, 2024	375,000	15,000	$ 0.52	January 1, 2034
Kathleen M. Metters	March 22, 2021	375,000	15,000	$ 2.60	March 22, 2031
	January 1, 2022	187,500	7,500	$ 2.60	January 1, 2032
	January 1, 2023	187,500	7,500	$ 1.80	January 1, 2033
	January 1, 2024	375,000	15,000	$ 0.52	January 1, 2034

Grants of Share Options to Executive Officers

The following table summarizes, as of the date of this Annual Report, outstanding share options to purchase ordinary shares granted to our executive officers.

Name	Grant Date	Number of Ordinary Shares Underlying Stock Option Scheme	Number of Equivalent ADSs Underlying Stock Option Scheme	Equivalent Exercise Price per ADS	Stock Option Expiration Date
Carl Firth, Ph.D.	July 1, 2014	300,000	12,000	$ 17.00	July 1, 2024
	July 1, 2015	150,000	6,000	$ 17.00	July 1, 2025
	July 1, 2015	1,050,000	42,000	$ 23.50	July 1, 2025
	July 1, 2016	300,000	12,000	$ 28.25	July 1, 2026
	December 15, 2020	1,150,500	46,020	$ 2.60	December 15, 2030
	December 15, 2020	5,169,245	206,770	$ 2.60	December 15, 2030
	January 1, 2022	3,487,250	139,490	$ 2.60	January 1, 2032
	January 1, 2023	3,487,250	139,490	$ 1.80	January 1, 2033
	May 1, 2023	6,500,000	260,000	$ 4.15	May 1, 2033
	January 1, 2024	4,841,252	193,650	$ 0.52	January 1, 2034
Kiran Asarpota	July 1, 2014	60,000	2,400	$ 17.00	July 1, 2024
	July 1, 2015	40,000	1,600	$ 17.00	July 1, 2025
	July 1, 2015	40,000	1,600	$ 23.50	July 1, 2025
	July 1, 2016	120,000	4,800	$ 28.25	July 1, 2026
	December 15, 2020	180,000	7,200	$ 2.60	December 15, 2030
	December 15, 2020	2,481,235	99,249	$ 2.60	December 15, 2030
	January 1, 2022	1,046,175	41,847	$ 2.60	January 1, 2032
	January 1, 2023	1,046,175	41,847	$ 1.80	January 1, 2033
	May 1, 2023	2,000,000	80,000	$ 4.15	May 1, 2033
	January 1, 2024	1,452,376	58,095	$ 0.52	January 1, 2034
Ben Goodger	July 1, 2016	276,000	11,040	$ 28.25	July 1, 2026
	December 15, 2020	2,481,250	99,250	$ 2.60	December 15, 2030
	January 1, 2022	1,046,175	41,847	$ 2.60	January 1, 2032
	January 1, 2023	1,046,175	41,847	$ 1.80	January 1, 2033
	May 1, 2023	375,000	15,000	$ 4.15	May 1, 2033
	January 1, 2024	1,452,376	58,095	$ 0.52	January 1, 2034
Stephen Doyle	December 15, 2020	2,481,250	99,250	$ 2.60	December 15, 2030
	January 1, 2022	1,046,175	41,847	$ 2.60	January 1, 2032
	January 1, 2023	1,046,175	41,847	$ 1.80	January 1, 2033
	May 1, 2023	375,000	15,000	$ 4.15	May 1, 2033
	January 1, 2024	1,452,376	58,095	$ 0.52	January 1, 2034
Alexandre Kaoukhov	July 1, 2022	3,500,000	140,000	$ 2.50	July 1, 2032
	January 1, 2023	1,394,900	55,796	$ 1.80	January 1, 2033
	January 1, 2024	1,936,501	77,460	$ 0.52	January 1, 2034

Compensation Plans

2014 Employee Share Option Scheme Plan

We maintain the 2014 Plan, pursuant to which we have granted share options to our employees, directors and consultants. The 2014 Plan became effective on August 26, 2014, and has a term of ten years. After the effective date of the 2017 Plan, no additional awards were granted, and no future awards are allowed to be granted, under the 2014 Plan.

The 2014 Plan may be administered by our Board or a committee thereof, which administrator has the authority to: determine the individuals to whom awards may be granted and the terms of such awards; amend the terms of any outstanding award, provided that the consent of the grantee is required where the grantee's rights would be adversely affected; construe and interpret the terms of the 2014 Plan and awards granted thereunder; and take such other action, not inconsistent with the terms of the 2014 Plan, as it deems appropriate.

The number of shares under the 2014 Plan and under outstanding awards, and the exercise price of outstanding awards, will be adjusted to reflect certain changes in capitalization. In the event of a corporate transaction (as defined in the 2014 Plan), awards will terminate if not assumed. If they are assumed, the awards will fully vest if the holder's employment is terminated without cause or the holder resigns for good reason, in either case within 12 months thereafter.

2017 Employee Share Option Plan

We maintain the 2017 Plan, pursuant to which we may grant share options. The 2017 Plan became effective on September 13, 2017, and has a term of ten years. Awards under the 2017 Plan may be granted to our employees. The maximum aggregate number of shares that may be issued under the plan is 1,000,000 ordinary shares (an equivalent of 40,000 ADSs, each representing twenty-five ordinary shares).

The 2017 Plan is administered by our Board, which has the authority to determine the individuals to whom awards may be granted and the terms of such awards; and to construe and interpret the terms of the 2017 Plan and awards granted thereunder.

The number of shares under the 2017 Plan and under outstanding awards, and the exercise price of outstanding awards, will be adjusted to reflect certain changes in capitalization. In the event of a corporate transaction (as defined in the 2017 Plan), awards will terminate if not assumed. If they are assumed, the awards will vest if the holder's employment is terminated without cause or the holder resigns, in either case within 12 months thereafter. In the event of a change in control (as defined in the 2017 Plan) that is not a corporate transaction, awards will fully vest if the holder's employment is terminated without cause or the holder resigns, in either case within 12 months thereafter.

2020 EIP

We maintain the 2020 EIP, pursuant to which we may grant share options. The 2020 EIP became effective on December 15, 2020, and has a term of ten years. Awards under the 2020 EIP may be granted to our employees and also non-executive officers.

The 2020 EIP is administered by the Board, which may delegate its duties and responsibilities to one or more committees of our directors and/or officers (referred to as the "Plan Administrator"), subject to certain limitations imposed under the 2020 EIP, and other applicable laws and stock exchange rules. The Plan Administrator has the authority to take all actions and make all determinations under the 2020 EIP, to interpret the 2020 EIP and award agreements and to adopt, amend and repeal rules for the administration of the 2020 EIP as it deems advisable. The Plan Administrator also has the authority to determine which eligible service providers receive awards, grant awards, set the terms and conditions of all awards under the 2020 EIP, including any vesting and vesting acceleration provisions, subject to the conditions and limitations in the 2020 EIP.

The maximum number of ordinary shares that may be issued under the 2020 EIP is 20,676,974 ordinary shares (an equivalent of 827,079 ADSs, each representing twenty-five ordinary shares). No more than 62,030,922 ordinary shares (an equivalent of 2,481,237 ADSs) may be issued under the 2020 EIP upon the exercise of options. In addition, the number of ordinary shares reserved for issuance under the 2020 EIP will automatically increase on January 1 of each year, commencing on January 1, 2022 and ending on (and including) January 1, 2030, in an amount equal to 4% of the total number of ordinary shares outstanding on December 31 of the preceding calendar year. The Board may determine prior to January 1 of a given year to provide that there will be no increase for such year or that the increase for such year will be a lesser number of ordinary shares.

In connection with the approval of the 2020 EIP, the Board determined that there would be no increase as from January 1, 2021. As from January 1, 2022 and January 1, 2023, there was an options increase of 13,948,935 ordinary shares (an equivalent of 557,958 ADSs), which represents 4% of the total outstanding ordinary shares as of December 31, 2021 and December 31, 2022.

If an award under the 2020 EIP expires, lapses or is terminated, exchanged for cash, surrendered, repurchased, cancelled without having been fully exercised, forfeited or is withheld to satisfy a tax withholding obligation in connection with an award or to satisfy a purchase or exercise price of an award, any unused shares subject to the award will, as applicable, become or again be available for new grants under the 2020 EIP.

Awards granted under the 2020 EIP in substitution for any options or other equity or equity-based awards granted by an entity before the entity's merger or consolidation with us or our acquisition of the entity's property or stock will not reduce the number of ordinary shares available for grant under the 2020 EIP, but will count against the maximum number of ordinary shares that may be issued upon the exercise of incentive stock options.

2017, 2018 and 2019 SMT LTIPs

We maintain the 2017, 2018 and 2019 LTIPs, pursuant to which we may grant bonus entitlement unit awards. The 2017 LTIP, 2018 LTIP and 2019 LTIP became effective on August 23, 2017, July 30, 2018, and July 30, 2019, respectively, and each has a term of ten years. Awards under each LTIP may be granted to our employees. All of the awards granted in 2017, 2018 and 2019 were granted to our executive officers.

Each LTIP is administered by the members of the remuneration committee, which committee has the authority to: determine the individuals to whom unit awards may be granted and the terms of such unit awards; amend the terms of any outstanding unit award, provided that the consent of the grantee is required where the grantee's rights would be adversely affected; construe and interpret the terms of each LTIP and unit awards granted thereunder; and take such other action, not inconsistent with the terms of each LTIP, as it deems appropriate.

Upon vesting and redemption, each unit award is converted into a cash payment equal to the number of units multiplied by the per-share fair market value of our ordinary shares on the day following our receipt of a redemption notice, up to a cap of five times the base value of the unit as set forth in the grantee's award agreement. Redemption occurs automatically upon termination of employment and upon the per-share fair market value exceeding five times the base value of the unit award, to the extent not previously redeemed.

The terms of awards will be adjusted to reflect certain changes in capitalization. In the event of a corporate transaction (as defined in each LTIP), awards will terminate if not assumed. If they are assumed, the awards will vest and be redeemed if the holder's employment is terminated without cause or the holder resigns for good reason, in either case within 12 months thereafter. In the event of a change in control (as defined in each LTIP) that is not a corporate transaction, awards will fully vest if the holder's employment is terminated without cause or the holder resigns for good reason, in either case within 12 months thereafter.

Insurance and Indemnification

We are empowered by our Articles to indemnify our directors against any liability they incur by reason of their directorship. We maintain directors' and officers' insurance to insure such persons against certain liabilities. In addition, our employment agreements with our executive officers provide for indemnification. We have entered into an indemnification agreement with each of our directors and executive officers.

In addition to such indemnification, we provide our directors and executive officers with directors' and officers' liability insurance as permitted by our Articles.

Insofar as indemnification of liabilities arising under the Securities Act may be permitted to our board, executive officers, or persons controlling us pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

C. Board practices.

Composition of our Board

As a foreign private issuer, under the listing requirements and rules of the Nasdaq Capital Market, we are not required to have independent directors on our Board, except to the extent that our audit committee is required to consist of independent directors. Nevertheless, our Board has undertaken a review of the independence of the directors and considered whether any director has a material relationship with us that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. Based upon information requested from, and provided by, each director concerning such director's background, employment and affiliations, including family relationships, our Board determined that all of our directors, except for Dr. Firth, qualify as "independent directors" as defined under applicable rules of the Nasdaq Capital Market and the independence requirements contemplated by Rule 10A-3 under the Exchange Act. In making these determinations, our Board considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances that our Board deemed relevant in determining their independence, including the beneficial ownership of our securities by each non-employee director and his or her affiliated entities (if any).

Board Diversity

As a foreign private issuer with five or fewer board members, under the listing requirements and rules of the Nasdaq Capital Market, we are required to have at least one board member who self-identifies as diverse. The listing requirements definition of diverse includes those who self-identify as female, as an underrepresented minority in our home country of Singapore and as a member of the LGBTQ+ community. The matrix below describes our board's diversity statistics:

Board Diversity Matrix (As of April 12, 2024)				
Country of Principal Executive Offices:	Singapore			
Foreign Private Issuer:	Yes			
Disclosure Prohibited under Home Country Law:	No			
Total Number of Directors:	5			
	Female	Male	Non-Binary	Did Not Disclose Gender
Part I: Gender Identity				
Directors	1	4	0	0
Part II: Demographic Background				
Underrepresented in Home Country Jurisdiction	1			
LGBTQ+	1			
Did Not Disclose Demographic Background	0			

Duties of Directors

Under Cayman Islands law, all of our directors owe us fiduciary duties, including a duty of loyalty, a duty to act honestly and a duty to act in good faith and in a manner they believe to be in our best interests. Our directors also have a duty to exercise the skill they actually possess and such care and diligence that a reasonably prudent person would exercise in comparable circumstances. In fulfilling their duty of care to us, our directors must ensure compliance with our Articles, as amended and restated from time to time. We have the right to seek damages if we suffer loss as a consequence of a duty owed by any of our directors being breached.

Terms of Directors and Executive Officers

Our directors may be appointed by a resolution of our Board, or by an ordinary resolution of our shareholders, pursuant to our amended and restated memorandum and articles of association. Each director is elected to serve until the director's earlier removal by way of: (i) ordinary resolution, (ii) his or her bankruptcy or arrangement or composition with his or her creditors, (iii) resignation, (iv) death or mental incapacity; or (v) notice addressed to him or her and signed by all of his or her co-Directors (not being less than two in number). Our amended and restated memorandum and articles of association provides that the authorized number of directors may be changed only by ordinary resolution of our shareholders.

Neither our directors nor executive officers are subject to term limitations. Our officers are elected by and serve at the discretion of the Board.

Committees of our Board

Our Board has four standing committees: an audit committee, a remuneration committee, a nomination committee and a research and development committee.

Audit Committee

The audit committee, which consists of Mr. Howden, Mr. Hoffman and Dr. Graham, assists the Board in overseeing our accounting and financial reporting processes and the audits of our financial statements. Mr. Hoffman serves as chairman of the audit committee. The audit committee consists exclusively of independent members of our board. Our Board has determined that Mr. Hoffman qualifies as an "audit committee financial expert" as defined by applicable SEC rules and has the requisite financial sophistication as defined under the applicable Nasdaq rules and regulations. Our board has determined that all of the members of the audit committee satisfy the "independence" requirements set forth in Rule 10A-3 under the Exchange Act. The audit committee is governed by a charter that complies with Nasdaq rules.

The audit committee's responsibilities include:

- The adoption of or amendments to the internal control system;
- Assessment of the effectiveness of the internal control system;
- The adoption or amendment, of the procedures for handling financial or business activities of a material nature such as acquisition or disposal of assets, derivatives trading, lending of funds to others and endorsements or guarantees for others;
- Matters in which a director is an interested party;
- Asset transactions or derivatives trading of a material nature;
- Loans of funds, endorsements or provision of guarantees of a material nature;
- The offering, issuance or private placement of equity-type securities;
- The hiring or dismissal of a certified public accountant or their compensation;
- The appointment or discharge of a financial, accounting or internal audit officer;
- Annual and semi-annual financial reports; and
- Other material matters as may be required by us or by the competent authority.

The audit committee meets as often as one or more members of the audit committee deem necessary.

Remuneration Committee

The remuneration committee, which consists of Mr. Howden, Mr. Hoffman and Dr. Metters, assists the Board in determining executive officer compensation. Mr. Howden serves as chairman of the remuneration committee. Under SEC and Nasdaq rules, there are heightened independence standards for members of the remuneration committee, including a prohibition against the receipt of any compensation from us other than standard board member fees. Although foreign private issuers are not required to meet this heightened standard, all of our remuneration committee members meet this heightened standard.

The remuneration committee's responsibilities include:

- Professionally and objectively evaluate the policies and systems for compensation of the directors, supervisors, and managerial officers of us, and submit recommendations to the Board for its reference in decision making;
- Establishing and periodically reviewing the annual and long-term performance goals for the directors and managerial officers of us and the policies, systems, standards, and structure for their compensation;
- Periodically assessing the degree to which performance goals for the directors and managerial officers of us have been achieved, and setting the types and amounts of their individual compensation; and
- Periodically review the charter and propose suggestion for amendments.

When performing these responsibilities, the remuneration committee follows the following principles:

- Ensuring that the compensation arrangements of us comply with applicable laws and regulations and are sufficient to recruit outstanding talent;
- Performance assessments and compensation levels of the directors and managerial officers shall take into account the general pay levels in the industry, the time spent by the individual and their responsibilities, the extent of goal achievement, their performance in other positions, and the compensation paid to employees holding equivalent positions in recent years. Also to be evaluated are the reasonableness of the correlation between the individual's performance and our operational performance and future risk exposure, with respect to the achievement of our short-term and long-term business goals and the financial position;
- There shall be no incentive for the directors or managerial officers to pursue compensation by engaging in activities that exceed the tolerable risk level;
- For directors and senior managerial officers, the percentage of bonuses to be distributed based on their short-term performance and the time for payment of any variable compensation shall be decided with regard to the characteristics of the industry and the nature of our business; and
- No member of the committee may participate in discussion and voting when the committee is deciding on that member's individual compensation.

The remuneration committee submits its recommendations regarding the above for deliberation to the board. When deliberating the recommendation of the remuneration committee, the board must give comprehensive consideration to matters including the amounts of remuneration, payment methods, and the potential future risk facing our company. If the board would like to decline to adopt, or would like to modify, a recommendation of the remuneration committee, the consent of a majority of the directors in attendance at a meeting attended by two-thirds or more of the entire board is required, and the board in its resolution must provide its comprehensive consideration and must specifically explain whether the remuneration passed by it exceeds in any way the remuneration recommended by the remuneration committee.

Nomination Committee

The nomination committee, which consists of Mr. Howden, Dr. Graham and Dr. Metters assists the Board in selecting and approving director candidates to serve on the board. Under SEC and Nasdaq rules, director nominees must either be selected, or recommended for the board's selection, either by independent directors constituting a majority of the board's independent directors in a vote in which only independent directors participate, or by a nomination committee comprised solely of independent directors. Foreign private issuers are not required to have independent director oversight of director nominations. However, our nomination committee consists entirely of independent directors.

The nomination committee's responsibilities include:

- Reviewing and assessing the composition of the Board;
- Identifying appropriate director candidates and independent director candidates;
- Reviewing the qualifications and suitability of each director candidate and independent director candidate identified by the committee;
- Submitting director and independent director recommendations to the Board for consideration; and
- Conducting all other necessary actions to facilitate the selection and approval of director candidates and independent director candidates by the board.

The nomination committee submits its recommendations regarding the above for deliberation to the board. When deliberating with respect to the recommendation of the nomination committee, the board must give comprehensive consideration to matters including the current composition of the board, the qualifications of director candidates, the overall diversity of the board and the need for refreshing. The nomination committee meets as often as one or more members of the nomination committee deem necessary.

Research and Development Committee

The research and development committee, which consists of Dr. Firth, Dr. Graham and Dr. Metters assists the board with the oversight of the Company's portfolio and clinical development strategy, and makes recommendations to the board as needed. The research and development committee consists of at least three and up to five members. Members of the research and development committee are elected for a one-year term by the members of the board. Election usually takes place at the board meeting following the approval of the audited accounts of the previous financial year. One of the members of the research and development committee is designated by the board as Chair of the research and development committee.

The research and development committee's responsibilities include:

- Reviewing and making recommendations regarding the Company's portfolio strategy;
- Prioritizing investments into development programs;
- Reviewing and making recommendations regarding clinical strategy and trial design for new studies; and
- Reviewing scientific findings arising from collaborations and translational studies.

The research and development committee meets as often as one or more members of the research and development committee deem necessary.

Code of Business Conduct and Ethics

We have adopted a code of business conduct and ethics (Code of Business Conduct and Ethics) that covers a broad range of matters including the handling of conflicts of interest, compliance issues and other corporate policies. Our Code of Business Conduct and Ethics is applicable to both our directors and employees.

Other Corporate Governance Matters

The Sarbanes-Oxley Act of 2002, as well as related rules subsequently implemented by the SEC, requires foreign private issuers, including our company, to comply with various corporate governance practices. In addition, Nasdaq rules provide that foreign private issuers may follow home country practice in lieu of the Nasdaq corporate governance standards, subject to certain exceptions and except to the extent that such exemptions would be contrary to U.S. federal securities laws.

Because we are a foreign private issuer, our members of our Board, executive board members and senior management are not subject to short-swing profit and insider trading reporting obligations under section 16 of the Exchange Act. They will, however, be subject to the obligations to report changes in share ownership under section 13 of the Exchange Act and related SEC rules.

D. Employees.

As of December 31, 2023, we had 35 full-time employees. Of these, 17 were engaged in full-time research and development and 18 were engaged in full-time general and administrative functions. By geography, 20 of our employees are located in Singapore, 14 are located in the United States and one is located in the United Kingdom.

We have also engaged and may continue to engage independent contractors to assist us with our operations. None of our employees are represented by a labor union or covered by a collective bargaining agreement. We have never experienced any employment related work stoppages, and we consider our relations with our employees to be good.

E. Share Ownership.

For information regarding the share ownership of our directors and executive officers, see "Item 6.B-Compensation" and "Item 7.A-Major Shareholders."

F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation.

None.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders.

The following table sets forth, as of April 1, 2024, information with respect to the beneficial ownership of our ordinary shares (or equivalent number of ADSs) by:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of our ordinary shares (or equivalent number of ADSs);
- each of our executive officers and directors; and
- all of our executive officers and directors as a group.

Percentage ownership calculations are based on 565,670,340 ordinary shares outstanding as of April 1, 2024.

As of April 1, 2024, to the best of our knowledge, approximately 554,244,335 ordinary shares (including ordinary shares in the form of ADSs), or approximately 98% of our outstanding ordinary shares, were held by one shareholder of record in the United States, which is JPMorgan Chase Bank N.A., our depositary. The actual number of holders is greater than this number of record holder and includes beneficial owners whose ordinary shares (including ordinary shares in the form of ADSs) are held in street name by brokers and other nominees. This number of holder of record also does not include holders whose shares may be held in trust by other entities.

Except as otherwise indicated, all of the shares reflected in the table are ordinary shares and all persons listed below have sole voting and investment power with respect to the shares beneficially owned by them, subject to applicable community property laws. The information is not necessarily indicative of beneficial ownership for any other purpose. The table has been prepared based solely on information supplied to us by the beneficial owner or included public documents filed by, or on behalf of, the beneficial owner with the SEC. None of our major shareholders have different voting rights with respect to their ordinary shares. We have set forth below information known to us regarding any significant change in the percentage ownership of our ordinary shares by any major shareholders during the past three years.

Unless otherwise indicated, the address of each beneficial owner listed in the table below is care of ASLAN Pharmaceuticals Limited, 3 Temasek Avenue Level 18 Centennial Tower Singapore 039190.

Name of Beneficial Owner	Number of Ordinary Shares Beneficially Owned[1]	Equivalent Number of ADSs beneficially owned	Percentage of Ordinary Shares Beneficially Owned
5% or Greater Shareholders:			
Entities affiliated with BVF Partners L.P.[2]	59,909,094	2,396,364	9.99%
Entities affiliated with Lind Global Fund II LP[3]	31,250,000	1,250,000	5.52%
Executive Officers and Directors:			
Carl Firth[4]	16,610,267	664,411	2.87%
Kiran Asarpota[5]	4,529,676	181,187	*
Ben Goodger[6]	3,941,705	157,668	*
Alexandre Kaoukhov[7]	2,462,785	98,511	*
Stephen Doyle[8]	3,595,685	143,827	*
Robert E. Hoffman[9]	892,188	35,688	*
Andrew Howden[10]	1,801,503	72,060	*
Neil Graham[11]	687,500	27,500	*
Kathleen Metters[12]	679,688	27,188	*
All current executive officers and directors as a group (9 persons)[13]	**35,200,997**	**1,408,040**	**5.91%**

* Represents beneficial ownership of less than one percent.

(1) Beneficial ownership is determined in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities and include securities issuable upon the exercise of options or warrants that are immediately exercisable or exercisable within 60 days of April 1, 2024. In computing the number of ordinary shares beneficially owned by a person and the percentage ownership of such person, we deemed ordinary shares issuable upon the exercise of options or warrants as beneficially owned by such selling person to the extent such options or warrants are exercisable within 60 days of April 1, 2024. We did not deem such ordinary shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

(2) Information reported is based solely on a Schedule 13G/A filed by Biotechnology Value Fund, L.P. and other reporting persons affiliated with BVF Partners L.P. with the SEC on February 14, 2024. The number of ordinary shares beneficially owned is limited by beneficial ownership limitations applicable to certain warrants held by the reporting persons which limit the number of shares such reporting persons can beneficially own to a maximum of 9.99% of our outstanding ordinary shares. The business address of Biotechnology Value Fund, L.P. and such other reporting persons is 44 Montgomery St., 40th Floor, San Francisco, California 94104.

(3) Information reported is based solely on a Schedule 13G filed by Lind Global Fund II LP and other reporting persons affiliated with Lind Global Fund II LP. with the SEC on March 19, 2024. The number of ordinary shares beneficially owned is limited by beneficial ownership limitations applicable to certain warrants held by the reporting persons which limit the number of shares such reporting persons can beneficially own to a maximum of 4.99% of our outstanding ordinary shares. The business address of Lind Global Fund II LP and such other reporting persons is 444 Madison Ave, Floor 41 New York, NY 10022.

(4) Consists of (i) 3,407,340 ordinary shares held by Dr. Firth; (ii) 13,114,431 ordinary shares issuable upon the exercise of share options granted to Dr. Firth that are exercisable within 60 days of April 1, 2024; and (iii) 88,496 ordinary shares held by Dr. Firth's spouse.

(5) Consists of (i) 115,871 ordinary shares (including 28,875 ordinary shares represented by 1,155 ADSs) held by Mr. Asarpota; and (B) 4,413,805 ordinary shares issuable upon the exercise of share options granted to Mr. Asarpota that are exercisable within 60 days of April 1, 2024.

(6) Consists of (i) 132,000 ordinary shares (including 4,000 ordinary shares represented by 160 ADSs) held by Mr. Goodger; and (ii) 3,809,705 ordinary shares issuable upon the exercise of share options granted to Mr. Goodger that are exercisable within 60 days of April 1, 2024.

(7) Consists of 2,462,785 ordinary shares issuable upon the exercise of share options granted to Dr. Kaoukhov that are exercisable within 60 days of April 1, 2024.

(8) Consists of (i) 61,980 ordinary shares held by Mr. Doyle; and (ii) 3,533,705 ordinary shares issuable upon the exercise of share options granted to Mr. Doyle that are exercisable within 60 days of April 1, 2024.

(9) Consists of (i) 150,000 ordinary shares represented by 30,000 ADSs held by Mr. Hoffman; and (ii) 742,188 ordinary shares issuable upon the exercise of share options granted to Mr. Hoffman that are exercisable within 60 days of April 1, 2024.

(10) Consists of (i) 439,510 ordinary shares held by Mr. Howden; (ii) 619,805 ordinary shares held by JANK Howden Pty. Ltd. over which Mr. Howden holds sole voting power; and (iii) 742,188 ordinary shares issuable upon the exercise of share options granted to Mr. Howden that are exercisable within 60 days of April 1, 2024.

(11) Consists of 687,500 ordinary shares issuable upon the exercise of share options granted to Dr. Graham that are exercisable within 60 days of April 1, 2024.

(12) Consists of 679,688 ordinary shares issuable upon the exercise of share options granted to Dr. Metters that are exercisable within 60 days of April 1, 2024.

(13) Consists of the shares referenced in footnotes (4) through (12) above.

B. Related party transactions.

Since January 1, 2023, we have engaged in the following transactions with our directors, executive officers or holders of more than 5% of our outstanding share capital and their affiliates, which we refer to as our related parties.

2023 Private Placement

On February 24, 2023, we entered into a Unit Purchase Agreement (the Purchase Agreement), with fund entities affiliated with BVF Partners L.P. (collectively, BVF), Tang Capital Partners, LP, a greater than 5% shareholder, and the other purchasers named therein (collectively, the Purchasers), pursuant to which we agreed to sell to the Purchasers, in a private placement offering, an aggregate of (i) 112,359,550 ordinary shares, which includes (ii) pre-funded warrants exercisable for ordinary shares (Pre-Funded Warrants), to purchase twenty-five ordinary shares, represented by our ADSs, at a purchase price of $0.178 per ordinary share (or the equivalent of $4.45 per ADS) and $4.4475 per Pre-Funded Warrant (the 2023 Private Placement). The 2023 Private Placement closed on February 27, 2023 and resulted in gross proceeds to us of approximately $20.0 million.

As part of the 2023 Private Placement, the Purchasers also received two tranches of warrants exercisable in the aggregate for up to 11,061,823 ADSs (or Pre-Funded Warrants exercisable for ADSs). The first tranche of warrants is comprised (i) 50% of warrants that were exercisable upon issuance and until 60 days after the public announcement of our topline data from our TREK-AD Phase 2b clinical trial investigating *eblasakimab* in AD (the *eblasakimab* announcement) at an exercise price of $6.50 per ADS, and (ii) 50% of warrants which could only be exercised within 60 days after the *eblasakimab* announcement at an exercise price based on the higher of $6.50 and a 50% discount to the ADSs' ten-day volume-weighted average price (VWAP) measured across a specified period after the *eblasakimab* announcement. The first tranche of warrants has now expired. The second tranche of warrants is similarly comprised (i) 50% of warrants that are exercisable upon issuance until 60 days after the public announcement of topline interim data from our planned Phase 2 proof of concept trial investigating *farudodstat* (the *farudodstat* announcement) at an exercise price of $8.15 per ADS, and (ii) 50% of warrants which can only be exercised within 60 days after the *farudodstat* announcement at an exercise price based on the higher of $8.15 and a 50% discount to the ADS VWAP measured across a specified period after the *farudodstat* announcement (collectively, the Tranche Warrants). The Tranche Warrants have a term of five years and include a mandatory exercise provision, subject to the satisfaction of certain pre-specified conditions. If all outstanding Tranche Warrants are fully-exercised, we would receive an additional $80.0 million in gross proceeds.

Pursuant to the Purchase Agreement, we granted BVF the right to nominate one individual to our Board and are required to recommend to our shareholders to elect such nominee until such time that BVF retains beneficial ownership of less than 9.9% of the issued and outstanding ordinary shares (including any Pre-Funded Warrants BVF holds as if fully exercised).

Agreements with Our Executive Officers and Directors

We have entered into employment agreements with our executive officers and director compensation agreements with our non-executive directors. These agreements contain customary provisions and representations, including confidentiality, non-competition and non-solicitation undertakings by the executive officers. However, the enforceability of the non-competition provisions may be limited under applicable law.

Related Party Transaction Policy

We have adopted a related party transaction policy, which requires that certain related party transactions be approved by our Board and audit committee. We intend to afford ourselves of the Nasdaq foreign private issuer exemption from the requirement that our audit committee have review and oversight over all "related party transactions," as defined in Item 7.B of Form 20-F. The definition of "related party transactions" per our related party transaction policy is not as broad as the definition in Item 7.B of Form 20-F.

Indemnification Agreements

We have entered into, and intend to continue to enter into, separate indemnification agreements with our directors and executive officers. These indemnification agreements provide our directors and executive officers with contractual rights to indemnification and, in some cases, expense advancement in any action or proceeding arising out of their services as one of our directors or executive officers or as a director or executive officer of any other company or enterprise to which the person provides services at our request.

C. Interests of experts and counsel.

Not applicable.

Item 8. Financial Information

The purpose of this standard is to specify which financial statements must be included in the document, as well as the periods to be covered, the age of the financial statements and other information of a financial nature.

A. Consolidated Statements and Other Financial Information.

Our consolidated financial statements are appended at the end of this Annual Report, starting at page F-1, and are incorporated herein by reference.

Dividend Policy

We have never declared or paid a dividend, and we do not anticipate declaring or paying dividends in the foreseeable future. In addition, we are not permitted to dispose of our assets pursuant to the terms of the K2HV Facility without the prior consent of K2HV except for Permitted Transfers (as defined in the K2HV Facility). Further the K2HV loan agreement contains terms prohibiting or limiting the amount of dividends that may be declared or paid on our ADSs or ordinary shares.

The holders of our ordinary shares are entitled to receive such dividends as may be declared by an ordinary resolution and subject to our Articles and the Companies Act. Under Cayman Islands law, dividends may be paid only out of profits, which include net earnings and retained earnings undistributed in prior years, and out of share premium, a concept analogous to paid-in surplus in the United States. No dividend may be declared and paid unless our directors determine that immediately after the payment, we will be able to satisfy our liabilities as they become due in the ordinary course of business and we have funds lawfully available for such purpose. We are not permitted to pay any dividends or bonuses if (i) we do not have earnings or (ii) we have not yet covered our losses. Our Articles set out further detailed provisions dealing with how we may fund, create reserves for and pay dividends.

Any dividends will be paid to the custodian of the ADSs that were issued in our public offering and shall be subject to further distribution to you as a beneficial owner of the underlying ordinary shares by the custodian.

Legal Proceedings

From time to time, we may be involved in legal proceedings or be subject to claims arising out of our operations. We are not currently a party to any legal proceedings that in the opinion of our management, would have a material adverse effect on our business.

B. Significant Changes.

Not applicable.

Item 9. The Offer and Listing

A. Offer and Listing Details.

Our ADSs began trading on The Nasdaq Global Market on May 4, 2018 under the trading symbol "ASLN". Prior to that date, there was no public trading market for our ADSs. Our ordinary shares traded on the TPEx under "6497" from June 1, 2017 to August 25, 2020. Prior to June 7, 2017, there was no public trading market for our ordinary shares. On September 29, 2022 we transferred from The Nasdaq Global Market to The Nasdaq Capital Market and began trading our ADSs under the same trading symbol "ASLN".

B. Plan of Distribution.

Not applicable.

C. Markets.

Our ADSs began trading on The Nasdaq Global Market on May 4, 2018 under the trading symbol "ASLN". On September 29, 2022, we transferred to The Nasdaq Capital Market and continued trading under the same trading symbol "ASLN".

D. Selling Shareholders.

Not applicable.

E. Dilution.

Not applicable.

F. Expenses of the Issue.

Not applicable.

Item 10. Additional Information

A. Share Capital.

Not applicable.

B. Memorandum and Articles of Association.

Twelfth Amended and Restated Memorandum and Articles of Association

Subject to other provisions in our Articles, our shareholders may by ordinary resolution increase our authorized share capital or by special resolution reduce the share capital and may also by special resolution amend our Articles.

Ordinary Shares

General

Ordinary Shares. All of our outstanding ordinary shares are fully paid and non-assessable, excluding those ordinary shares that have been issued to JPMorgan Chase Bank, N.A., as depositary, which are being held for future sales and issuances of ADSs, if any, under the Sale Agreement. Our ordinary shares are issued in registered form and certificates representing the ordinary shares have been issued to certain shareholders, including JPMorgan Chase Bank, N.A. Our shareholders who are nonresidents of the Cayman Islands may freely hold and vote their shares.

Dividends. The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors. In addition, our shareholders may declare dividends by ordinary resolution, but no dividend shall exceed the amount recommended by our directors. Our Articles provide that the directors may, before recommending or declaring any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall be applicable for meeting contingencies or for equalizing dividends or for any other purpose to which those funds may be properly applied. Under the laws of the Cayman Islands, our company may pay a dividend out of any of profit, retained earnings or the credit standing in our company's share premium account, provided that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business immediately following the date on which the distribution or dividend is paid.

Voting Rights. Holders of our ordinary shares shall be entitled to one vote per ordinary share. Voting at any shareholders' meeting is by show of hands unless a poll is demanded (before or on the declaration of the result of the show of hands). A poll may be demanded by the chairman of such meeting or any one or more shareholders present in person or by proxy at the meeting.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast at a meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes cast attaching to the outstanding ordinary shares at a meeting. A special resolution will be required for important matters such as a change of name, making changes to our Articles or approving a merger. Holders of the ordinary shares may, among other things, subdivide, consolidate or increase our share capital by ordinary resolution.

General Meetings of Shareholders. As a Cayman Islands exempted company, we are not obliged by the Companies Act or our Articles to call shareholders' annual general meetings.

Shareholders' general meetings may be convened by a majority of our board of directors. Advance written notice of at least seven calendar days (counting from the date service is deemed to take place as provided in our Articles) is required for the convening of any general meeting of our shareholders. A quorum required for any general meeting of shareholders consists of at least one shareholder present or by proxy, representing at least a majority of our paid up voting share capital.

The Companies Act provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our Articles provide general meetings shall also be convened on the requisition in writing of any Shareholder or Shareholders entitled to attend and vote at our general meetings holding at least ten percent of the paid up voting share capital deposited at the Office specifying the objects of the meeting by notice given no later than 21 days from the date of deposit of the requisition duly proceed to convene a general meeting to be held.

Transfer of Ordinary Shares. Subject to the restrictions set out below, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors. Our board of directors may determine to decline to register any transfer of shares for any reason.

Liquidation. On the winding up of our company, if the assets available for distribution amongst our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay the whole of the share capital, the assets will be distributed so that the losses are borne by our shareholders in proportion to the par value of the shares held by them.

Calls on Shares and Forfeiture of Shares. Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their shares in a notice served to such shareholders at least 14 days prior to the specified time and place of payment. The shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, Repurchase and Surrender of Shares. We may issue shares on terms that such shares are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner as may be determined by our board of directors. We may also repurchase any of our shares on such terms and in such manner as have been approved by our board of directors and agreed with the relevant shareholder. Under the Companies Act, the redemption or repurchase of any share may be paid out of our profits, retained earnings or out of the proceeds of a new issue of shares made for the purpose of such redemption or repurchase, or out of capital (including share premium account and capital redemption reserve) if our company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. In addition, under the Companies Act no such share may be redeemed or repurchased (a) unless it is fully paid up, (b) if such redemption or repurchase would result in there being no shares outstanding or (c) if the company has commenced liquidation. In addition, our company may accept the surrender of any fully paid share for no consideration.

Variations of Rights of Shares. If at any time our share capital is divided into different classes (and as otherwise determined by our board of directors) the rights attached to any such class may, subject to any rights or restrictions for the time being attached to any class only be materially adversely varied or abrogated with the consent in writing of the holders of not less than two-thirds of the issued shares of the relevant class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of such class by a majority of two-thirds of the votes cast at such a meeting. The board of directors may vary the rights attaching to any class without the consent or approval of shareholders provided that the rights will not, in the determination of the board of directors, be materially adversely varied or abrogated by such action.

Issuance of Additional Shares. Our Articles authorize our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares.

Our Articles also authorize our board of directors to establish from time to time one or more series of preferred shares with the approval of the board of directors and with the approval of a special resolution and to determine, with respect to any series of preference shares, the terms and rights of that series, including the:

- Order, fixed amount or fixed ratio of allocation of dividends and other distributions on preferred shares;
- Order, fixed amount or fixed ratio of allocation of the assets available for distribution on a liquidation of the Company;
- Order of or restriction on the voting rights (including declaring no voting rights whatsoever) of preferred shareholders;
- Other matters concerning rights and obligations incidental to preferred shares; and

- Method by which the Company is authorized or compelled to redeem the preferred shares, or a statement that redemption rights shall not apply.

Prior to the issuance of any preferred shares, the Articles shall be amended to set forth the rights and obligations of the preferred shares. Issuance of these shares may dilute the voting power of holders of ordinary shares.

Inspection of Books and Records. Holders of our ordinary shares will have no general right under Cayman Islands law to inspect or obtain copies of our corporate records (except for the memorandum and articles of association of our company, any special resolutions passed by our company and the register of mortgages and charges of our company). However, we will provide our shareholders with annual audited financial statements.

Anti-Takeover Provisions. Some provisions of our Articles may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that:

- Authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares; and
- Limit the ability of shareholders to requisition and convene general meetings of shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our Articles for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Exempted Company. We are an exempted company incorporated with limited liability under the Companies Act. The Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- Does not have to file an annual return of its shareholders with the Registrar of Companies;
- Is not required to open its register of members for inspection;
- Does not have to hold an annual general meeting;
- May obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- May register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- May register as a limited duration company; and
- May register as a segregated portfolio company.

“Limited liability” means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other limited circumstances in which a court may be prepared to pierce or lift the corporate veil).

K2 Loan Agreement, Warrant and Participation Rights

In connection with the closing of the Loan Agreement with K2HV, we issued a warrant, as amended on June 30, 2023, to purchase ordinary shares (K2 Warrant) to K2 HealthVentures Equity Trust LLC. The number of ordinary shares exercisable under the K2 Warrant equals (i) 2.95% of the aggregate outstanding principal amount of the term loans funded to us divided by (ii) the warrant price of $0.1447 per share (subject to adjustment as provided therein). The K2 Warrant also includes a cashless exercise feature allowing the holder to receive shares underlying the warrant in an amount reduced by the aggregate exercise price that would have been payable upon exercise of the warrant for such shares. In addition, subject to compliance with applicable securities laws (including any holding period requirements), we are required to use commercially reasonable efforts to facilitate and take all other actions required to enable the deposit of any or all of the ordinary shares exercisable under the Warrant with our depositary for the issuance of American Depositary Shares. The K2 Warrant is exercisable until its expiration on July 12, 2031. The K2 Warrant also provides for automatic cashless exercise or assumption as a result of certain transactions involving a merger, acquisition or sale of the company, as set forth in the K2 Warrant.

The Loan Agreement with K2HV also provides K2 HealthVentures Equity Trust LLC with the right to participate in an aggregate amount of up to $5.0 million in any offering of our American Depositary Shares, ordinary shares, common stock, convertible preferred stock or other equity securities (or certain other convertible instruments but excluding non-convertible debt securities), but excluding any at-the-market offerings or facilities, on the same terms, conditions and pricing afforded to others participating in such offering; provided that with respect to any public offering, we are required to use commercially reasonable efforts to provide K2 HealthVentures Equity Trust LLC with the opportunity to invest in each such offering if it is lawful to do so (or if the offering is an underwritten public offering pursuant to a registration statement under the Securities Act of 1933, as amended, to use commercially reasonable efforts to cause the underwriters for such offering to offer K2 HealthVentures Equity Trust LLC an allocation of securities in such offering).

Preference Shares

Pursuant to our Articles, we may issue shares with rights which are preferential to those of ordinary shares issued by us with the approval of our board of directors and with the approval of a special resolution. Our Articles must be amended by special resolution to provide for such preference shares.

Material Differences in Corporate Law

The Companies Act is modeled after the corporate legislation of the United Kingdom but does not follow recent United Kingdom statutory enactments, and differs from laws applicable to United States corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Act applicable to us and the laws applicable to companies incorporated in Delaware and their shareholders.

	Delaware	**Cayman Islands**
Title of Organizational Documents	Certificate of Incorporation Bylaws	Memorandum of Association and Articles of Association
Duties of Directors	Under Delaware law, the business and affairs of a corporation are managed by or under the direction of its board of directors. In exercising their powers, directors are charged with a fiduciary duty of care to protect the interests of the corporation and a fiduciary duty of loyalty to act in the best interests of its shareholders. The duty of care requires that directors act in an informed and deliberative manner and inform themselves, prior to making a business decision, of all material information reasonably available to them. The duty of care also requires that directors exercise care in overseeing and investigating the conduct of the corporation's employees. The duty of loyalty may be summarized as the duty to act in good faith, not out of self-interest, and in a manner which the director reasonably believes to be in the best interests of the shareholders.	As a matter of Cayman Islands law, directors of Cayman Islands companies owe fiduciary duties to their respective companies to, amongst other things, act in good faith in their dealings with or on behalf of the company and exercise their powers and fulfill the duties of their office honestly. Five core duties are: • a duty to act in good faith in what the directors bona fide consider to be the best interests of the company (and in this regard, it should be noted that the duty is owed to the company and not to associate companies, subsidiaries or holding companies); • a duty not to personally profit from opportunities that arise from the office of director; • a duty of trusteeship of the company's assets; • a duty to avoid conflicts of interest; and • a duty to exercise powers for the purpose for which such powers were conferred.

		A director of a Cayman Islands company also owes the company a duty to act with skill, care and diligence. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, there are indications that the courts are moving towards an objective standard with regard to the required skill and care.
Limitations on Personal Liability of Directors	Subject to the limitations described below, a certificate of incorporation may provide for the elimination or limitation of the personal liability of a director to the corporation or its shareholders for monetary damages for a breach of fiduciary duty as a director. Such provision cannot limit liability for breach of loyalty, bad faith, intentional misconduct, unlawful payment of dividends or unlawful share purchase or redemption. In addition, the certificate of incorporation cannot limit liability for any act or omission occurring prior to the date when such provision becomes effective.	The Companies Act has no equivalent provision to Delaware law regarding the limitation of director's liability. However, as a matter of public policy, Cayman Islands law will not allow the limitation of a director's liability to the extent that the liability is a consequence of the director committing a crime or of the director's own fraud, dishonesty or willful default.
Indemnification of Directors, Officers, Agents, and Others	A corporation has the power to indemnify any director, officer, employee, or agent of the corporation who was, is, or is threatened to be made a party who acted in good faith and in a manner he believed to be in the best interests of the corporation, and if with respect to a criminal proceeding, had no reasonable cause to believe his conduct would be unlawful, against amounts actually and reasonably incurred.	Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of directors and officers, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against the consequences of committing a crime, or against the indemnified person's own fraud or dishonesty.
Interested Directors	Under Delaware law, a transaction in which a director who has an interest is not void or voidable solely because such interested director is present at or participates in the meeting that authorizes the transaction if: (i) the material facts as to such interested director's relationship or interests are disclosed or are known to the board of directors and the board in good faith authorizes the transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors are less than a quorum, (ii) such material facts are disclosed or are known to the shareholders entitled to vote on such transaction and the transaction is specifically approved in good faith by vote of the shareholders, or (iii) the transaction is fair as to the corporation as of the time it is authorized, approved or ratified. Under Delaware law, a director could be held liable for any transaction in which such director derived an improper personal benefit.	Our Articles contain a provision that allows the director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with us shall declare the nature of his interest at a meeting of the directors. A general notice given to the directors by any director to the effect that he is to be regarded as interested in any contract or other arrangement which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made. A director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.

Voting Requirements	The certificate of incorporation may include a provision requiring supermajority approval by the directors or shareholders for any corporate action. In addition, under Delaware law, certain business combinations involving interested shareholders require approval by a supermajority of the non-interested shareholders.	For the protection of shareholders, certain matters must be approved by special resolution of the shareholders as a matter of Cayman Islands law, including alteration of the memorandum or articles of association, appointment of inspectors to examine company affairs, reduction of share capital (subject, in relevant circumstances, to court approval), change of name, authorization of a plan of merger or transfer by way of continuation to another jurisdiction or consolidation or voluntary winding up of the company. The Companies Act requires that a special resolution be passed by a majority of at least two-thirds or such higher percentage as set forth in the articles of association, of shareholders being entitled to vote and do vote in person or by proxy at a general meeting, or by unanimous written consent of shareholders entitled to vote at a general meeting. Our Articles provide that a resolution in writing signed by all the shareholders for the time being entitled to receive notice of and to attend and vote at our general meetings (or being corporations by their duly authorized representatives) shall be as valid and effective as if the same had been passed at a general meeting duly convened and held.
Voting for Directors	Under Delaware law, unless otherwise specified in the certificate of incorporation or bylaws of the corporation, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.	The Companies Act defines "special resolution" only. A company's articles of association can therefore tailor the definition of "ordinary resolutions" as a whole, or with respect to specific provisions. Our Articles contain a provision that shareholders may by ordinary resolution appoint any person to be a director. Further, the directors shall have power at any time and from time to time to appoint any person to be a director, either as a result of a casual vacancy or as an additional director, subject to the maximum number (if any) imposed by Ordinary Resolution.
Cumulative Voting	No cumulative voting for the election of directors unless so provided in the certificate of incorporation.	No cumulative voting for the election of directors unless so provided in the articles of association. Our Articles do not expressly provide for cumulative voting on the election of directors.
Directors' Powers Regarding Bylaws	The certificate of incorporation may grant the directors the power to adopt, amend or repeal bylaws.	The memorandum and articles of association may only be amended by a special resolution of the shareholders.

Nomination and Removal of Directors and Filling Vacancies on Board	Shareholders may generally nominate directors if they comply with advance notice provisions and other procedural requirements in company bylaws. Holders of a majority of the shares may remove a director with or without cause, except in certain cases involving a classified board or if the company uses cumulative voting. Unless otherwise provided for in the certificate of incorporation, directorship vacancies are filled by a majority of the directors elected or then in office.	Nomination and removal of directors and filling of board vacancies are governed by the terms of the articles of association.
Mergers and Similar Arrangements	Under Delaware law, with certain exceptions, a merger, consolidation, exchange or sale of all or substantially all the assets of a corporation must be approved by the board of directors and a majority of the outstanding shares entitled to vote thereon. Under Delaware ***law***, a shareholder of a corporation participating in certain major corporate transactions may, under certain circumstances, be entitled to appraisal rights pursuant to which such shareholder may receive cash in the amount of the fair value of the shares held by such shareholder (as determined by a court) in lieu of the consideration such shareholder would otherwise receive in the transaction. Delaware law also provides that a parent corporation, by resolution of its board of directors, may merge with any subsidiary, of which it owns at least 90% of each class of capital stock without a vote by shareholders of such subsidiary. Upon any such merger, dissenting shareholders of the subsidiary would have appraisal rights.	The Companies Act provides for the merger or consolidation of two or more companies into a single entity. The legislation makes a distinction between a "consolidation" and a "merger." In a consolidation, a new entity is formed from the combination of each participating company, and the separate consolidating parties, as a consequence, cease to exist and are each stricken by the Registrar of Companies. In a merger, one company remains as the surviving entity, having in effect absorbed the other merging party (with the vesting of the undertaking, property and liabilities of the other merging party with the surviving company) that then ceases to exist. Two or more Cayman Islands companies may merge or consolidate. Cayman Islands companies may also merge or consolidate with foreign companies provided that the laws of the foreign jurisdiction permit such merger or consolidation. Under the Companies Act, a written plan of merger or consolidation shall be approved by the directors of each constituent company, which then must be authorized by each constituent company by way of (i) a special resolution of the members of each such constituent company; and (ii) such other authorization, if any, as may be specified in such constituent company's articles of association. Shareholder approval is not required where a parent company registered in the Cayman Islands seeks to merge with one or more of its subsidiaries registered in the Cayman Islands and a copy of the plan of merger is given to every member of each subsidiary company to be merged unless that member agrees otherwise.

Secured creditors must consent to the merger although application can be made to the Grand Court of the Cayman Islands for such requirement to be waived if such secured creditor does not grant its consent to the merger. Where a foreign company wishes to merge with a Cayman company, consent or approval to the transfer of any security interest granted by the foreign company to the resulting Cayman entity in the transaction is required, unless otherwise released or waived by the secured party. If the merger plan is approved, it is then filed with the Cayman Islands Registrar of Companies along with a declaration by a director of each company. The Registrar of Companies will then issue a certificate of merger which shall be prima facie evidence of compliance with all requirements of the Companies Act in respect of the merger or consolidation.

The surviving or consolidated entity remains or becomes active while the other company or companies are automatically dissolved. Unless the shares of such shareholder are publicly listed or quoted on the expiry date of the period allowed for written notice of dissent to be provided to the Company, dissenting shareholders in a merger or consolidation of this type are entitled to payment of the fair value of their shares if such shareholder provides a written objection before the vote on such merger or consolidation and subsequently provides written notice of their decision to dissent within 20 days immediately following written notice from the Company to such shareholder of the authorization for such merger or consolidation. The fair value of the shares will be determined by the Cayman Islands court if it cannot be agreed among the parties. With respect to shares that are listed or quoted, a shareholder shall have similar rights only if it is required by the terms of the merger or consolidation to accept for such shares property other than (i) shares (or depositary receipts in respect thereof) in the surviving or consolidated company; (ii) listed or quoted shares (or depositary receipts in respect thereof) of another company; (iii) cash in lieu of any fractions of shares or depositary receipts described at (i) and (ii); or (iv) any combination of shares, depositary receipts or cash described in (i)—(iii).

The plan of merger or consolidation must be filed with the Registrar of Companies in the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a declaration as to the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger and consolidation will be published in the Cayman Islands Gazette.

Our Articles provide that we may merge or consolidate with one or more other companies in accordance with the Companies Act with the approval of a Special Resolution.

Court approval is not required for a merger or consolidation effected in compliance with these statutory procedures.

Cayman companies may also be restructured or amalgamated under supervision of the Grand Court of the Cayman Islands by way of a court-sanctioned "scheme of arrangement." A scheme of arrangement is one of several transactional mechanisms available in the Cayman Islands for achieving a restructuring. Others include share capital exchange, merger (as described above), asset acquisition or control, through contractual arrangements, of an operating business. A scheme of arrangement must not be beyond the powers of the company, as stated in the constitutional documents of the company and also requires the approval of a majority, in number, of each class of shareholders and creditors with whom the arrangement is to be made and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at the meeting summoned for that purpose. The convening of the meetings and subsequently the terms of the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder would have the right to express to the Court its view that the transaction ought not be approved, the Court can be expected to approve the scheme of arrangement if it is satisfied that:

- the statutory provisions as to the required majority vote have been met;

- the classes which are required to approve the scheme of arrangement have been properly constituted, so that the members of such classes are properly and fairly represented and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the meetings held by the company in relation to the approval of the scheme of arrangement by such classes have been convened and held in accordance with any directions given by the Court;
- the scheme of arrangement has been properly explained to the shareholders or creditors so that they have been able to exercise an informed vote in respect of the scheme;
- the scheme of arrangement is one which an intelligent and honest man, who is a member of the relevant class and properly acting might approve.

When a takeover offer is made and accepted by holders of 90% of the shares within four months, the offeror may, within a two-month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection may be made to the Grand Court of the Cayman Islands but is unlikely to succeed unless there is evidence of fraud, bad faith or collusion. If the arrangement and reconstruction are thus approved, any dissenting shareholders would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of United States corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholder Suits	Class actions and derivative actions generally are available to shareholders under Delaware law for, among other things, breach of fiduciary duty, corporate waste and actions not taken in accordance with applicable law. In such actions, the court generally has discretion to permit the winning party to recover attorneys' fees incurred in connection with such action.	The rights of shareholders under Cayman Islands law are not as extensive as those under Delaware law. Class actions are generally not available to shareholders under Cayman Islands laws; historically, there have not been any reported instances of such class actions having been successfully brought before the Cayman Islands courts. In principle, we will normally be the proper plaintiff in any claim based on a breach of duty owed to the Company, and a claim against (for example) the Company's officers or directors usually may not be brought by a shareholder. A derivative action may be brought by a minority shareholder in only limited circumstances. In this regard, the Cayman Islands courts would ordinarily be expected to follow English case law precedent, which would permit a shareholder to commence an action in the company's name to remedy a wrong done to the company where the act complained of cannot be ratified by the shareholders and where control of the company by the wrongdoer results in the company not pursuing a remedy itself. The case law shows that derivative actions have been permitted in respect of acts that are beyond the company's corporate power, illegal, where the individual rights of the plaintiff shareholder have been infringed or are about to be infringed and acts that are alleged to constitute a "fraud on the minority."
Inspection of Corporate Records	Under Delaware law, shareholders of a Delaware corporation have the right during normal business hours to inspect for any proper purpose, and to obtain copies of list(s) of shareholders and other books and records of the corporation and its subsidiaries, if any, to the extent the books and records of such subsidiaries are available to the corporation.	Except in respect of the inspection of a Company's Register of Directors upon payment of a fee at the Registrar of Companies in the Cayman Islands by any person, shareholders of a Cayman Islands exempted company have no general right under Cayman Islands law to inspect or obtain copies of a list of shareholders or other corporate records (other than the register of mortgages or charges) of the company. However, these rights may be provided in the company's articles of association.
Shareholder Proposals	Unless provided in the corporation's certificate of incorporation or bylaws, Delaware law does not include a provision restricting the manner in which shareholders may bring business before a meeting.	The Companies Act does not provide shareholders any right to bring business before a meeting or requisition a general meeting. However, these rights may be provided in the company's articles of association. Our Articles do provide for these rights.

Approval of Corporate Matters by Written Consent	Delaware law permits shareholders to take action by written consent signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of shareholders.	The Companies Act allows a special resolution to be passed in writing if signed by all the voting shareholders (if authorized by the articles of association). Our Articles authorize such written consents.
Calling of Special Shareholders Meetings	Delaware law permits the board of directors or any person who is authorized under a corporation's certificate of incorporation or bylaws to call a special meeting of shareholders.	The Companies Act does not have provisions governing the proceedings of shareholders meetings which are usually provided in the articles of association. Our Articles allow for shareholders' meetings to be convened on the requisition in writing of any shareholder or shareholders holding at least ten percent of the paid up voting share capital. Our Articles also provide that, in the event that our board of directors does not or cannot convene a general meeting upon the duly delivered requisition of any shareholder or shareholders (as described above), the requisitionists themselves may convene the general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the Directors, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Directors to convene the general meeting shall be reimbursed to them by us.

C. Material contracts.

Except as otherwise disclosed in this Annual Report (including the exhibits thereto), we are not currently, and have not been in the last two years, party to any material contract, other than contracts entered into in the ordinary course of our business.

2020 ATM Sale Agreement

We entered into an Open Market Sale Agreement[SM] (the ATM Sale Agreement), with Jefferies LLC on October 9, 2020, subsequently amended in September 2022, pursuant to which we may issue and sell ADSs from time to time, through at-the-market offerings under which Jefferies LLC will act as sales agent and/or principal.

The ATM Sale Agreement contains customary representations and warranties of the parties and indemnification and contribution provisions under which the Company and Jefferies LLC have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act. Jefferies LLC and the Company have the right, by giving written notice as specified in the ATM Sale Agreement, to terminate the ATM Sale Agreement.

2021 Underwriting Agreement

We entered into an underwriting agreement with Jefferies LLC and Piper Sandler & Co. as representatives of the underwriters, on March 2, 2021, with respect to certain ADSs sold in our public offering. We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the U.S. Securities Act of 1933, as amended, and to contribute to payments the underwriters may be required to make in respect of such liabilities.

2021 Loan Guaranty and Security Agreement

In July 2021 we entered into a loan agreement with K2 HealthVentures LLC (K2HV) and certain parties related to K2HV, pursuant to which K2HV agreed to provide a four-year loan facility for up to $45 million (the K2HV Facility). The K2HV Facility consists of a $20 million initial term loan funded at closing, with the remaining $25 million available in tranches subject to certain terms and conditions. Borrowings under the K2HV Facility are secured with a pledge of the borrower's equity interests in subsidiaries and collateral over all of our cash, goods, and other personal property, with the exception of (i) under the K2HV Facility agreement prior to subsequent amendment, our registered intellectual property assets, (ii) personal property to the extent that granting of security over any such personal property would constitute a breach of or result in the termination of, or require any consent not obtained under, any license, agreement, instrument or other document evidencing or giving rise to such property, or is otherwise prohibited by any requirement of law, and (iii) our equity interests in JAGUAHR. Such pledge and collateral may be enforced only if there has been an event of default as stipulated in the loan agreement. Borrowings under the K2HV Facility can be used to advance the clinical development of *eblasakimab*, *farudodstat*, and general corporate purposes. Interest on the loan is computed at a variable annual rate equal to the greater of (i) eight and one-quarter of one percent (8.25%), and (ii) the sum of (A) the prime rate, as noted in The Wall Street Journal, Money Rates section plus (B) five percent (5%), and is payable on a monthly basis. Amounts outstanding can be voluntarily prepaid. Under the K2HV Facility, we may not without the permission of K2HV incur any further indebtedness other than Permitted Indebtedness (as defined in the K2HV loan agreement). Under the K2HV Facility, we are subject to customary reporting and restrictive covenants. If an event of default occurs, K2HV can terminate the commitment under the K2HV Facility and accelerate all amounts outstanding.

On June 30, 2023, the parties entered into a First Amendment to the K2HV Facility (Loan Amendment) with K2HV to, among other things, extend the interest-only period under the K2HV Facility to November 1, 2023, February 1, 2024 or August 1, 2024, dependent on the Company's achievement of certain milestones.

On December 6, 2023, we entered into an amendment (Second Amendment) of K2HV Facility pursuant to which K2HV agreed to extend the period under the K2HV Facility in which the Company is not required to make payments with respect to the outstanding principal amount (during which period interest payments continue to become due and payable in accordance with the terms of the K2HV Facility). The first date from which the Company is required to make monthly payments of principal is now January 1, 2025. In addition, pursuant to the Second Amendment, (i) the Company made a payment of $12.0 million to the administrative agent, which has been applied to the outstanding principal under the Loan Agreement (Prepayment) and (ii) the lenders and the administrative agent waived a prepayment fee of 2.0% that otherwise would have been required under the Loan Agreement with respect to the Prepayment. After giving effect to the Prepayment, $13.0 million of principal will remain outstanding under the loan Agreement. In connection with the Second Amendment, K2HV received a lien on certain intellectual property owned by the Company, subject to customary exceptions.

D. Exchange Controls.

Except as otherwise indicated, there are no governmental laws, decrees, regulations or other legislation in the Cayman Islands that may affect the import or export of capital, including the availability of cash and cash equivalents for use by us, or that may affect the remittance of dividends, interest, or other payments by us to non-resident holders of our ordinary shares or ADSs.

Except as otherwise indicated, there are no governmental laws, decrees, regulations or other legislation in the ROC that may affect the remittance of dividends, interest, or other payments by us to non-resident holders of our ordinary shares or ADSs.

E. Taxation.

The following is a discussion of the material Cayman Islands, ROC and U.S. federal income tax considerations that may be relevant to an investment decision by a potential investor with respect to our ADSs. This summary should not be considered a comprehensive description of all the tax considerations that may be relevant to the decisions to acquire ADSs.

Material U.S. Federal Income Tax Considerations for U.S. Holders

The following discussion describes the material U.S. federal income tax consequences relating to the ownership and disposition of our ordinary shares or ADSs by U.S. Holders (as defined below). This discussion applies to U.S. Holders that purchase our ADSs and hold such ADSs as capital assets (generally, property held for investment). This discussion is based on the U.S. Internal Revenue Code of 1986 (as amended the Code), U.S. Treasury regulations promulgated thereunder and administrative and judicial interpretations thereof, all as in effect on the date hereof and all of which are subject to change, possibly with retroactive effect. This discussion does not address all of the U.S. federal income tax consequences that may be relevant to specific U.S. Holders in light of their particular circumstances or to U.S. Holders subject to special treatment under U.S. federal income tax law (such as certain banks, financial institutions, insurance companies, brokers, dealers or traders in securities, commodities, currencies or notional principal contracts or other persons that generally mark their securities to market for U.S. federal income tax purposes, tax-exempt entities or governmental organizations, retirement plans, regulated investment companies, real estate investment trusts, grantor trusts, certain former citizens or long-term residents of the United States, persons who hold our ordinary shares or ADSs as part of a "straddle," "hedge," "conversion transaction," "synthetic security," "wash sale" or other integrated investment, persons that have a "functional currency" other than the U.S. dollar, persons that own directly, indirectly or through attribution 10% or more of the voting power or value of our ordinary shares, corporations that accumulate earnings to avoid U.S. federal income tax, entities or arrangements classified as partnerships or S corporations for U.S. federal income tax purposes or other pass-through entities, including hybrid entities and disregarded entities, and investors in such entities). In addition, this discussion does not address any U.S. state or local or non-U.S. tax consequences or any U.S. federal estate, gift or alternative minimum tax consequences, or the special tax accounting rules in Section 451(b) of the Code.

As used in this discussion, the term "U.S. Holder" means a beneficial owner of our ordinary shares or ADSs who is, for U.S. federal income tax purposes, (1) an individual who is a citizen or resident of the United States, (2) a corporation (or entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia, (3) an estate the income of which is subject to U.S. federal income tax regardless of its source or (4) a trust (x) with respect to which a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all of its substantial decisions or (y) that has elected under applicable U.S. Treasury regulations to be treated as a domestic trust for U.S. federal income tax purposes.

If an entity or arrangement classified as a partnership for U.S. federal income tax purposes holds our ordinary shares or ADSs, the U.S. federal income tax consequences to a partner relating to an investment in such ordinary shares or ADSs will depend in part upon the activities of such entity and the status of the particular partner. Partnerships holding our ordinary shares or ADSs and partners in such partnership should consult their own tax advisors regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of our ordinary shares or ADSs.

Persons considering an investment in our ADSs should consult their own tax advisors as to the particular tax consequences applicable to them relating to the purchase, ownership and disposition of our ADSs, including the applicability of U.S. federal, state and local tax laws and non-U.S. tax laws.

The discussion below assumes that the representations contained in the deposit agreement are true and that the obligations in the deposit agreement and any related agreement will be complied with in accordance with their terms. Generally, a holder of an ADS should be treated for U.S. federal income tax purposes as holding the ordinary shares represented by the ADS. Accordingly, no gain or loss will be recognized upon an exchange of ADSs for the underlying ordinary shares represented by such ADSs. The U.S. Treasury has expressed concerns that intermediaries in the chain of ownership between the holder of an ADS and the issuer of the security underlying the ADS may be taking actions that are inconsistent with the beneficial ownership of the underlying security. Accordingly, the creditability of foreign taxes, if any, as described below, could be affected by actions taken by intermediaries in the chain of ownership between the holders of ADSs and our company if as a result of such actions the holders of ADSs are not properly treated as beneficial owners of the underlying ordinary shares.

Passive Foreign Investment Company Consequences

In general, a corporation organized outside the United States will be treated as a passive foreign investment company (PFIC) for any taxable year in which either (1) at least 75% of its gross income is "passive income" (PFIC income test), or (2) on average at least 50% of its assets, determined on a quarterly basis, are assets that produce passive income or are held for the production of passive income (PFIC asset test). Passive income for this purpose generally includes, among other things, dividends, interest, royalties, rents, and gains from the sale or exchange of property that gives rise to passive income.

Assets that produce or are held for the production of passive income generally include cash, even if held as working capital or raised in a public offering, marketable securities, and other assets that may produce passive income. Generally, in determining whether a non-U.S. corporation is a PFIC, a proportionate share of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

Although PFIC status is determined on an annual basis and generally cannot be determined until the end of the taxable year, based on the nature of our income and the estimated value and composition of our assets, we believe we were not a PFIC for the taxable year ended December 31, 2023. However, because we may hold a substantial amount of cash and cash equivalents, and because the calculation of the value of our assets may be based in part on the value of ordinary shares, which may fluctuate considerably, we have been a PFIC in prior taxable years and may be a PFIC in future taxable years. Even if we determine that we are not a PFIC for a taxable year, there can be no assurance that the Internal Revenue Service (IRS) will agree with our conclusion and that the IRS would not successfully challenge our position. Our status as a PFIC is a fact-intensive determination made on an annual basis applying principles and methodologies that are unclear in some respects and subject to varying interpretations. In particular, the characterization of our assets as active or passive may depend in part on our current and intended future business plans, which are subject to change. The composition of our income and assets is also affected by how, and how quickly, we spend the cash we raise in any offering. Accordingly, our U.S. counsel expresses no opinion with respect to our PFIC status in our current taxable year or in any prior or future taxable year.

If we are a PFIC in any taxable year during which a U.S. Holder owns our ordinary shares or ADSs, the U.S. Holder could be liable for additional taxes and interest charges under the "PFIC excess distribution regime" upon (1) a distribution paid during a taxable year that is greater than 125% of the average annual distributions paid in the three preceding taxable years, or, if shorter, the U.S. Holder's holding period for our ordinary shares or ADSs, and (2) any gain recognized on a sale, exchange or other disposition, including a pledge, of our ordinary shares or ADSs, whether or not we continue to be a PFIC. Under the PFIC excess distribution regime, the tax on such distribution or gain would be determined by allocating the distribution or gain ratably over the U.S. Holder's holding period for our ordinary shares or ADSs. The amount allocated to the current taxable year (i.e., the year in which the distribution occurs or the gain is recognized) and any year prior to the first taxable year in which we are a PFIC will be taxed as ordinary income earned in the current taxable year. The amount allocated to other taxable years will be taxed at the highest marginal rates in effect for individuals or corporations, as applicable, to ordinary income for each such taxable year, and an interest charge, generally applicable to underpayments of tax, will be added to the tax.

If we are a PFIC for any year during which a U.S. Holder holds our ordinary shares or ADSs, we must generally continue to be treated as a PFIC by that holder for all succeeding years during which the U.S. Holder holds such ordinary shares or ADSs, unless we cease to meet the requirements for PFIC status and the U.S. Holder makes a "deemed sale" election with respect to our ordinary shares or ADSs. If the election is made, the U.S. Holder will be deemed to sell our ordinary shares or ADSs it holds at their fair market value on the last day of the last taxable year in which we qualified as a PFIC, and any gain recognized from such deemed sale would be taxed under the PFIC excess distribution regime, but any loss would not be recognized. After the deemed sale election, the U.S. Holder's ordinary shares or ADSs would not be treated as shares of a PFIC unless we subsequently become a PFIC.

If we are a PFIC for any taxable year during which a U.S. Holder holds our ordinary shares or ADSs and one of our non-United States subsidiaries is also a PFIC (i.e., a lower-tier PFIC), such U.S. Holder would be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC and would be taxed under the PFIC excess distribution regime on distributions by the lower-tier PFIC and on gain from the disposition of shares of the lower-tier PFIC even though such U.S. Holder would not receive the proceeds of those distributions or dispositions. Any of our non-United States subsidiaries that have elected to be disregarded as entities separate from us or as partnerships for U.S. federal income tax purposes would not be corporations under U.S. federal income tax law and accordingly, cannot be classified as lower-tier PFICs. However, non-United States subsidiaries that have not made the election may be classified as a lower-tier PFIC if we are a PFIC during your holding period and the subsidiary meets the PFIC income test or PFIC asset test. Each U.S. Holder is advised to consult its tax advisors regarding the application of the PFIC rules to any of our non-United States subsidiaries.

If we are a PFIC, a U.S. Holder will not be subject to tax under the PFIC excess distribution regime on distributions or gain recognized on our ordinary shares or ADSs if a valid "mark-to-market" election is made by the U.S. Holder for our ordinary shares or ADSs. An electing U.S. Holder generally would take into account as ordinary income each year, the excess of the fair market value of our ordinary shares or ADSs held at the end of such taxable year over the adjusted tax basis of such ordinary shares or ADSs. The U.S. Holder would also take into account, as an ordinary loss each year, the excess of the adjusted tax basis of such ordinary shares or ADSs over their fair market value at the end of the taxable year, but only to the extent of the excess of amounts previously included in income over ordinary losses deducted as a result of the mark-to-market election. The U.S. Holder's tax basis in our ordinary shares or ADSs would be adjusted to reflect any income or loss recognized as a result of the mark-to-market election. Any gain from a sale, exchange or other disposition of our ordinary shares or ADSs in any taxable year in which we are a PFIC would be treated as ordinary income and any loss from such sale, exchange or other disposition would be treated first as ordinary loss (to the extent of any net mark-to-market gains previously included in income) and thereafter as capital loss. If, after having been a PFIC for a taxable year, we cease to be classified as a PFIC because we no longer meet the PFIC income or PFIC asset test, the U.S. Holder would not be required to take into account any latent gain or loss in the manner described above and any gain or loss recognized on the sale or exchange of the ordinary shares or ADSs would be classified as a capital gain or loss.

A mark-to-market election is available to a U.S. Holder only for "marketable stock." Generally, stock will be considered marketable stock if it is "regularly traded" on a "qualified exchange" within the meaning of applicable U.S. Treasury regulations. A class of stock is regularly traded during any calendar year during which such class of stock is traded, other than in de minimis quantities, on at least 15 days during each calendar quarter.

In general, a U.S. Holder makes a mark-to-market election by attaching a properly executed IRS Form 8621 to its U.S. federal income tax return for the first taxable year to which it wishes the election to apply.

Our ADSs will be marketable stock as long as they remain listed on The Nasdaq Capital Market and are regularly traded. A mark-to-market election will not apply to the ordinary shares or ADSs for any taxable year during which we are not a PFIC, but will remain in effect with respect to any subsequent taxable year in which we become a PFIC. Such election will not apply to any of our non-U.S. subsidiaries. Accordingly, a U.S. Holder may continue to be subject to tax under the PFIC excess distribution regime with respect to any lower-tier PFICs notwithstanding the U.S. Holder's mark-to-market election for the ordinary shares or ADSs.

The tax consequences that would apply if we are a PFIC would also be different from those described above if a U.S. Holder were able to make a valid qualified electing fund (QEF) election. While we will consider providing U.S. Holders with the information necessary for a U.S. Holder to make a QEF election, we can provide no assurance that we will do so, in which case such a QEF election would not be available for a U.S. Holder.

The U.S. federal income tax rules relating to PFICs are very complex. Prospective U.S. investors are strongly urged to consult their own tax advisors with respect to the impact of PFIC status on the purchase, ownership and disposition of our ADSs, the consequences to them of an investment in a PFIC, any elections available with respect to the ADSs and the IRS information reporting obligations with respect to the purchase, ownership and disposition of ADSs of a PFIC.

Distributions

Subject to the discussion above under "—Passive Foreign Investment Company Consequences," a U.S. Holder that receives a distribution with respect to our ordinary shares or ADSs generally will be required to include the gross amount of such distribution in gross income as a dividend when actually or constructively received to the extent of the U.S. Holder's pro rata share of our current and/or accumulated earnings and profits (as determined under U.S. federal income tax principles). To the extent a distribution received by a U.S. Holder is not a dividend because it exceeds the U.S. Holder's pro rata share of our current and accumulated earnings and profits, it will be treated first as a tax-free return of capital and reduce (but not below zero) the adjusted tax basis of the U.S. Holder's ordinary shares or ADSs. To the extent the distribution exceeds the adjusted tax basis of the U.S. Holder's ordinary shares or ADSs, the remainder will be taxed as capital gain. Because we may not account for our earnings and profits in accordance with U.S. federal income tax principles, U.S. Holders should expect all distributions to be reported to them as dividends.

Distributions on our ordinary shares or ADSs that are treated as dividends generally will constitute income from sources outside the United States for foreign tax credit purposes and generally will constitute passive category income. Such dividends will not be eligible for the "dividends received" deduction generally allowed to corporate shareholders with respect to dividends received from U.S. corporations. Dividends paid by a "qualified foreign corporation" to certain non-corporate U.S. Holders may be eligible for taxation at a reduced capital gains rate if certain requirements are met. Each U.S. Holder is advised to consult its tax advisors regarding the availability of the reduced tax rate on dividends to its particular circumstances. However, if we are a PFIC for the taxable year in which the dividend is paid or the preceding taxable year (see discussion above under "—Passive Foreign Investment Company Consequences"), we will not be treated as a qualified foreign corporation, and therefore the reduced capital gains tax rate described above will not apply.

Dividends will be included in a U.S. Holder's income on the date of the Depositary's receipt of the dividend.

Sale, Exchange or Other Disposition of Our Ordinary Shares or ADSs

Subject to the discussion above under "—Passive Foreign Investment Company Consequences," a U.S. Holder generally will recognize capital gain or loss for U.S. federal income tax purposes upon the sale, exchange or other disposition of our ordinary shares or ADSs in an amount equal to the difference, if any, between the amount realized (i.e., the amount of cash plus the fair market value of any property received) on the sale, exchange or other disposition and such U.S. Holder's adjusted tax basis in the ordinary shares or ADSs. Such capital gain or loss generally will be long-term capital gain taxable at a reduced rate for non-corporate U.S. Holders or long-term capital loss if, on the date of sale, exchange or other disposition, the ordinary shares or ADSs were held by the U.S. Holder for more than one year. Any capital gain of a non-corporate U.S. Holder that is not long-term capital gain is taxed at ordinary income rates. The deductibility of capital losses is subject to limitations. Any gain or loss recognized from the sale or other disposition of our ordinary shares or ADSs will generally be gain or loss from sources within the United States for U.S. foreign tax credit purposes.

Medicare Tax

Certain U.S. Holders that are individuals, estates or trusts and whose income exceeds certain thresholds generally are subject to a 3.8% tax on all or a portion of their net investment income, which may include their gross dividend income and net gains from the disposition of our ordinary shares or ADSs. If you are a U.S. Holder that is an individual, estate or trust, you are encouraged to consult your tax advisors regarding the applicability of this Medicare tax to your income and gains in respect of your investment in our ordinary shares or ADSs.

Information Reporting and Backup Withholding

U.S. Holders may be required to file certain U.S. information reporting returns with the IRS with respect to an investment in our ordinary shares or ADSs, including, among others, IRS Form 8938 (Statement of Specified Foreign Financial Assets). Each U.S. Holder who is a shareholder of a PFIC must file an annual report on IRS Form 8621 (or any successor form) containing certain information, generally with the U.S. Holder's U.S. federal income tax return for the relevant year. Substantial penalties may be imposed upon a U.S. Holder that fails to comply with the required information reporting.

Unless otherwise provided by the U.S. Treasury, each U.S. shareholder of a PFIC is required to file an annual report containing such information as the U.S. Treasury may require. A U.S. Holder's failure to file the annual report will cause the statute of limitations for such U.S. Holder's U.S. federal income tax return to remain open with regard to the items required to be included in such report until three years after the U.S. Holder files the annual report, and, unless such failure is due to reasonable cause and not willful neglect, the statute of limitations for the U.S. Holder's entire U.S. federal income tax return will remain open during such period.

Dividends on and proceeds from the sale or other disposition of our ADSs may be reported to the IRS unless the U.S. Holder establishes a basis for exemption. Backup withholding may apply to amounts subject to reporting if the holder (1) fails to provide an accurate U.S. taxpayer identification number or otherwise establish a basis for exemption, or (2) is described in certain other categories of persons. However, U.S. Holders that are corporations generally are excluded from these information reporting and backup withholding tax rules.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability if the required information is furnished by the U.S. Holder on a timely basis to the IRS.

U.S. Holders should consult their own tax advisors regarding the backup withholding tax and information reporting rules.

EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES TO IT OF AN INVESTMENT IN OUR ADSs OR ORDINARY SHARES IN LIGHT OF THE INVESTOR'S OWN CIRCUMSTANCES.

Cayman Taxation

Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any ADSs or ordinary shares under the laws of their country of citizenship, residence or domicile.

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the ADSs or ordinary shares. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

No stamp duty, capital duty, registration or other issue or documentary taxes are payable in the Cayman Islands on the creation, issuance or delivery of the ADSs or ordinary shares. The Cayman Islands currently have no form of income, corporate or capital gains tax and no estate duty, inheritance tax or gift tax. There are currently no Cayman Islands' taxes or duties of any nature on gains realized on a sale, exchange, conversion, transfer or redemption of the ADSs or ordinary shares. Payments of dividends and capital in respect of the ADSs or ordinary shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal or a dividend or capital to any holder of the ADSs or ordinary shares, nor will gains derived from the disposal of the ADSs or ordinary shares be subject to Cayman Islands income or corporation tax as the Cayman Islands currently have no form of income or corporation taxes.

We are incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, have applied for and have received an undertaking from the Governor of the Cayman Islands that no law enacted in the Cayman Islands during the period of 30 years from 3 January 2018, being the date of the undertaking imposing any tax to be levied on profits, income, gains or appreciation shall apply to us or our operations and no such tax or any tax in the nature of estate duty or inheritance tax shall be payable (directly or by way of withholding) on the ADSs or ordinary shares, debentures or other obligations of ours.

F. Dividends and Paying Agents.

Not applicable.

G. Statement by Experts.

Not applicable.

H. Documents on Display.

We are subject to the informational requirements of the Exchange Act and are required to file reports and other information with the SEC. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding registrants that make electronic filings with SEC using its EDGAR system.

We are a "foreign private issuer" as such term is defined in Rule 405 under the Securities Act, and are not subject to the same requirements that are imposed upon U.S. domestic issuers by the SEC. Under the Exchange Act, we are subject to reporting obligations that, in certain respects, are less detailed and less frequent than those of U.S. domestic reporting companies. As a result, we do not file the same reports that a U.S. domestic issuer would file with the SEC. We also make available on our website's investor relations page, free of charge, our annual report and the text of our reports on Form 6-K, including any amendments to these reports, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. The address for our investor relations page is www.aslanpharma.com. The information contained on our website is not incorporated by reference in this annual report.

I. Subsidiary Information.

Not applicable.

J. Annual Report to Security Holders.

Not applicable.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

Our financial risk management objective is to monitor and manage the financial risks relating to our operations. These risks include risks in financial markets (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. In order to minimize the effect of financial risks, we devote time and resources to identifying and evaluating the uncertainty of the financial market to mitigate risk exposures.

Our activities expose us primarily to risks of changes in foreign currency exchange rates, interest rates and other price risks.

Effects of Inflation

Inflation generally affects us by increasing our cost of labor and clinical trial costs. We do not believe that inflation and changing prices had a significant impact on our results of operations for any periods presented herein. While we are seeing, and expect to continue to see, record inflation due to, among other things, geopolitical and macroeconomic events, such as the ongoing military conflict between Ukraine and Russia and in the Middle East and related sanctions, and bank failures, as of December 31, 2023, we do not expect anticipated changes in inflation to have a material effect on our business, financial condition or results of operations for future reporting periods.

A. Foreign Currency Exchange Risk.

We have foreign currency transactions, which expose us to foreign currency risks. The significant financial assets and liabilities denominated in foreign currencies as of December 31, 2022 were as follows:

	December 31, 2022				
	Foreign Currencies		Exchange Rate	Carrying Amount	
Financial assets					
Monetary items					
SGD	SG$	2,312,357	0.7461	US$	1,725,279
AUD	AU$	2,616,802	0.6820	US$	1,784,606
Financial liabilities					
Monetary items					
SGD	SG$	16,298,191	0.7461	US$	12,160,288

A hypothetical rate change of 5% is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. Based on outstanding foreign currency-denominated monetary items, a 5% weakening of the U.S. dollar against the Singapore dollar and Australian dollar would result in a ($0.52) and $0.09 million increase to net (loss)/gain and (decrease)/increase to equity.

The significant financial assets and liabilities denominated in foreign currencies as of December 31, 2023 were as follows:

	December 31, 2023				
	Foreign Currencies		Exchange Rate	Carrying Amount	
Financial assets					
Monetary items					
SGD	SG$	2,825,324	0.7577	US$	2,140,748
Financial liabilities					
Monetary items					
SGD	SG$	18,232,233	0.7577	US$	13,814,563

A hypothetical rate change of 5% is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. Based on outstanding foreign currency-denominated monetary items, a 5% weakening of the U.S. dollar against the Singapore dollar would result in a $0.58 million increase to net loss and decrease to equity.

B. Interest Rate Risk.

We are exposed to interest rate risk because we have borrowed funds at both fixed and floating interest rates. The risk is managed by us by maintaining an appropriate mix of fixed and floating rate borrowings.

The sensitivity analysis below is determined based on our exposure to interest rates for fixed rate borrowings at the end of the reporting period, and is prepared assuming that the amounts of liabilities outstanding at the end of the reporting period are outstanding for the whole year. A 100-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher and all other variables were held constant, our pre-tax loss for the years ended December 31, 2022 and 2023 would have increased around by $69,596 and $265,989, respectively.

Item 12. Description of Securities Other than Equity Securities

A. Debt Securities.

Not applicable.

B. Warrants and Rights.

Not applicable.

C. Other Securities.

Not applicable.

D. American Depositary Shares.

JPMorgan Chase Bank, N.A. (JPMorgan), as depositary will issue the ADSs in connection with an offering. Each ADS will represent an ownership interest in a designated number of our ordinary shares which we will deposit with the depositary or the custodian, as agent of the depositary, under the deposit agreement among ourselves, the depositary and yourself as an ADR holder. In the future, each ADS will also represent any securities, cash or other property deposited with the depositary but which have not distributed directly to you. Unless certificated ADRs are specifically requested by you, all ADSs will be issued on the books of our depositary in book-entry form and periodic statements will be mailed to you which reflect your ownership interest in such ADSs. In our description, references to ADRs shall include the statements you will receive which reflect your ownership of ADSs.

The depositary's office is located at 383 Madison Avenue, Floor 11, New York, NY, 10179.

You may hold ADSs either directly or indirectly through your broker or other financial institution. If you hold ADSs directly, by having an ADS registered in your name on the books of the depositary, you are an ADR holder. This description assumes you hold your ADSs directly. If you hold the ADSs through your broker or financial institution nominee, you must rely on the procedures of such broker or financial institution to assert the rights of an ADR holder described in this section. You should consult with your broker or financial institution to find out what those procedures are.

As an ADR holder, we will not treat you as a shareholder of ours and you will not have any direct shareholder rights. Because the depositary or its nominee will be the shareholder of record for the ordinary shares represented by all outstanding ADSs, shareholder rights rest with such record holder. Your rights are those of an ADR holder. Such rights derive from the terms of the deposit agreement to be entered into among us, the depositary and all holders from time to time of ADRs issued under the deposit agreement. The obligations of the depositary and its agents are also set out in the deposit agreement. Because the depositary or its nominee will actually be the registered owner of the ordinary shares, you must rely on it to exercise the rights of a shareholder on your behalf. The deposit agreement and the ADSs are governed by New York law. However, our obligations to the holders of ordinary shares will continue to be governed by the Cayman Islands, which may be different from the laws of the United States. Under the deposit agreement, as an ADR holder, you agree that any legal suit, action or proceeding against or involving us or the depositary, arising out of or based upon the deposit agreement, the ADSs, the ADRs or the transactions contemplated thereby, may only be instituted in a state or federal court in New York, New York, and you irrevocably waive any objection which you may have to the laying of venue of any such proceeding and irrevocably submit to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

The following is a summary of what we believe to be the material terms of the deposit agreement. Notwithstanding this, because it is a summary, it may not contain all the information that you may otherwise deem important. For more complete information, you should read the entire deposit agreement and the form of ADR which contains the terms of your ADSs. You can read a copy of the deposit agreement which is filed as an exhibit to this Annual Report on Form 20-F.

Share Dividends and Other Distributions

How will I receive dividends and other distributions on the ordinary shares underlying my ADSs? We may make various types of distributions with respect to our securities. The depositary has agreed that, to the extent practicable, it will distribute to you the cash dividends or other distributions it or the custodian receives on ordinary shares or other deposited securities, after converting any cash received into U.S. dollars (if it determines such conversion may be made on a reasonable basis) and, in all cases, making any necessary deductions provided for in the deposit agreement. The depositary may utilize a division, branch or affiliate of JPMorgan to direct, manage and/or execute any public and/or private sale of securities under the deposit agreement. Such division, branch and/or affiliate may charge the depositary a fee in connection with such sales, which fee is considered an expense of the depositary. You will receive these distributions in proportion to the number of underlying securities that your ADSs represent.

Except as stated below, the depositary will deliver such distributions to ADR holders in proportion to their interests in the following manner:

- *Cash.* The depositary will distribute any U.S. dollars available to it resulting from a cash dividend or other cash distribution or the net proceeds of sales of any other distribution or portion thereof (to the extent applicable), on an averaged or other practicable basis, subject to (i) appropriate adjustments for taxes withheld, (ii) such distribution being impermissible or impracticable with respect to certain registered ADR holders, and (iii) deduction of the depositary's and/or its agents' fees and expenses in (1) converting any foreign currency to U.S. dollars to the extent that it determines that such conversion may be made on a reasonable basis, (2) transferring foreign currency or U.S. dollars to the United States by such means as the depositary may determine to the extent that it determines that such transfer may be made on a reasonable basis, (3) obtaining any approval or license of any governmental authority required for such conversion or transfer, which is obtainable at a reasonable cost and within a reasonable time and (4) making any sale by public or private means in any commercially reasonable manner. *If exchange rates fluctuate during a time when the depositary cannot convert a foreign currency, you may lose some or all of the value of the distribution.*
- *Shares.* In the case of a dividend or free distribution in ordinary shares, the depositary will issue additional ADRs to evidence the number of ADSs representing such ordinary shares. Only whole ADSs will be issued. Any ordinary shares which would result in fractional ADSs will be sold and the net proceeds will be distributed in the same manner as cash to the ADR holders entitled thereto.
- *Rights to receive additional ordinary shares.* In the case of a distribution of rights to subscribe for additional ordinary shares or other rights, if we timely provide evidence satisfactory to the depositary that it may lawfully distribute such rights, the depositary will distribute warrants or other instruments in the discretion of the depositary representing such rights. However, if we do not timely furnish such evidence, the depositary may:
  - (i) Sell such rights if practicable and distribute the net proceeds in the same manner as cash to the ADR holders entitled thereto; or
  - (ii) If it is not practicable to sell such rights by reason of the non-transferability of the rights, limited markets therefor, their short duration or otherwise, do nothing, in which case ADR holders will receive nothing and the rights may lapse.

Other Distributions. In the case of a distribution of securities or property other than those described above, the depositary may either (i) distribute such securities or property in any manner it deems equitable and practicable or (ii) to the extent the depositary deems distribution of such securities or property not to be equitable and practicable, sell such securities or property and distribute any net proceeds in the same way it distributes cash.

If the depositary determines in its discretion that any distribution described above is not practicable with respect to any specific registered ADR holder, the depositary may choose any method of distribution that it deems practicable, including the distribution of foreign currency, securities or property, or it may retain such items, without liability for interest thereon or investment thereof, on behalf of the ADR holder as deposited securities, in which case the ADSs will also represent the retained items.

Any U.S. dollars will be distributed by checks drawn on a bank in the United States for whole dollars and cents. Fractional cents will be withheld without liability and dealt with by the depositary in accordance with its then current practices.

The depositary is not responsible if it fails to determine that any distribution or action is lawful or reasonably practicable.

There can be no assurance that the depositary will be able to convert any currency at a specified exchange rate or sell any property, rights, shares or other securities at a specified price, nor that any of such transactions can be completed within a specified time period. All purchases and sales of securities will be handled by the depositary in accordance with its then current policies, which are currently set forth in the "Depositary Receipt Sale and Purchase of Security" section of www.adr.com/Investors/FindOutAboutDRs, the location and contents of which the depositary shall be solely responsible for.

Deposit, Withdrawal and Cancellation

How does the depositary issue ADSs? Subject to any restrictions on deposit provided for under the laws of the Cayman Islands and the deposit agreement, the depositary will issue ADSs against the deposit of: (i) ordinary shares in registered form, validly issued and outstanding; (ii) rights to receive ordinary shares from us or any registrar, transfer agent, clearing agent or other entity recording share ownership or transactions, subject in each case to payment of the fees and expenses owing to the depositary in connection with such issuance.

Ordinary shares deposited in the future with the custodian must be accompanied by certain documents, including Share certificates, and a certified share extract, reflecting the registration of the shares in the name of JPMorgan, as depositary for the benefit of holders of ADRs or in such other name as the depositary shall direct, a delivery order directing the depositary to issue ADSs to, or upon the written order of, the person designated in such order, instruments assigning to the custodian, the depositary or the nominee of either of them any distribution on the ordinary shares so deposited or indemnity therefor, and proxies entitling the custodian to vote the deposited ordinary shares.

The custodian will hold all deposited ordinary shares for the account and to the order of the depositary for the benefit of holders of ADRs. ADR holders thus have no direct ownership interest in the ordinary shares and only have such rights as are contained in the deposit agreement. The custodian will also hold any additional securities, property and cash received on or in substitution for the deposited ordinary shares. The deposited ordinary shares and any such additional items are referred to as "deposited securities."

Upon each deposit of ordinary shares, receipt of related delivery documentation and compliance with the other provisions of the deposit agreement, including the payment of the fees and charges of the depositary and any taxes or other fees or charges owing, the depositary will issue an ADR or ADRs in the name or upon the order of the person entitled thereto evidencing the number of ADSs to which such person is entitled. All of the ADSs issued will, unless specifically requested to the contrary, be part of the depositary's direct registration system, and a registered holder will receive periodic statements from the depositary which will show the number of ADSs registered in such holder's name. An ADR holder can request that the ADSs not be held through the depositary's direct registration system and that a certificated ADR be issued.

How do ADR holders cancel an ADS and obtain deposited securities? In accordance with the deposit agreement and subject to the requirements of the laws of the Cayman Islands, an ADR holder may request the depositary to withdraw from the depositary receipt facility created by the deposit agreement the ordinary shares represented by such holder's ADRs and transfer such ordinary shares to such holder or, upon the written order of any person designated in such ADR holder's written order, upon surrender of (a) a certificated ADR in a form satisfactory to the depositary or (b) proper instructions and documentation in the case of an ADR issued through the depositary's direct registration system, as the case may be, then an ADR holder hereof is entitled to delivery at, or to the extent in dematerialized form from, the custodian's office of the deposited securities at the time represented by the ADSs evidenced by this ADR. At the request, risk and expense of the holder hereof, the depositary may deliver such deposited securities at such other place as may have been requested by the holder.

The depositary may only restrict the withdrawal of deposited securities in connection with:

- Temporary delays caused by closing our transfer books or those of the depositary or the deposit of ordinary shares in connection with voting at a shareholders' meeting, or the payment of dividends;
- The payment of fees, taxes and similar charges; or

- Compliance with any U.S. or foreign laws or governmental regulations relating to the ADRs or to the withdrawal of deposited securities.

Record Dates

The depositary may, after consultation with us if practicable, fix record dates (which, to the extent applicable, shall be as near as practicable to any corresponding record dates set by us) for the determination of the registered ADR holders who will be entitled (or obligated, as the case may be):

- To receive any distribution on or in respect of deposited securities,
- To give instructions for the exercise of voting rights,
- To pay the fee assessed by the depositary for administration of the ADR program and for any expenses as provided for in the deposit agreement, or
- To receive any notice or to act or be obligated in respect of other matters,

All subject to the provisions of the deposit agreement.

Voting Rights

How do I vote? If you are an ADR holder and the depositary asks you to provide it with voting instructions, you may instruct the depositary how to exercise the voting rights for the shares which underlie your ADSs. As soon as practicable after receipt from us of notice of any meeting at which the holders of shares are entitled to vote, or of our solicitation of consents or proxies from holders of shares, the depositary shall fix the ADS record date in accordance with the provisions of the deposit agreement. The depositary shall, if we request in writing in a timely manner at least 30 days prior to the date of such vote or meeting and at our expense and provided no legal prohibitions exist, distribute to the registered ADR holders a notice stating final information particular to the voting materials received by the depositary and describing how you may instruct, or, subject to the next paragraph, will be deemed to instruct, the depositary to exercise the voting rights for the shares which underlie your ADSs, including instructions for giving a discretionary proxy to a person designated by us. Each ADR holder shall be solely responsible for the forwarding of voting notices to the beneficial owners of ADSs registered in such holder's name. In accordance with our memorandum and articles of association, a shareholder may not exercise its own vote or by proxy on behalf of another shareholder of the company in respect of any contract or proposed contract or arrangement if such shareholder may be interested therein. Accordingly, no ADR holder shall instruct the depositary to vote on its behalf on any matter to be considered at the relevant meeting in respect of which such holder is interested.

To the extent we have provided the depositary with at least 35 days' notice of a proposed meeting, the notice will be received by all ADR holders and beneficial owners no less than 10 days prior to the date of the meeting and/or the cut-off date for the solicitation of consents, and the depositary does not receive instructions on a particular agenda item from a ADR holder (including, without limitation, any entity or entities acting on behalf of the nominee for The Depository Trust Company) in a timely manner, such holder shall be deemed, and in the deposit agreement the depositary is instructed to deem such holder, to have instructed the depositary to give a discretionary proxy for such agenda item(s) to a person designated by us to vote the shares represented by their ADSs for which actual instructions were not so given by all such ADR holders on such agenda item(s), provided that no such instruction shall be deemed given and no discretionary proxy shall be given unless (1) we inform the depositary in writing that (a) we wish such proxy to be given with respect to such agenda item(s), (b) there is no substantial opposition existing with respect to such agenda item(s) and (c) such agenda item(s), if approved, would not materially or adversely affect the rights of holders of shares and (2) we have provided the depositary with an opinion of our counsel, in form and substance satisfactory to the depositary, confirming that (a) the granting of such discretionary proxy does not subject the depositary to any reporting obligations in the Cayman Islands, (b) the granting of such proxy will not result in a violation of Cayman Islands laws, rules, regulations or permits, (c) the voting arrangement and deemed instruction as contemplated herein will be given effect under Cayman Islands laws, rules and regulations, and (d) the granting of such discretionary proxy will not under any circumstances result in the ADSs being treated as assets of the depositary under Cayman Islands laws, rules or regulations.

Holders are strongly encouraged to forward their voting instructions to the depositary as soon as possible. For instructions to be valid, the ADR department of the depositary that is responsible for proxies and voting must receive them in the manner and on or before the time specified, notwithstanding that such instructions may have been physically received by the depositary prior to such time. The depositary will not itself exercise any voting discretion. Furthermore, neither the depositary nor its agents are responsible for any failure to carry out any voting instructions, for the manner in which any vote is cast or for the effect of any vote. Notwithstanding anything contained in the deposit agreement or any ADR, the depositary may, to the extent not prohibited by law or regulations, or by the requirements of the stock exchange on which the ADSs are listed, in lieu of distribution of the materials provided to the depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of deposited securities, distribute to the registered holders of ADRs a notice that provides such holders with, or otherwise publicizes to such holders, instructions on how to retrieve such materials or receive such materials upon request (i.e., by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

There is no guarantee that you will receive voting materials in time to instruct the depositary to vote and it is possible that you, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote.

We have advised the depositary that under the Cayman Islands law and our memorandum and articles of association, voting at any meeting of our shareholders is by show of hands unless a poll is (before or on the declaration of the results of the show of hands) demanded. In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with the memorandum and articles of association, the depositary will refrain from voting and the voting instructions received by the depositary from holders shall lapse. The depositary will not demand a poll or join in demanding a poll, whether or not requested to do so by holders of ADSs.

Reports and Other Communications

Will ADR holders be able to view our reports? The depositary will make available for inspection by ADR holders at the offices of the depositary and the custodian, or upon request made to the depositary (which request may be refused by the depositary at its discretion), the deposit agreement, the provisions of or governing deposited securities, and any written communications from us which are both received by the custodian or its nominee as a holder of deposited securities and made generally available to the holders of deposited securities.

Additionally, if we make any written communications generally available to holders of our ordinary shares, and we furnish copies thereof (or English translations or summaries) to the depositary, it will distribute the same to registered ADR holders.

Fees and Expenses

What fees and expenses will I be responsible for paying? The depositary may charge each person to whom ADSs are issued, including, without limitation, issuances against deposits of ordinary shares, issuances in respect of share distributions, rights and other distributions, issuances pursuant to a stock dividend or stock split declared by us or issuances pursuant to a merger, exchange of securities or any other transaction or event affecting the ADSs or deposited securities, and each person surrendering ADSs for withdrawal of deposited securities or whose ADRs are cancelled or reduced for any other reason, $5.00 for each 100 ADSs (or any portion thereof) issued, delivered, reduced, cancelled or surrendered, as the case may be. The depositary may sell (by public or private sale) sufficient securities and property received in respect of a share distribution, rights and/or other distributions prior to such deposit to pay such charge.

The following additional charges shall be incurred by the ADR holders, by any party depositing or withdrawing shares or by any party surrendering ADSs and/or to whom ADSs are issued (including, without limitation, issuances pursuant to a stock dividend or stock split declared by us or an exchange of stock regarding the ADSs or the deposited securities or a distribution of ADSs), whichever is applicable:

- A fee of up to $0.05 per ADS upon which any cash distribution made pursuant to the deposit agreement;
- An aggregate fee of $0.05 or less per ADS per calendar year (or portion thereof) for services performed by the depositary in administering the ADRs (which fee may be charged on a periodic basis during each calendar year and shall be assessed against holders of ADRs as of the record date or record dates set by the depositary during each calendar year and shall be payable in the manner described in the next succeeding provision);

- A fee for the reimbursement of such fees, charges and expenses as are incurred by the depositary and/or any of its agents (including, without limitation, the custodian and expenses incurred on behalf of ADR holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment) in connection with the servicing of the ordinary shares or other deposited securities, the sale of securities (including, without limitation, deposited securities), the delivery of deposited securities or otherwise in connection with the depositary's or its custodian's compliance with applicable law, rule or regulation (which fees and charges shall be assessed on a proportionate basis against ADR holders as of the record date or dates set by the depositary and shall be payable at the sole discretion of the depositary by billing such ADR holders or by deducting such charge from one or more cash dividends or other cash distributions);
- A fee for the distribution of securities (or the sale of securities in connection with a distribution), such fee being in an amount equal to the $0.05 per ADS issuance fee for the execution and delivery of ADSs which would have been charged as a result of the deposit of such securities (treating all such securities as if they were ordinary shares) but which securities or the net cash proceeds from the sale thereof are instead distributed by the depositary to those ADR holders entitled thereto;
- Stock transfer or other taxes and other governmental charges;
- SWIFT, cable, telex and facsimile transmission and delivery charges incurred at your request in connection with the deposit or delivery of shares, ADRs or deposited securities;
- Transfer or registration fees for the registration or transfer of deposited securities on any applicable register in connection with the deposit or withdrawal of deposited securities;
- Fees of any division, branch or affiliate of JPMorgan utilized to direct, manage and/or execute any public and/or private sale of securities under the deposit agreement.

Foreign Exchange Related Matters. To facilitate the administration of various depositary receipt transactions, including disbursement of dividends or other cash distributions and other corporate actions, the depositary may engage the foreign exchange desk within JPMorgan and/or its affiliates in order to enter into spot foreign exchange transactions to convert foreign currency into U.S. dollars (FX Transactions). For certain currencies, FX Transactions are entered into with JPMorgan or an affiliate, as the case may be, acting in a principal capacity. For other currencies, FX Transactions are routed directly to and managed by an unaffiliated local custodian (or other third party local liquidity provider), and neither the JPMorgan nor any of its affiliates is a party to such FX Transactions.

The foreign exchange rate applied to an FX Transaction will be either (a) a published benchmark rate, or (b) a rate determined by a third party local liquidity provider, in each case plus or minus a spread, as applicable. The depositary will disclose which foreign exchange rate and spread, if any, apply to such currency on the "Disclosure" page (or successor page) of www.adr.com. Such applicable foreign exchange rate and spread may (and neither the depositary, JPMorgan nor any of their affiliates is under any obligation to ensure that such rate does not) differ from rates and spreads at which comparable transactions are entered into with other customers or the range of foreign exchange rates and spreads at which JPMorgan or any of its affiliates enters into foreign exchange transactions in the relevant currency pair on the date of the FX Transaction. Additionally, the timing of execution of an FX Transaction varies according to local market dynamics, which may include regulatory requirements, market hours and liquidity in the foreign exchange market or other factors. Furthermore, JPMorgan and its affiliates may manage the associated risks of their position in the market in a manner they deem appropriate without regard to the impact of such activities on us, the depositary, holders or beneficial owners. The spread applied does not reflect any gains or losses that may be earned or incurred by JPMorgan and its affiliates as a result of risk management or other hedging related activity.

Notwithstanding the foregoing, to the extent we provide U.S. dollars to the depositary, neither JPMorgan nor any of its affiliates will execute an FX Transaction as set forth herein. In such case, the depositary will distribute the U.S. dollars received from us.

We will pay all other charges and expenses of the depositary and any agent of the depositary (except the custodian) pursuant to agreements from time to time between us and the depositary. The charges described above may be amended from time to time by agreement between us and the depositary. The right of the depositary to receive payment of fees, charges and expenses as provided above shall survive the termination of the deposit agreement.

The depositary anticipates reimbursing us for certain expenses incurred by us that are related to the establishment and maintenance of the ADR program upon such terms and conditions as we and the depositary may agree from time to time. The depositary may make available to us a set amount or a portion of the depositary fees charged in respect of the ADR program or otherwise upon such terms and conditions as we and the depositary may agree from time to time. The depositary collects its fees for issuance and cancellation of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions, or by directly billing investors, or by charging the book-entry system accounts of participants acting for them. The depositary will generally set off the amounts owing from distributions made to holders of ADSs. If, however, no distribution exists and payment owing is not timely received by the depositary, the depositary may refuse to provide any further services to holders that have not paid those fees and expenses owing until such fees and expenses have been paid. At the discretion of the depositary, all fees and charges owing under the deposit agreement are due in advance and/or when declared owing by the depositary.

Payment of Taxes

If any taxes or other governmental charges (including any penalties and/or interest) shall become payable by or on behalf of the custodian or the depositary with respect to any ADR, any deposited securities represented by the ADSs evidenced thereby or any distribution thereon, such tax or other governmental charge shall be paid by the ADR holders to the depositary and by holding or having held an ADR or any ADSs evidenced thereby, the holder and all beneficial owners thereof and all prior holders and beneficial owners holders thereof, jointly and severally, agree to indemnify, defend and save harmless each of the depositary and its agents in respect of such tax or other governmental charge. Each Holder of this ADR and beneficial owner of the ADSs evidenced thereby, and each prior holder and beneficial owner and thereof (collectively, the Tax Indemnitors), by holding or having held an ADR or an interest in ADSs, acknowledges and agrees that the depositary shall have the right to seek payment of amounts owing with respect to this ADR from any one or more Tax Indemnitor(s) as determined by the depositary in its sole discretion, without any obligation to seek payment from any other Tax Indemnitor(s). If an ADR holder owes any tax or other governmental charge, the depositary may (i) deduct the amount thereof from any distributions, or (ii) sell deposited securities (by public or private sale) and deduct the amount owing from the net proceeds of such sale. In either case the ADR holder remains liable for any shortfall. If any tax or governmental charge is unpaid, the depositary may also refuse to effect any registration, registration of transfer, split-up or combination of ADRs or withdrawal of deposited securities until such payment is made. If any tax or governmental charge is required to be withheld on any cash distribution, the depositary may deduct the amount required to be withheld from any cash distribution or, in the case of a non-cash distribution, sell the distributed property or securities (by public or private sale) in such amounts and in such manner as the depositary deems necessary and practicable to pay such taxes and shall distribute any remaining net proceeds or the balance of any such property after deduction of such taxes to the ADR holders entitled thereto.

Notwithstanding the above, we will pay all stamp duties and other similar duties or taxes payable in the Cayman Islands, Singapore, the United States of America and any other jurisdiction, on or in connection with the constitution and issue of the ADSs and the execution or other event concerning the deposit agreement. If any legal proceedings are taken to enforce our obligations under the deposit agreement or the ADSs and for the purpose of such proceedings any of them are required to be taken into or enforced in any jurisdiction and stamp duties or other similar duties or taxes become payable in connection with such proceedings in such jurisdiction, the ADR holders will pay (or reimburse the person making a valid payment of) all such stamp duties and other similar duties and taxes, including any penalties and interest, unless otherwise ordered by a court of competent jurisdiction in such proceedings. The depositary may sell any deposited securities and cancel ADSs with respect thereof in order to pay any such stamp duties or other similar duties or taxes owed under the deposit agreement by ADR holders without the depositary being required to request payment thereof from the ADR holders.

Each holder and beneficial owner agrees to indemnify us, the depositary, its custodian and any of our or their respective officers, directors, employees, agents and affiliates against, and hold each of them harmless from, any claims by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced rate of withholding at source or other tax benefit obtained, and such obligations of the holders and beneficial owners shall survive the transfer of ADSs, any surrender of ADSs and withdrawal of deposited securities and any termination of the deposit agreement.

Reclassifications, Recapitalizations and Mergers

If we take certain actions that affect the deposited securities, including (i) any change in par value, split-up, consolidation, cancellation or other reclassification of deposited securities or (ii) any distributions of ordinary shares or other property not made to holders of ADRs or (iii) any recapitalization, reorganization, merger, consolidation, liquidation, receivership, bankruptcy or sale of all or substantially all of our assets, then the depositary may choose to, and shall if reasonably requested by us:

(1) Amend the form of ADR;

(2) Distribute additional or amended ADRs;

(3) Distribute cash, securities or other property it has received in connection with such actions;

(4) Sell by public or private sale any securities or property received; or

(5) None of the above.

If the depositary does not choose any of the above options, any of the cash, securities or other property it receives will constitute part of the deposited securities and each ADS will then represent a proportionate interest in such property.

Amendment and Termination

How may the deposit agreement be amended?

We may agree with the depositary to amend the deposit agreement and the ADSs without your consent for any reason. ADR holders or beneficial owners must be given at least 30 days' notice of any amendment that imposes or increases any fees or charges (other than stock transfer or other taxes and other governmental charges, transfer or registration fees, SWIFT, cable, telex or facsimile transmission costs, delivery costs or other such expenses), or that otherwise prejudices any substantial existing right of ADR holders or beneficial owners. Such notice need not describe in detail the specific amendments effectuated thereby, but must identify to ADR holders a means to access the text of such amendment. If an ADR holder continues to hold an ADR or ADRs after being so notified, such ADR holder is deemed to agree to such amendment and to be bound by the deposit agreement as so amended. Any amendments or supplements which (i) are reasonably necessary (as agreed by us and the depositary) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act of 1933 or (b) the ADSs or shares to be traded solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by ADR holders, shall be deemed not to prejudice any substantial rights of ADR holders or beneficial owners. Notwithstanding the foregoing, if any governmental body or regulatory body should adopt new laws, rules or regulations which would require amendment or supplement of the deposit agreement or the form of ADR to ensure compliance therewith, we and the depositary may amend or supplement the deposit agreement and the ADR at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement may take effect before a notice is given or within any other period of time as required for compliance. No amendment, however, will impair your right to surrender your ADSs and receive the underlying securities, except in order to comply with mandatory provisions of applicable law.

How may the deposit agreement be terminated?

The depositary may, and shall at our written direction, terminate the deposit agreement and the ADRs by mailing notice of such termination the registered holders of ADRs at least 30 days prior to the date fixed in such notice for such termination; provided, however, if the depositary shall have (i) resigned as depositary under the deposit agreement, notice of such termination by the depositary shall not be provided to registered holders unless a successor depositary shall not be operating under the deposit agreement within 60 days of the date of such resignation, and (ii) been removed as depositary under the deposit agreement, notice of such termination by the depositary shall not be provided to registered holders of ADRs unless a successor depositary shall not be operating under the deposit agreement on the 60th day after our notice of removal was first provided to the depositary. Notwithstanding anything to the contrary in the deposit agreement without notice to us, the depositary may terminate the deposit agreement without notice to us, but subject to giving 30 days' notice to the ADR holders, if: (i) we become bankrupt or insolvent, (ii) we effect (or will effect) a redemption of all or substantially all of the deposited securities, or a cash or share distribution representing a return of all or substantially all of the value of the deposited securities, or (iii) there occurs a merger, consolidation, sale of assets or other transaction as a result of which securities or other property are delivered in exchange for or in lieu of deposited securities.

After termination, the depositary shall use its reasonable efforts to ensure that the ADSs cease to be DTC eligible so that neither DTC nor any of its nominees shall thereafter be a holder. At such time as the ADSs cease to be DTC eligible and/or neither DTC nor any of its nominees is a holder, the depositary shall (a) instruct its custodian to deliver all deposited securities to us along with a general stock power that refers to the names set forth on the ADR Register and (b) provide us with a copy of the ADR Register. Upon receipt of such deposited securities and the ADR Register, we shall use our best efforts to issue to each holder a share certificate representing the shares represented by the ADSs reflected on the ADR Register in such holder's name and to deliver such share certificate to the holder at the address set forth on the ADR Register. After providing such instruction to the custodian and delivering a copy of the ADR Register to us, the depositary and its agents shall have no further obligations.

Limitations on Obligations and Liability to ADR holders

Limits on our obligations and the obligations of the depositary; limits on liability to ADR holders and holders of ADSs. Prior to the issue, registration, registration of transfer, split-up, combination, or withdrawal of any ADRs, or the delivery of any distribution in respect thereof, and from time to time in the case of the production of proofs as described below, we or the depositary or its custodian may require:

- Payment with respect thereto of (i) any stock transfer or other tax or other governmental charge, (ii) any stock transfer or registration fees in effect for the registration of transfers of ordinary shares or other deposited securities upon any applicable register and (iii) any applicable fees and expenses described in the deposit agreement;
- The production of proof satisfactory to it of (i) the identity of any signatory and genuineness of any signature and (ii) such other information, including without limitation, information as to citizenship, residence, exchange control approval, beneficial ownership of any securities, compliance with applicable law, regulations, provisions of or governing deposited securities and terms of the deposit agreement and the ADRs, as it may deem necessary or proper; and
- Compliance with such regulations as the depositary may establish consistent with the deposit agreement.

The issuance of ADRs, the acceptance of deposits of ordinary shares, the registration, registration of transfer, split-up or combination of ADRs or the withdrawal of shares, may be suspended, generally or in particular instances, when the ADR register or any register for deposited securities is closed or when any such action is deemed advisable by the depositary; provided that the ability to withdraw shares may only be limited under the following circumstances: (i) temporary delays caused by closing transfer books of the depositary or our transfer books or the deposit of ordinary shares in connection with voting at a shareholders' meeting, or the payment of dividends, (ii) the payment of fees, taxes, and similar charges, and (iii) compliance with any laws or governmental regulations relating to ADRs or to the withdrawal of deposited securities.

The deposit agreement expressly limits the obligations and liability of the depositary, ourselves and our respective directors, officers, employees, agents and affiliates, provided, however, that no disclaimer of liability under the Securities Act of 1933 is intended by any of the limitations of liabilities provisions of the deposit agreement. In the deposit agreement it provides that neither we nor the depositary nor any such other party will be liable to holders or beneficial owners if:

- Any present or future law, rule, regulation, fiat, order or decree of the United States, the Cayman Islands, Singapore or any other country or jurisdiction, or of any governmental or regulatory authority or securities exchange or market or automated quotation system, the provisions of or governing any deposited securities, any present or future provision of our charter, any act of God, war, terrorism, nationalization, expropriation, currency restrictions, work stoppage, strike, civil unrest, revolutions, rebellions, explosions, computer failure or circumstance beyond our, the depositary's or any such other party's direct and immediate control shall prevent or delay, or shall cause any of them to be subject to any civil or criminal penalty in connection with, any act which the deposit agreement or the ADRs provide shall be done or performed by us, the depositary or such other party (including, without limitation, voting);
- By reason of any non-performance or delay, caused in the performance of any act or things which by the terms of the deposit agreement it is provided shall or may be done or performed or it exercises or fails to exercise discretion under the deposit agreement or the ADRs including, without limitation, any failure to determine that any distribution or action may be lawful or reasonably practicable;

- It performs its obligations under the deposit agreement and ADRs without gross negligence or willful misconduct and the depositary shall not be a fiduciary or have any fiduciary duty to holders or beneficial owners; or
- It takes any action or refrains from taking any action in reliance upon the advice of or information from legal counsel, accountants, any person presenting ordinary shares for deposit, any registered holder of ADRs, or any other person believed by it to be competent to give such advice or information, or in the case of the depositary only, from us.

We and the depositary and its agents may rely and shall be protected in acting upon any written notice, request, direction, instruction or document believed by it to be genuine and to have been signed, presented or given by the proper party or parties.

Neither we, the depositary nor our respective agents have any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any deposited securities or the ADRs which in its opinion may involve it in expense or liability, if indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability is furnished as often as may be required. The depositary and its agents may fully respond to any and all demands or requests for information maintained by or on its behalf in connection with the deposit agreement, any registered holder or holders of ADRs, any ADRs or otherwise related to the deposit agreement or ADRs to the extent such information is requested or required by or pursuant to any lawful authority, including without limitation laws, rules, regulations, administrative or judicial process, banking, securities or other regulators. The depositary shall not be liable for the acts or omissions made by, or the insolvency of, any securities depository, clearing agency or settlement system. Furthermore, the depositary shall not be responsible for, and shall incur no liability in connection with or arising from, the insolvency of any custodian that is not a branch or affiliate of JPMorgan. Notwithstanding anything to the contrary contained in the deposit agreement or any ADRs, the depositary shall not be responsible for, and shall incur no liability in connection with or arising from, any act or omission to act on the part of the custodian except to the extent that any holder has incurred liability directly as a result of the custodian having (i) committed fraud or willful misconduct in the provision of custodial services to the depositary or (ii) failed to use reasonable care in the provision of custodial services to the depositary as determined in accordance with the standards prevailing in the jurisdiction in which the custodian is located. The depositary shall not have any liability for the price received in connection with any sale of securities, the timing thereof or any delay in action or omission to act nor shall it be responsible for any error or delay in action, omission to act, default or negligence on the part of the party so retained in connection with any such sale or proposed sale.

The depositary has no obligation to inform ADR holders or other holders of an interest in any ADSs about the requirements of the laws, rules or regulations of any country or jurisdiction or of any governmental or regulatory authority or any securities exchange or market or automated quotation system, or any changes therein or thereto.

Additionally, none of us, the depositary or the custodian shall be liable for the failure by any registered holder or beneficial owner of ADRs to obtain the benefits of credits or refunds of non-U.S. tax paid against such holder's or beneficial owner's income tax liability. Neither we nor the depositary shall incur any liability for any tax or tax consequences that may be incurred by registered holders or beneficial owners on account of their ownership of ADRs or ADSs.

Neither the depositary nor its agents will be responsible for any failure to carry out any instructions to vote any of the deposited securities, for the manner in which any such vote is cast or for the effect of any such vote. The depositary may rely upon instructions from us or our counsel in respect of any approval or license required for any currency conversion, transfer or distribution. The depositary shall not incur any liability for the content of any information submitted to it by us or on our behalf for distribution to ADR holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the deposited securities, for the validity or worth of the deposited securities, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the deposit agreement or for the failure or timeliness of any notice from us. The depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the depositary or in connection with any matter arising wholly after the removal or resignation of the depositary.

Neither we, the depositary nor any of our respective directors, officers, employees, agents or affiliates, nor our company's supervisors, shall be liable to registered holders or beneficial owners for any indirect, special, punitive or consequential damages (including, without limitation, legal fees and expenses) or lost profits, in each case of any form incurred by any person or entity (including, without limitation, holders and beneficial owners), whether or not foreseeable and regardless of the type of action in which such a claim may be brought.

In the deposit agreement each party thereto (including, for avoidance of doubt, each holder and beneficial owner and/or holder of interests in ADRs) irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any suit, action or proceeding against the depositary and/or us directly or indirectly arising out of or relating to the ordinary shares or other deposited securities, the ADSs or the ADRs, the deposit agreement or any transaction contemplated therein, or the breach thereof (whether based on contract, tort, common law or any other theory).

The depositary and its agents may own and deal in any class of securities of our company and our affiliates and in ADRs.

Disclosure of Interest in ADSs

To the extent that the provisions of or governing any deposited securities may require disclosure of or impose limits on beneficial or other ownership of, or interests in, deposited securities, other ordinary shares and other securities and may provide for blocking transfer, voting or other rights to enforce such disclosure or limits, you agree to comply with all such disclosure requirements and ownership limitations and to comply with any reasonable instructions we may provide in respect thereof.

Each ADR holder agrees to comply with requests from us pursuant to the laws, rules and regulations of the Cayman Islands, and Singapore, as well as the rules and regulations of any stock exchange on which the ordinary shares may hereinafter be registered, traded or listed to provide information, inter alia, as to the capacity in which such ADR holder owns ADRs (and ordinary shares as the case may be) and regarding the identity of any other person interested in such ADRs and the nature of such interest.

Books of Depositary

The depositary or its agent will maintain a register for the registration, registration of transfer, combination and split-up of ADRs, which register shall include the depositary's direct registration system. Registered holders of ADRs may inspect such register at the depositary's office at all reasonable times, but for the purpose of communicating with other ADR holders in the interest of the business of our company or a matter relating to the deposit agreement. Such register may be closed at any time or from time to time, when deemed expedient by the depositary.

The depositary will maintain facilities for the delivery and receipt of ADRs.

Appointment

In the deposit agreement, each registered holder of ADRs and each beneficial owner, upon acceptance of any ADSs or ADRs (or any interest in any of them) issued in accordance with the terms and conditions of the deposit agreement will be deemed for all purposes to:

- Be a party to and bound by the terms of the deposit agreement and the applicable ADR or ADRs,
- Appoint the depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the deposit agreement and the applicable ADR or ADRs, to adopt any and all procedures necessary to comply with applicable laws and to take such action as the depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the deposit agreement and the applicable ADR or ADRs, the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof, and

- Acknowledge and agree that (i) nothing in the deposit agreement or any ADR shall give rise to a partnership or joint venture among the parties thereto nor establish a fiduciary or similar relationship among such parties, (ii) the depositary, its divisions, branches and affiliates, and their respective agents, may from time to time be in the possession of non-public information about us, holders, beneficial owners and/or their respective affiliates, (iii) the depositary and its divisions, branches and affiliates may at any time have multiple banking relationships with us, holders, beneficial owners and/or the affiliates of any of them, (iv) the depositary and its divisions, branches and affiliates may, from time to time, be engaged in transactions in which parties adverse to us or the holders or beneficial owners may have interests, (v) nothing contained in the deposit agreement or any ADR(s) shall (A) preclude the depositary or any of its divisions, branches or affiliates from engaging in such transactions or establishing or maintaining such relationships, or (B) obligate the depositary or any of its divisions, branches or affiliates to disclose such transactions or relationships or to account for any profit made or payment received in such transactions or relationships, (vi) the depositary shall not be deemed to have knowledge of any information held by any branch, division or affiliate of the depositary and (vii) notice to a holder shall be deemed, for all purposes of the deposit agreement, to constitute notice to any and all beneficial owners of the ADSs evidenced by such holder's ADRs.

Governing Law, Submission to Jurisdiction and Arbitration

The deposit agreement, the ADSs and the ADRs are governed by and construed in accordance with the laws of the State of New York without giving effect to the application of the conflict of law principles thereof. In the deposit agreement, we have submitted to the jurisdiction of the state and federal courts of the State of New York and appointed an agent for service of process on our behalf. Notwithstanding the foregoing, subject to the terms described below, including the federal securities law carve-out set forth at the end of this sentence, (i) the depositary may refer any such suit, action or proceedings to arbitration in accordance with the provisions of the deposit agreement, and, upon such referral, any such suit, action or proceeding instituted by us shall be finally decided in such arbitration rather than in such court, (ii) the depositary may, in its sole discretion, elect to institute any dispute, suit, action, controversy, claim or proceeding directly or indirectly based on, arising out of or relating to the deposit agreement or the ADRs or the transactions contemplated thereby, including without limitation any question regarding its or their existence, validity, interpretation, performance or termination, against any other party or parties to the deposit agreement (including, without limitation, against ADR holders and beneficial owners), by having the matter referred to and finally resolved by an arbitration conducted under the terms described below, and (iii) the depositary may in its sole discretion require that any dispute, suit, action, controversy, claim, or proceeding of the type described in clause (ii) above, brought against the depositary by any party or parties to the deposit agreement (including, without limitation, by ADR holders and beneficial owners), shall be referred to and finally settled by an arbitration conducted under the terms described below; *provided however*, that to the extent there are specific federal securities law violation aspects to any disputes against us and/or the depositary brought by any ADR holder or beneficial owner, the federal securities law violation aspects of such disputes brought by an ADR holder and/or beneficial owner against us and/or the depositary may, at the option of such holder, remain in state or federal court in New York, New York and all other aspects, claims, disputes, legal suits, actions and/or proceedings brought by such holder against us and/or the depositary, including those brought along with, or in addition to, federal securities law violation claims, would be referred to arbitration in accordance with the provisions of the deposit agreement. Any such arbitration shall be conducted either in New York, New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association or in Hong Kong following the arbitration rules of the United Nations Commission on International Trade Law with the Hong Kong International Arbitration Centre serving as the appointing authority, and the language of any such arbitration shall be English.

Notwithstanding the foregoing, any suit, action or proceeding based on the deposit agreement, the ADSs or the ADRs or the transactions contemplated thereby may be instituted by the depositary in any competent court in the Cayman Islands, Singapore and/or the United States.

By holding an ADS or an interest therein, registered holders of ADRs and beneficial owners each irrevocably agree that subject to the depositary's rights, (i) any legal suit, action or proceeding against or involving us or the depositary, arising out of or based upon the deposit agreement, the ADSs or the ADRs or the transactions contemplated herein, therein or hereby may only be instituted in a state or federal court in New York, New York, and each irrevocably waives any objection which it may have to the laying of venue of any such proceeding, and irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

Not applicable.

Item 15. Controls and Procedures

A. Disclosure Controls and Procedures.

Our management, with the participation of our Chief Executive Officer and Chief Operating Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15I and 15d-15(e)) as of December 31, 2023. Based on such evaluation, our Chief Executive Officer and Chief Operating Officer have concluded that, as of December 31, 2023, our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Operating Officer, as appropriate to allow timely decisions regarding required disclosure.

B. Management's Annual Report on Internal Control over Financial Reporting.

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) and for the assessment of the effectiveness of our internal control over financial reporting. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management has assessed the effectiveness of our internal control over financial reporting based on the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework (2013 framework). Based on our evaluation, management has concluded that our internal control over financial reporting was effective as of December 31, 2023.

C. Attestation Report of the Registered Public Accounting Firm.

Our independent registered public accounting firm has issued an attestation report on management's assessment of our internal control over financial reporting (refer to the financial statements beginning on page F-4 of this Annual Report).

D. Changes in Internal Control over Financial Reporting.

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the period covered by this Annual Report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 16. [Reserved]

Item 16A. Audit Committee Financial Expert.

Our Audit Committee is comprised of three of our non-executive directors, Mr. Howden, Mr. Hoffman and Dr. Graham. The audit committee consists exclusively of "independent directors" as such term is defined in Rule 10A-3 under the Exchange Act and under the listing standards of the Nasdaq Stock Market. Mr. Hoffman serves as chair of this committee. Our Board has determined that Mr. Hoffman is an "audit committee financial expert" as defined in Item 16A of Form 20-F.

Item 16B. Code of Ethics.

We have adopted a code of business conduct and ethics (Code of Business Conduct and Ethics) that covers a broad range of matters including the handling of conflicts of interest, compliance issues and other corporate policies. Our Code of Business Conduct and Ethics is applicable to all of our employees, officers and directors, including our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions. We have posted a copy of our Code of Business Conduct and Ethics on our website at ir.aslanpharma.com/corporate-governance/highlights. We undertake to provide a copy of this code without charge upon request. Please direct all requests to contact@aslanpharma.com. We expect that any amendment to this code, or any waivers of its requirements, will be disclosed on our website and approve by board of directors. Information contained on, or that can be accessed through, our website is not incorporated by reference into this annual report. See "Item 6.C. Board Practices — Code of Business Conduct and Ethics" for more information.

Item 16C. Principal Accountant Fees and Services.

The table below summarizes the fees that we paid for services provided by Deloitte & Touche LLP (PCAOB ID Number: 1046) and its affiliated firms (Deloitte Entities) for the years ended December 31, 2022 and 2023. All audit and non-audit services provided by Deloitte & Touche LLP were pre-approved by our audit committee paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X, entitled "Audit Committee Administration of the Engagement".

Fee Category	Year Ended December 31,	
	2022	2023
	(in thousands)	
Audit fees	$ 431	$ 583
Audit-related fees	257	117
Tax fees	9	9
All other fees	—	—
Total	**$ 697**	**$ 709**

Audit Fees. This category includes the audit of our annual financial statements, review of quarterly financial statements and services that are normally provided by the independent registered public accounting firms in connection with statutory and regulatory filings or engagements for those fiscal years. This category also includes advice on audit and accounting matters that arose during, or as a result of, the audit or the review of quarterly financial statements and statutory audits required by U.S. jurisdictions and non-U.S. jurisdictions and also public offering service fees occurred in the fiscal year if applicable.

Audit-related fees. Audit-related fees included fees for comfort letter on our current and historical financial information included in our SEC registration statements in connection with our supplementary public offering on the Nasdaq Capital Market.

Tax fees. Tax fees consisted of fees relating to tax compliance services and advice relating to the company's assessment of its passive foreign investment status.

The 2023 principal accountant fees included the service from Deloitte & Touche LLP.

All other fees.

Audit Committee Pre-Approval Policies and Procedures

Our audit committee reviews and pre-approves the scope and the cost of audit services related to us and permissible non-audit services performed by the independent auditors. All of the services related to our company provided by Deloitte & Touche LLP during the last fiscal year have been approved by the audit committee.

Deloitte & Touche LLP Singapore (PCAOB ID Number: 1046) is a Singapore Registered Accounting firm with the Public Company Accounting Oversight Board (PCAOB), and the firm's audit services related to us are subject to PCAOB reviews.

Item 16D. Exemptions from the Listing Standards for Audit Committees.

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

Not applicable.

Item 16F. Change in Registrant's Certifying Accountant.

Not applicable.

Item 16G. Corporate Governance.

We are a "foreign private issuer," as defined by the SEC. As a result, in accordance with the rules and regulations of The Nasdaq Stock Market LLC (Nasdaq), we comply with home country governance requirements and certain exemptions thereunder rather than complying with Nasdaq corporate governance standards. While we voluntarily follow most Nasdaq corporate governance rules, we intend to take advantage of the following exemptions afforded to foreign private issuers:

- We do not intend to follow Nasdaq Rule 5620, which requires that we hold an annual general meeting of shareholders and that we provide notice thereof to Nasdaq. Such annual general meeting requirement is not required under Cayman Islands law nor our Twelfth Amended and Restated Memorandum and Articles of Association, and instead our board of directors may convene an annual general meeting of shareholders at its discretion.
- We do not intend to follow certain provisions of Nasdaq Rule 5635, which requires shareholder approval for certain issuances of our securities, including: (a) issuances where the issued common stock will equal 20% or more of the number of shares of common stock or voting power outstanding before the issuance, except if the issuance is (i) a public offering or (ii) at a price not less than the greater of the book value, or the market value, of the stock; (b) issuances in connection with a stock option or purchase plan to be established or materially amended to which stock may be acquired by officers, directors, employees, or consultants; and (c) issuances in connection with the acquisition of the stock or assets of another company that, on issuance, will equal 20% or more of the number of shares or voting power outstanding before such issuance. Such shareholder approval requirements are not required under Cayman Islands law nor our Twelfth Amended and Restated Memorandum and Articles of Association, and instead our board of directors may decide to proceed with issuances under (a), (b) or (c), in its sole discretion, or if our board of directors so chooses, it may receive prior approval from our shareholders by ordinary resolution.

- We do not intend to follow Nasdaq Rule 5640, which requires that voting rights of existing shareholders of publicly traded registered common stock cannot be disparately reduced or restricted through any corporate action or issuance. Such voting rights are not required under Cayman Islands law nor our Twelfth Amended and Restated Memorandum and Articles of Association, and instead we may issue shares with rights which are preferential to those of our currently issued ordinary shares, and the rights of such preferred shares may include the order of, or restriction on, the voting rights of the holders thereof. Notwithstanding the foregoing, our Twelfth Amended and Restated Memorandum and Articles of Association provide that the rights attached to any such class of shares may, subject to any rights or restrictions for the time being attached to any class, only be materially adversely varied or abrogated with the consent in writing of the holders of not less than two-thirds of the issued shares of the relevant class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of such class by a majority of two-thirds of the votes cast at such a meeting. However, our Twelfth Amended and Restated Memorandum and Articles of Association further provide that the rights conferred upon the holders of shares shall not, subject to any rights or restrictions for the time being attached to the shares of that class, be deemed to be materially adversely varied or abrogated by, inter alia, the creation, allotment or issue of further shares ranking pari passu with or subsequent to them or the redemption or purchase of any shares of any class by us.

We intend to follow our home country practices in lieu of the foregoing requirements. Although we may rely on home country corporate governance practices in lieu of certain of the rules in the Nasdaq Rule 5600 Series, Rule 5250(b)(3), and Rule 5250(d), we must comply with Nasdaq's Notification of Noncompliance requirement (Rule 5625), and have an audit committee that satisfies Rule 5605(c)(3), consisting of committee members that meet the independence requirements of Rule 5605(c)(2)(A)(ii). Although we currently intend to comply with the Nasdaq corporate governance rules applicable other than as noted above, we may in the future decide to use the foreign private issuer exemption with respect to some or all the other Nasdaq corporate governance rules.

In addition, as a foreign private issuer, we take advantage of the following exemptions from SEC reporting obligations:

- Exemption from filing quarterly reports on Form 10-Q or provide current reports on Form 8-K, disclosing significant events within four days of their occurrence.
- Exemption from Section 16 rules regarding sales of common shares by insiders, which will provide less data in this regard than shareholders of U.S. companies that are subject to the Exchange Act.

Accordingly, our shareholders will not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of Nasdaq and the domestic reporting requirements of the SEC. We may utilize these exemptions for as long as we continue to qualify as a foreign private issuer.

Item 16H. Mine Safety Disclosure.

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

Item 16J. Insider Trading Policies.

Not applicable.

Item 16K. Cybersecurity.

Risk management and strategy

We have implemented and maintain various information security processes designed to identify, assess and manage material risks from cybersecurity threats to our critical computer networks, third party hosted services, communications systems, hardware and software, and our critical data, including intellectual property, confidential information that is proprietary, strategic or competitive in nature, sensitive information related to our clinical trials, and personal information of our employees ("Information Systems and Data").

The Company's Information Technology Manager ("IT Manager"), with assistance from legal and our third-party cybersecurity vendors, helps identify, assess, and manage the Company's cybersecurity threats and risks. Together, they identify and assess risks from cybersecurity threats by monitoring and evaluating our threat environment using various methods including, for example, manual tools, analyzing reports of certain threats and actors, conducting scans of certain threat environments, evaluating our and our industry's risk profile, evaluating certain threats reported to us, and conducting vulnerability assessments to identify certain vulnerabilities.

Depending on the environment and system, we implement and maintain various technical, physical, and organizational measures, processes, standards, and policies designed to manage and mitigate material risks from cybersecurity threats to our Information Systems and Data, including, for example, an incident response plan, incident detection and response tools, risk assessments, access controls, employee training, and monitoring of certain systems.

Our assessment and management of material risks from cybersecurity threats are integrated into the Company's overall risk management processes. For example, cybersecurity risk is addressed as a component of the Company's enterprise risk management program and we have established a Cybersecurity Incident Management Team (CSI Team), responsible for evaluating material risks from cybersecurity threats against our overall business objectives and reporting to the board of directors, which evaluates our overall enterprise risk.

We use third-party service providers to assist us from time to time to identify, assess, and manage material risks from cybersecurity threats, including, for example, professional services firms, including legal counsel and certain cybersecurity service providers. We use third-party service providers to perform a variety of functions throughout our business. For example, our IT services are cloud-based and we have no on-premises equipment. Therefore, we rely on third-party service providers such as cloud providers and hosting companies, as well as other third-party service providers, such as contract research organizations and contract manufacturing organizations. We have processes in place for choosing and assessing certain third-party service providers to manage cybersecurity risks associated with our use of these providers.

For a description of the risks from cybersecurity threats that may materially affect the Company and how they may do so, see our risk factors under Part 1. Item 1A. Risk Factors in this Annual Report on Form 10-K, including "If our information technology systems or those of third parties upon which we rely, or our data are or were compromised, we could experience adverse consequences resulting from such compromise, including but not limited to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; and other adverse consequences."

Governance

Our board of directors addresses the Company's cybersecurity risk management as part of its general oversight function. The board of directors is responsible for overseeing Company's cybersecurity risk management processes, including oversight of mitigation of risks from cybersecurity threats.

Our cybersecurity risk assessment and management processes are implemented and maintained by certain Company management, including the Chief Executive Officer ("CEO"), General Counsel, Chief Operating Officer ("COO") and IT Manager. The IT Manager, who reports to the COO, is responsible for hiring appropriate personnel, helping to integrate cybersecurity risk considerations into the Company's overall risk management strategy, and communicating key priorities to relevant personnel. The COO is responsible for approving budgets, helping prepare for cybersecurity incidents, approving cybersecurity processes, and reviewing security assessments and other security-related reports.

The board receives periodic reports from the COO concerning the Company's significant cybersecurity threats and risks and the processes the Company has implemented to address them. The board also has access to various reports, summaries or presentations related to cybersecurity threats, risk and mitigation.

PART III

Item 17. Financial Statements

See pages F-1 through F-48 of this Annual Report on Form 20-F.

Item 18. Financial Statements

The financial statements are filed as part of this Annual Report beginning on page F-1.

Item 19. Exhibits

List all exhibits filed as part of the registration statement or annual report, including exhibits incorporated by reference.

EXHIBIT INDEX

Exhibit	Description	Incorporated by Reference			
		Schedule/ Form	File Number	Exhibit	File Date
1.1	Twelfth Amended and Restated Memorandum and Articles of Association of the Registrant, as currently in effect.	6-K	001-38475	99.1	01/24/2024
2.1	Form of Amended and Restated Deposit Agreement.	F-6EF	333-248632	EX-99.A	09/04/2020
2.2	Form of Amendment No. 1 to the Amended and Restated Deposit Agreement.	F-6 POS	333-224273	EX-99.A(2)	03/03/2023
2.3	Form of American Depositary Receipt (included in Exhibit 2.2).	F-6 POS	333-224273	EX-99.A(2)	03/03/2023
2.4	Warrant to Purchase Ordinary Shares.	6-K	001-38475	4.1	07/14/2021
2.5	Amendment No. 1 to Warrant to Purchase Ordinary Shares.	6-K	001-38475	4.1	07/03/2023
2.6*	Description Of Securities Registered Under Section 12 of the Exchange Act.				
2.7	Form of Pre-Funded Warrant.	6-K	001-38475	99.2	02/24/2023
2.8	Form of Tranche 1A Warrant.	6-K	001-38475	99.3	02/24/2023
2.9	Form of Tranche 1B Warrant.	6-K	001-38475	99.4	02/24/2023
2.10	Form of Tranche 2A Warrant.	6-K	001-38475	99.5	02/24/2023
2.11	Form of Tranche 2B Warrant.	6-K	001-38475	99.6	02/24/2023
2.12	Form of Purchase Warrant.	6-K	001-38475	4.1	03/13/2024
4.1†	ASLAN Pharmaceuticals Limited 2014 Employee Share Option Scheme Plan.	F-1	333-223920	10.1	03/26/2018
4.2†	ASLAN Pharmaceuticals Limited 2017 Employee Share Option Plan 1.	F-1	333-223920	10.2	03/26/2018
4.3†	ASLAN Pharmaceuticals Pte. Ltd. 2017 SMT Long Term Incentive Plan.	F-1	333-223920	10.3	03/26/2018
4.4†	ASLAN Pharmaceuticals Limited 2020 Equity Incentive Plan	6-K	001-38475	4.1	12/10/2020
4.5#	License Agreement, dated January 3, 2018, by and between ASLAN Pharmaceuticals Pte. Ltd. and Array BioPharma Inc.	F-1	333-223920	10.4	03/26/2018
4.6#	Amended Development and License Agreement, dated December 21, 2015, by and between ASLAN Pharmaceuticals Pte. Ltd. and Almirall, S.A., as amended.	F-1	333-223920	10.5	03/26/2018

4.7	Open Market Sale Agreement[SM], dated October 9, 2020, as amended September 13, 2022, by and among the Registrant and Jefferies LLC.	6-K	001-38475	99.5	10/09/2020
4.8	Amendment No. 1 to the Open Market Sale AgreementSM, dated as of September 13, 2022, by and between the Company and Jefferies LLC	6-K	001-38475	99.1	09/13/2022
4.9	Unit Purchase Agreement, dated February 24, 2023, by and among the Registrant and the Purchasers named therein.	6-K	001-38475	99.1	02/24/2023
4.10†	Form of Indemnity Agreement by and between ASLAN Pharmaceuticals Limited and each director and executive officer.	F-1/A	333-223920	10.9	04/16/2018
4.11+	License Agreement, dated February 27, 2019, by and between ASLAN Pharmaceuticals Pte. Ltd. and BioGenetics Co., Ltd.	20-F	001-38475	4.10	04/29/2019
4.12+	License Agreement, dated March 11, 2019, by and between ASLAN Pharmaceuticals Pte. Ltd. and BioGenetics Co., Ltd.	20-F	001-38475	4.11	04/29/2019
4.13+	Deed of Amendment and Restatement, dated May 31, 2019, by and between ASLAN Pharmaceuticals Pte. Ltd. and CSL Limited.	6-K	001-38475	10.1	06/17/2019
4.14+	Loan, Guaranty, and Security Agreement, dated as of July 12, 2021, by and among ASLAN Pharmaceuticals Limited, ASLAN Pharmaceuticals (USA) Inc., ASLAN Pharmaceuticals Pte. Ltd., K2 HealthVentures LLC and Ankura Trust Company, LLC.	6-K	001-38475	10.1	07/14/2021
4.15	First Amendment to Loan, Guaranty and Security Agreement, dated as of June 30, 2023, by and among ASLAN Pharmaceuticals Limited, ASLAN Pharmaceuticals (USA) Inc., ASLAN Pharmaceuticals Ptd. Ltd., and K2 HealthVentures LLC.	6-K	001-38475	10.1	07/03/2023
4.16	Second Amendment to Loan, Guaranty, and Security Agreement, dated as of December 6, 2023, by and among ASLAN Pharmaceuticals Limited, ASLAN Pharmaceuticals (USA) Inc., ASLAN Pharmaceuticals Pte. Ltd., K2 HealthVentures LLC and Ankura Trust Company, LLC.	6-K	001-38475	4.1	12/08/2023

4.17*+	Collaborative Development & Commercialisation Agreement, dated June 22, 2023, by and among ASLAN Pharmaceuticals Limited and Zenyaku Kogyo Co., Ltd.				
4.18*	First Amendment to Collaborative Development & Commercialisation Agreement, dated January 31, 2024, by and among ASLAN Pharmaceuticals Limited and Zenyaku Kogyo Co., Ltd.				
4.19	Form of Securities Purchase Agreement, dated March 12, 2024, by and between the Company and the Purchaser.	6-K	001-38475	10.1	03/13/2024
8.1	Subsidiaries of the registrant.	20-F	001-38475	8.1	03/24/2023
12.1*	Certification by the Principal Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
12.2*	Certification by the Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
13.1**	Certification by the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
13.2**	Certification by the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
15.1*	Consent of Independent Registered Public Accounting Firm, Deloitte & Touche LLP				
97.1*	ASLAN Pharmaceuticals Limited Incentive Compensation Recoupment Policy, adopted March 13, 2024.				
101.INS*	Inline XBRL Instance Document				
101.SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents				
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				

* Filed herewith.

** Furnished herewith.

† Indicates a management contract or any compensatory plan, contract or arrangement.

Confidential treatment has been granted from the Securities and Exchange Commission as to certain portions of this document.

+ Certain portions of this exhibit (indicated by "[***]") have been omitted pursuant to confidential treatment.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

ASLAN PHARMACEUTICALS LIMITED

Date: April 12, 2024

By: /s/ Carl Firth, Ph.D.
Carl Firth, Ph.D.
Chief Executive Officer

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of

ASLAN Pharmaceuticals Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of ASLAN Pharmaceuticals Limited and its subsidiaries (the "Company") as of December 31, 2022 and 2023, the related consolidated statements of comprehensive loss, changes in equity and cash flows, for each of the three years in the period ended December 31, 2023, and the related notes (collectively, referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated April 12, 2024, expressed an unqualified opinion on the Company's internal control over financial reporting.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 4c to the financial statements, the Company has an accumulated deficit due to recurring losses from operations, and management expects that the Company will incur additional losses that raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 4c. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Going concern is also communicated as a critical audit matter below.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

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

Going Concern — Refer to Note 4c to the Financial Statements (also see Going Concern explanatory paragraph above)

Critical Audit Matter Description

As described above and in Note 4c to the financial statements, the Company has an accumulated deficit and its activities have been funded primarily through public and private offerings. Management expects that the Company will incur additional losses as it continues to focus its resources on advancing the development of its therapeutic candidates that will result in continuing negative cash flows from operating activities. The future operations of the Company is dependent on raising additional capital via equity or debt financing or receiving upfront and milestone payments in connection with licensing deals which is subject to negotiation. These conditions and events raise substantial doubt about the Company's ability to continue as a going concern.

The principal considerations for our determination that performing procedures related to the Company's ability to continue as a going concern is a critical audit matter due to the estimation and execution uncertainty regarding the Company's future cash flows and the risk of bias in management's judgements and assumptions in estimating these cash flows to conclude the Company would have sufficient liquidity to fund its operations. This in turn led to a high degree of auditor subjectivity and judgement to evaluate the audit evidence supporting the going concern conclusions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the future cash flows included the following, among others:

- We tested the effectiveness of controls over management's forecasts including the review of the inputs and assumptions used in these forecasts.
- We evaluated management's ability to accurately forecast by comparing actual results to management's historical forecasts.
- We inquired of management and reviewed board minutes discussions regarding the planned mitigating actions to manage costs and cash flows and assessed whether the mitigating actions were within the Company's control.
- We evaluated the reasonableness of the underlying data generated to prepare the forecast and determined whether there was adequate support for the assumptions underlying the forecast.
- We assessed the appropriateness of the Company's going concern disclosures included in Note 4c to the financial statements.

/s/ Deloitte & Touche LLP
Singapore
April 12, 2024
We have served as the Company's auditor since 2021.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of

ASLAN Pharmaceuticals Limited

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of ASLAN Pharmaceuticals Limited and its subsidiaries (the "Company") as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2023, of the Company and our report dated April 12, 2024, expressed an unqualified opinion on those financial statements and included an explanatory paragraph regarding the Company's ability to continue as a going concern.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP
Singapore
April 12, 2024

ASLAN PHARMACEUTICALS LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2023
(In U.S. Dollars, other than shares or share data, or otherwise noted)

	2022	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (Note 6)	$ 56,902,077	$ 21,252,058
Other assets (Note 7)	3,976,350	2,877,934
Total current assets	60,878,427	24,129,992
NON-CURRENT ASSETS		
Investments in equity instrument at fair value through other comprehensive income (Notes 9 and 22)	—	235,567
Investment in associate company (Note 11)	8,587	—
Property, plant and equipment, net	43,140	29,268
Right-of-use assets	249,601	229,982
Intangible assets	5,836	1,716
Total non-current assets	307,164	496,533
TOTAL ASSETS	$ 61,185,591	$ 24,626,525
LIABILITIES AND EQUITY/(CAPITAL DEFICIENCY)		
CURRENT LIABILITIES		
Trade payables (Note 12)	$ 12,784,485	$ 7,918,607
Other payables (Note 12)	2,325,038	3,081,329
Current borrowings (Notes 13 and 21)	7,748,831	1,800,387
Lease liabilities – current (Note 21)	215,671	226,187
Financial liabilities at fair value through profit or loss (Notes 8, 21 and 22)	90,213	88,394
Total current liabilities	23,164,238	13,114,904
NON-CURRENT LIABILITY		
Long-term borrowings (Notes 13 and 21)	29,656,133	24,798,552
Total non-current liability	29,656,133	24,798,552
TOTAL LIABILITIES	52,820,371	37,913,456
EQUITY ATTRIBUTABLE TO STOCKHOLDERS OF THE COMPANY (Note 14)		
Ordinary shares	63,019,962	63,931,993
Capital surplus	223,910,955	243,791,693
Accumulated deficit	(278,386,749)	(321,067,236)
Other reserves	(178,948)	56,619
Total equity attributable to stockholders of the Company	8,365,220	(13,286,931)
NON-CONTROLLING INTERESTS	—	—
Total equity/(Capital deficiency)	8,365,220	(13,286,931)
TOTAL LIABILITIES AND EQUITY/(CAPITAL DEFICIENCY)	$ 61,185,591	$ 24,626,525

The accompanying notes are an integral part of the consolidated financial statements.

ASLAN PHARMACEUTICALS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2021, 2022 AND 2023
(In U.S. Dollars, other than shares or share data, or otherwise noted)

	2021	2022	2023
NET REVENUE (Note 24)	$ —	$ —	$ 12,000,000
COST OF REVENUE	—	—	—
GROSS PROFIT	—	—	12,000,000
OPERATING EXPENSES			
General and administrative expenses	(11,825,131)	(9,881,993)	(13,240,218)
Research and development expenses	(22,021,321)	(38,000,494)	(42,495,379)
Total operating expenses	(33,846,452)	(47,882,487)	(55,735,597)
LOSS FROM OPERATIONS	(33,846,452)	(47,882,487)	(43,735,597)
NON-OPERATING INCOME AND EXPENSES			
Interest income	219	354,457	404,981
Other income (Note 16a)	1,108,072	386,138	462,321
Gain on dilution of subsidiary and recognition of associate	2,307,735	—	—
Other gains and losses (Note 16b)	1,106,510	(29,583)	3,121,606
Finance costs (Note 16c)	(1,860,954)	(3,675,689)	(4,331,661)
Total non-operating income and expenses	2,661,582	(2,964,677)	(342,753)
Share in losses of associate company, accounted for using equity method (Note 10)	(405,712)	(436,032)	(8,587)
LOSS BEFORE INCOME TAX (Note 16)	(31,590,582)	(51,283,196)	(44,086,937)
INCOME TAX EXPENSES (Note 17)	—	(99,221)	(132,667)
NET LOSS FOR THE YEAR	(31,590,582)	(51,382,417)	(44,219,604)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss:			
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	—	—	235,567
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	$ (31,590,582)	$ (51,382,417)	$ (43,984,037)
NET LOSS ATTRIBUTABLE TO			
Stockholders of the Company	$ (31,321,618)	$ (51,382,417)	$ (44,219,604)
Non-controlling interests	(268,964)	—	—
	$ (31,590,582)	$ (51,382,417)	$ (44,219,604)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO			
Stockholders of the Company	$ (31,321,618)	$ (51,382,417)	$ (43,984,037)
Non-controlling interests	(268,964)	—	—
	$ (31,590,582)	$ (51,382,417)	$ (43,984,037)
LOSS PER ORDINARY SHARE (Note 18)			
Basic and diluted	$ (0.10)	$ (0.15)	$ (0.11)
LOSS PER EQUIVALENT ADS (Note 18)			
Basic and diluted	$ (2.40)	$ (3.68)	$ (2.69)

The accompanying notes are an integral part of the consolidated financial statements.

ASLAN PHARMACEUTICALS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021, 2022 AND 2023
(In U.S. Dollars, other than shares or share data, or otherwise noted)

	Equity Attributable to Stockholders of the Company										
	Ordinary Shares (Note 14)		Capital Surplus (Note 14)								
	Number of Ordinary Shares	Amount Par	Ordinary Surplus	Share Options Reserve	Equity Instruments	Other	Total	Accumulated Deficit	Unrealized Valuation (Loss)/Gain on Equity Instrument at Fair Value Through Other Comprehensive Income	Non-controlling Interests	Total Equity/(Capital Deficiency)
BALANCE AT JANUARY 1, 2021	209,675,470	$ 61,826,237	$ 115,754,741	$ 6,406,791	$ —	$ 1,420,928	$ 123,582,460	$ (195,682,714)	$ (178,948)	$ 300,681	$ (10,152,284)
Issuance of new share capital (Note 14)	136,412,540	$ 1,167,371	$ 100,388,337	$ —	$ —	$ —	$ 100,388,337	$ —	$ —	$ —	$ 101,555,708
Transaction costs attributable to the issuance of ordinary shares	—	$ —	$ (4,576,671)	$ —	$ —	$ —	$ (4,576,671)	$ —	$ —	$ —	$ (4,576,671)
Exercise of employee share options (Note 19)	590,000	$ 5,900	$ 726,976	$ (511,166)	$ —	$ —	$ 215,810	$ —	$ —	$ —	$ 221,710
Recognition of employee share options expense by the Company (Note 19)	—	$ —	$ —	$ 2,428,128	$ —	$ —	$ 2,428,128	$ —	$ —	$ —	$ 2,428,128
Warrants exercised (Note 14d)	2,045,355	$ 20,454	$ 805,346	$ —	$ —	$ —	$ 805,346	$ —	$ —	$ —	$ 825,800
Non-controlling interests derecognized due to dilution of subsidiary	—	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ (31,717)	$ (31,717)
Reclassification of capital reserve to profit or loss	—	$ —	$ —	$ —	$ —	$ (1,376,349)	$ (1,376,349)	—	$ —	$ —	$ (1,376,349)
Net loss for the year ended December 31, 2021	—	$ —	$ —	$ —	$ —	$ —	$ —	$ (31,321,618)	$ —	$ (268,964)	$ (31,590,582)
Total comprehensive loss for the year ended December 31, 2021	—	$ —	$ —	$ —	$ —	$ —	$ —	$ (31,321,618)	$ —	$ (268,964)	$ (31,590,582)
BALANCE AT DECEMBER 31, 2021	348,723,365	$ 63,019,962	$ 213,098,729	$ 8,323,753	$ —	$ 44,579	$ 221,467,061	$ (227,004,332)	$ (178,948)	$ —	$ 57,303,743
BALANCE AT JANUARY 1, 2022	348,723,365	$ 63,019,962	$ 213,098,729	$ 8,323,753	$ —	$ 44,579	$ 221,467,061	$ (227,004,332)	$ (178,948)	$ —	$ 57,303,743
Recognition of employee share options expense by the Company (Note 19)	—	$ —	$ —	$ 2,443,894	$ —	$ —	$ 2,443,894	$ —	$ —	$ —	$ 2,443,894
Net loss for the year ended December 31, 2022	—	$ —	$ —	$ —	$ —	$ —	$ —	$ (51,382,417)	$ —	$ —	$ (51,382,417)
Total comprehensive loss for the year ended December 31, 2022	—	$ —	$ —	$ —	$ —	$ —	$ —	$ (51,382,417)	$ —	$ —	$ (51,382,417)
BALANCE AT DECEMBER 31, 2022	348,723,365	$ 63,019,962	$ 213,098,729	$ 10,767,647	$ —	$ 44,579	$ 223,910,955	$ (278,386,749)	$ (178,948)	$ —	$ 8,365,220
BALANCE AT JANUARY 1, 2023	348,723,365	$ 63,019,962	$ 213,098,729	$ 10,767,647	$ —	$ 44,579	$ 223,910,955	$ (278,386,749)	$ (178,948)	$ —	$ 8,365,220
Issuance of new share capital (Notes 14 and A)	91,203,115	$ 912,031	$ 6,769,281	$ —	$ —	$ —	$ 6,769,281	$ —	$ —	$ —	$ 7,681,312
Issuance of Pre-Funded Warrant (Notes 14 and A)	—	$ —	$ —	$ —	$ 8,262,698	$ —	$ 8,262,698	$ —	$ —	$ —	$ 8,262,698
Issuance of Tranche Warrants (Notes 14 and A)	—	$ —	$ —	$ —	$ 3,712,402	$ —	$ 3,712,402	$ —	$ —	$ —	$ 3,712,402
Expiry of Tranche Warrants (Notes 14 and A)	—	$ —	$ —	$ —	$ (1,539,117)	$ —	$ (1,539,117)	$ 1,539,117	$ —	$ —	$ —
Transaction costs attributable to the issuance of ordinary shares (Note A)	—	$ —	$ (93,805)	$ —	$ —	$ —	$ (93,805)	$ —	$ —	$ —	$ (93,805)
Recognition of employee share options expense by the Company (Note 19)	—	$ —	$ —	$ 2,769,279	$ —	$ —	$ 2,769,279	$ —	$ —	$ —	$ 2,769,279
Net loss for the year ended December 31, 2023	—	$ —	$ —	$ —	$ —	$ —	$ —	$ (44,219,604)	$ —	$ —	$ (44,219,604)
Other comprehensive gain for the year ended December 31, 2023, net of income tax	—	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 235,567	$ —	$ 235,567
Total comprehensive loss for the year ended December 31, 2023	—	$ —	$ —	$ —	$ —	$ —	$ —	$ (44,219,604)	$ 235,567	$ —	$ (43,984,037)
BALANCE AT DECEMBER 31, 2023	439,926,480	$ 63,931,993	$ 219,774,205	$ 13,536,926	$ 10,435,983	$ 44,579	$ 243,791,693	$ (321,067,236)	$ 56,619	$ —	$ (13,286,931)

The accompanying notes are an integral part of the consolidated financial statements.

Note A: A total of $23,027,787 net proceeds was raised which comprised of $19,994,760 from a private placement (Note 14a) and $3,033,027 from an ATM offering (Note 14c) of which an amount of $3,465,180 was recorded as financial liabilities measured at fair value through profit or loss as at the

inception date relating to Tranche 1B & 2B warrants (Note 14a). Included within the private placement is Tranche 1A Warrant of $1,539,897 which lapsed during the year and has been subsequently reclassified from equity instruments to accumulated deficit (Note 14a).

ASLAN PHARMACEUTICALS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021, 2022 AND 2023
(In U.S. Dollars, other than shares or share data, or otherwise noted)

	2021	2022	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before income tax	$ (31,590,582)	$ (51,283,196)	$ (44,086,937)
Adjustments for:			
Depreciation expenses	279,660	327,632	344,378
Amortization expenses	2,564	4,120	4,120
Net gain on fair value changes of financial assets and liabilities at fair value through profit or loss	(488,255)	(133,139)	(3,466,999)
Finance costs	1,860,954	3,675,689	4,331,661
Interest income	(219)	(1,312)	(125,825)
Interest income from money market fund	—	(353,145)	(279,156)
Gain on dilution of subsidiary and recognition of associate	(2,307,735)	—	—
Share of loss of associates accounted for using equity method	405,712	436,032	8,587
Compensation costs recognized of share-based payment transactions and long-term incentive plan	2,193,367	1,976,760	2,703,200
Gain on disposal of property, plant and equipment	—	(1,172)	(148)
Unrealized (gain)/loss on foreign exchange, net	(230,619)	88,866	198,842
Gain on lease termination	—	(14,115)	—
Interest accretion income on short-term investment, net of management fee	—	(87,493)	—
Others	—	50,109	—
Changes in operating assets and liabilities			
(Increase) Decrease in other assets	(2,490,143)	(357,724)	1,097,877
Increase (Decrease) in trade payables	797,228	9,667,699	(4,865,880)
(Decrease) Increase in other payables	(2,157,966)	41,545	816,241
Decrease in other current labilities	(269,735)	—	—
Cash used in operations	(33,995,769)	(35,962,844)	(43,320,039)
Interest received	219	1,312	125,825
Interest paid	—	(2,338,715)	(3,318,576)
Income tax paid	—	(105,000)	(126,208)
Net cash used in operating activities	(33,995,550)	(38,405,247)	(46,638,998)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	(36,448)	(27,111)	(10,781)
Proceeds from disposal of property, plant and equipment	—	1,172	148
Payments for intangible assets	(12,360)	—	—
Decrease in refundable deposits	20,653	—	—
Interest income from money market fund	—	353,145	279,156
Purchase of short-term investments	—	(16,512,507)	—
Proceeds from maturities of short-term investments	—	16,600,000	—
Net cash (used in) from investing activities	(28,155)	414,699	268,523
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings	20,000,000	5,000,000	—
Repayment on long-term borrowings	(7,784,087)	—	(12,000,000)
Repayment of the principal portion of lease liabilities	(353,649)	(262,798)	(296,920)
Repayment of the interest portion of lease liabilities	(21,510)	(12,544)	(10,411)
Proceeds from exercise of employee share options	1,047,510	—	—
Proceeds from new shares capital	101,555,708	—	7,681,312
Issuance of Pre-Funded Warrants and Tranche Warrants classified as equity instruments	—	—	11,975,100
Issuance of Tranche Warrants classified as financial liabilities	—	—	3,465,180
Payments for transaction costs attributable to the issuance of ordinary shares	(4,576,671)	—	(93,805)
Net cash from financing activities	109,867,301	4,724,658	10,720,456
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	75,843,596	(33,265,890)	(35,650,019)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	14,324,371	90,167,967	56,902,077
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 90,167,967	$ 56,902,077	$ 21,252,058

The accompanying notes are an integral part of the consolidated financial statements.

1. NATURE OF OPERATIONS

ASLAN Pharmaceuticals Limited ("ASLAN Cayman") was incorporated in the Cayman Islands in June 2014 and is the listing vehicle for the listing on the Nasdaq Global Market sponsored with its issuance of American Depositary Shares ("ADSs") in the United States. ASLAN Cayman and its subsidiaries (collectively referred to as the "Company") is a clinical-stage immunology focused biopharmaceutical company developing innovative treatments to transform the lives of patients.

The Company's portfolio is led by *eblasakimab* (also known as ASLAN004), a potential first-in-class human monoclonal antibody that binds to the IL-13 receptor, blocking signaling of two pro-inflammatory cytokines, IL-4 and IL-13 which are central to triggering symptoms of atopic dermatitis, such as redness and itching of the skin.

ASLAN Pharmaceuticals Pte. Ltd. was incorporated in Singapore in April 2010 and ASLAN Cayman was incorporated in Cayman Islands in June 2014 as the listing vehicle. The Company's ADSs have been listed on the Nasdaq Global Market or the Nasdaq Capital Market since May 2018.

On September 14, 2022, ASLAN Cayman submitted to the Listing Qualifications Department of Nasdaq an application to transfer the listing of its American Depositary Shares ("ADSs") representing ordinary shares of the Company from the Nasdaq Global Market to the Nasdaq Capital Market. On September 27, 2022, the Company received notice from Nasdaq that its application to transfer listing of its ADSs had been approved. The transfer was effective at the opening of business on September 29, 2022. The Company continues to trade under the symbol "ASLN".

The Company has financed its operations to date primarily through the issuance of common shares or ADSs. The Company has incurred net losses since inception. Please refer to Notes 14 and 25(c) for details of the Company's fund-raising activities.

2. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company's board of directors on April 12, 2024.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued (IFRS Accounting Standards) by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after January 1, 2023. Their adoption has not had any material impact on the disclosure or on the amounts reported in these financial statements.

   The application of the Amendments to IAS 1 and IFRS Accounting Standard Practice Statement 2 *Disclosure of accounting policies*, Amendment to IAS 8 *Definition of accounting estimates*, IFRS 17 *Insurance Contracts* and Amendment to IAS 12 *Deferred tax related to assets and liabilities arising from a single transaction and International Tax Reform - Pillar Two Model Rules* has had no material impact on disclosures or amounts in the Company's consolidated financial statements.

b. New and revised IFRS Accounting Standards issued but not yet effective

At the date of authorization of these financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective:

New IFRS Accounting Standards	Description
IFRS 10 and IAS 28 (amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Agreement
Amendments to IAS 21	Lack of Exchangeability
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback

The Company anticipates that the application of these amendments may have an impact on the consolidated financial statements in future periods and is in the process of assessing the potential impact of these amendments.

4. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a. Statement of compliance

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The accompanying consolidated financial statements have been prepared in conformity with IFRS Accounting Standards issued by the IASB.

b. Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for financial instruments and long-term incentive plan payable arising from cash-settled share-based payment arrangements which are measured at fair value.

c. Going concern

Through December 31, 2023, the Company has an accumulated deficit of $321 million arising from recurring losses from operations and negative cash flows from operating activities. The Company's activities have been funded primarily through public and private offerings. As the Company is in the clinical research and development phase, it will be seeking future funding based on the requirements of our business operations. The Company intends to continue to explore various means of fundraising to meet our funding requirements to carry out our business operations, such as offerings of ADSs via its at the market offering sales agreement, follow-on offerings of ADSs, venture debt and shareholder loans. It may also use other means of financing such as out-licensing, which is subject to negotiation, to generate revenue and cash. The Company has the ability to exercise discretion and flexibility to deploy our capital resources used in research and development activities according to the amount and timing of the financing activities. In March 2024, the Company raised additional funds of $5.0 million in gross proceeds pursuant to the Securities Purchase Agreement. See Note 25 c) for details.

The Company will incur additional losses as it continues to focus its resources on advancing the development of its therapeutic candidates that will result in negative cash flows from operating activities. The Company's current cash resources are not sufficient to complete the research and development activities of all of its therapeutic candidates in the absence of any additional funding. Management believes that there is presently insufficient funding available to allow the Company to fund its activities for a period exceeding one year and meet its obligations as they become due within one year from the date of this filing. In the absence of additional funding, these conditions and events indicate that there is substantial doubt about the Company's ability to continue as a going concern.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern.

d. Basis of consolidation

The consolidated financial statements include the financial statements of ASLAN Cayman and entities controlled by ASLAN Cayman (its subsidiaries).

The consolidated financial statements incorporate the financial statements of ASLAN Cayman and entities controlled by ASLAN Cayman (its subsidiaries) made up to December 31 each year. Control is achieved when the Company:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Company are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Company's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the stockholders of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the stockholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interests in subsidiaries that do not result in the Company losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the interests of the Company and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to stockholders of the Company.

When the Company loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and

(ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Company had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

Under the equity method, an investment in an associate is initially recognized in the consolidated balance sheet at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognizing its share of further losses.

Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 *Impairment of Assets* are applied to determine whether it is necessary to recognize any impairment loss with respect to the Company's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

e. Foreign currencies

Both the functional currency and presentation currency of the Company is the U.S. dollar.

Monetary assets and liabilities denominated in currencies other than the applicable functional currencies are translated into the functional currencies at the prevailing rates of exchange at the end of the reporting period. Nonmonetary assets and liabilities are remeasured into the applicable functional currencies at historical exchange rates. Transactions in currencies other than the applicable functional currencies during the year are converted into the functional currencies at the applicable rates of exchange prevailing at the dates of the transactions. Exchange differences are recognized in "other gains and losses, net" in the consolidated statement of comprehensive loss.

f. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets in order to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available are not subject to amortization but are tested annually for impairment or more frequently if there are indicators of impairment. In respect of the impairment indicators, the Company considers both internal and external sources of information to determine whether an asset may be impaired, which may include the significant underperformance of the business in relation to expectations, significant negative industry or economic trends, and significant changes or planned changes with adverse effects in the use of the assets, as well as the internal reporting which indicates the economic performance of an asset is worse than expected. If any such indicators exist, the Company will estimate the recoverable amount of such indefinite-lived intangible asset and compare it with its carrying amount.

The recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

g. Research and development expenses

Elements of research and development expenses primarily include:

1) Payroll and other related costs of personnel engaged in research and development activities;

2) Costs related to preclinical testing of the Company's technologies under development and clinical trials, such as payments to contract research organizations ("CROs"), investigators and clinical trial sites that conduct the Company's clinical studies;

3) Costs to develop the product candidates, including raw materials, supplies and product testing related expenses; and

4) Other research and development expenses.

Research and development expenses are expensed as incurred when these expenditures relate to the Company's research and development services and have no alternative future uses. The conditions enabling the capitalization of development costs as an asset have not yet been met and, therefore, all development expenditures are recognized in profit or loss when incurred.

h. Financial instruments

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (i.e., FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial asset

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into the following categories: Financial assets at FVTPL, financial assets at amortized cost and equity instruments at fair value through other comprehensive income (i.e., FVOCI).

i. Financial assets at FVTPL

Money market funds are classified as FVTPL as they do not meet the conditions to be classified as amortized cost or FVOCI.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognized in other gains or losses.

ii. Financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the financial assets measured at amortized cost (including cash and cash equivalents and refundable deposits), the Company applies the effective interest method to the gross carrying amount at amortized cost less any impairment from initial recognition. Any foreign exchange gains and losses are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset. Short-term investments have been purchased during the year and have matured before the end of the year. These have been assessed to be financial assets held at amortized cost. Interest accretion income on short-term investment is recognized in profit or loss and as part of "Other Income" line item.

Cash equivalents include time deposits and money markets funds, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

iii. Investments in equity instruments at FVOCI

On initial recognition, the Company may make an irrevocable election to designate investments in equity instruments as at FVOCI. Designation as at FVOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, it will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss when the Company’s right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost.

For financial instruments, the Company recognizes lifetime expected credit losses (i.e., ECLs) when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. On derecognition of an investment in an equity instrument at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the group has elected on initial recognition to measure at FVOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

2) Equity instruments

Debt and equity instruments issued by the Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments issued by the Company entity are recognized at the proceeds received, net of direct issue costs. Expired equity instruments will be reclassified to accumulated deficit.

No gain or loss is recognized in profit or loss on the issuance of the Company's own equity instruments.

3) Financial liabilities

a) Subsequent measurement

Except the following situations, all financial liabilities are measured at amortized cost using the effective interest method:

1) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when such financial liabilities are either held for trading or are designated as at FVTPL.

Financial liabilities held for trading are stated at fair value, and any gains or losses on such financial liabilities are recognized in other gains or losses.

Fair value is determined in the manner described in Note 22.

b) Derecognition of financial liabilities

The difference between the carrying amount of a financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognized in profit or loss as the modification gain or loss within other gains and losses.

4) Compound instruments

The component parts of compound instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A component part that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or upon the instrument's maturity date.

5) Derivative financial instruments

Derivatives embedded in non-derivative host contracts that are not financial assets that is within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL. The derivatives are measured at FVTPL (Notes 13(b) and 14(a)).

i. Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of employee share options that will eventually vest, with a corresponding increase in "capital surplus - share options reserve". The fair value determined at the grant date of the employee share options is recognized as an expense in full at the grant date when the share options granted vest immediately.

At the end of each reporting period, the Company revises its estimate of the number of employee share options expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the capital surplus.

The LTIPs qualify as cash-settled share-based payment transactions. For cash-settled share-based payments, the fair value of the amount payable to beneficiaries in respect of bonus entitlement unit grants, which are settled in cash, is recognized as an expense with a corresponding increase in liabilities, over the period during which the beneficiaries become unconditionally entitled to payment. The amount is remeasured at each reporting date and at settlement based on the fair value of the bonus entitlement units. Any changes in the liability are recognized in profit or loss.

Modification of the terms on which equity instruments were granted may have an effect on the expense that will be recorded. In accordance with IFRS 2, modifications also apply to instruments modified after their vesting date. If the fair value of the new instruments is more than the fair value of the old instruments (e.g., by reduction of the exercise price or issuance of additional instruments), the incremental amount is recognized over the remaining vesting period in a manner similar to the original amount. If the modification occurs after the vesting period, the incremental amount is recognized immediately. If the fair value of the new instruments is less than the fair value of the old instruments, the original fair value of the equity instruments granted is expensed as if the modification never occurred.

j. Taxation

The provision for income tax recognized in profit or loss comprises current and deferred tax. Current tax is income tax paid and payable for the current year based on the taxable profit of the year and any adjustments to tax payable (or receivable) in respect of prior years. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit or loss. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. The carrying amount is reviewed at the end of each reporting period on the same basis. Deferred tax is measured at the tax rates that are expected to apply in the period in which the asset or liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

k. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the out-licensing of experimental drugs that have reached ‘proof of concept’ to business partners for ongoing global development and launch, in the ordinary course of the Company’s activities. Revenue is presented, net of goods and services tax, rebates and discounts. See Note 15 for details of the Company’s licensing agreements.

The Company recognizes revenue when it has completed the out-licensing of the experimental drug to business partners, and such partners have accepted the products. Thus, the collectability of the related receivables is reasonably assured.

Typically the consideration received from out-licensing may take the form of upfront payments, option payments, milestone payments, and royalty payments on licensed products. To determine revenue recognition for contracts with customers, the Company performs the following five steps:

1) Identify the contract with a customer;

2) Identify the performance obligations in the contract;

3) Determine the transaction price;

4) Allocate the transaction price to the performance obligations in the contract; and

5) Recognize revenue when (or as) the Company satisfies the performance obligations.

At the inception of a contract, the Company assesses the goods or services promised within each contract to determine whether each promised good or service is distinct and identify those that are performance obligations. The Company recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

Upfront License Fees

If a license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Company will recognize revenues from non-refundable, upfront fees allocated to the license when the license is transferred to the licensee and the licensee is able to use and benefit from the license. For licenses that are bundled with other distinct performance obligations, the Company uses judgment to assess the nature of the combined performance obligation to determine whether it is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue. The Company evaluates the measure of progress at the end of each reporting period and, if necessary, adjusts the measure of performance and related revenue recognition.

Milestone Payments

At the inception of each contract with customers that includes development or regulatory milestone payments (i.e., the variable consideration), the Company includes some or all amount of variable consideration in the transaction price estimated only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty related to the variable consideration is subsequently resolved. Milestone payments that are contingent upon the achievement of events that are uncertain or not controllable, such as regulatory approvals, are generally not considered highly probable of being achieved until those approvals are received. Therefore, they are not included in the transaction price. At the end of each reporting period, the Company evaluates the probability of achievement of such milestone payments and any related constraints and, if necessary, adjusts the Company's estimate of the overall transaction price.

Royalties

For arrangements that include sales-based royalties, including commercial milestone payments based on the level of sales, and for which the license is deemed to be the predominant item to which the royalties relate, the Company recognizes revenue at the later of the following:

1) When the subsequent sales occur, or

2) When the performance obligation, to which some or all of the royalty has been allocated, has been satisfied (or partially satisfied).

To date, the Company has not recognized any royalty revenue resulting from any of out-licensing arrangements.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Company's accounting policies, which are described in Note 4, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements and estimation in applying the Company's accounting policies

Key Sources of Estimation Uncertainty

The below are the critical estimation, that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Head of Finance is responsible to determine the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to assist in performing the valuation. The senior management team reports to the board of directors of the Company quarterly to explain the cause of fluctuations in the fair value of the assets and liabilities.

The valuations of the Company's assets and liabilities that are measured at fair value are sensitive to changes in one or more unobservable inputs which are considered reasonably possible within the next financial year. Further information on the carrying amounts of these assets and the sensitivity of those amounts to changes in significant unobservable inputs are provided in Note 22.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately above), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

Zenyaku agreement (Note 15)

On June 22, 2023, the Company entered into a collaborative, development and commercialization agreement (the "Zenyaku Agreement") with Zenyaku Kogyo Co., Ltd ("Zenyaku"), which the Company granted Zenyaku the exclusive rights to develop and commercialize *eblasakimab* in Japan for which a payment of $12 million was received.

Under the terms of the Zenyaku Agreement, the Company will have an option right to buy back the license granted to Zenyaku. The Company has reviewed the buy-back option and determined that costs to buy-back the rights is not currently executable as there is insufficient cash and it will require either a third party global partner or an acquisition by a third party, both of which are not within our control. Accordingly, the contract is accounted for under IFRS 15. Please see note 15 for details of the Company's material licensing agreements.

6. CASH AND CASH EQUIVALENTS

	December 31, 2022	December 31, 2023
Cash in hand	$ 256	$ 648
Cash in banks	26,456,482	21,251,410
Money market fund	30,445,339	—
	$ 56,902,077	$ 21,252,058

Cash and cash equivalents consist of cash, short-term deposits and money market fund in prior year. In February 2022, the Company engaged an asset management bank to obtain better returns on the Company's cash pursuant to Company's Investment Policy which is designed to permit the Company to earn an attractive rate and return on its investments while limiting the risk, conserve capital and maintain liquidity. On March 29, 2023, the Company gave notice of termination with the asset management bank and transferred all the money market fund to cash in banks. Subsequently, this money market fund has been liquidated on November 22, 2023.

The Company classified all highly liquid investments with stated maturities of three months or less from date of purchase as cash equivalents as they were subject to an insignificant risk of changes in value. The money market fund was highly liquid and invested in quality short-term money market instruments and was readily convertible to a known amount of cash that was subject to an insignificant risk of change. The Company discloses gains arising from such investments as cash flows arising from investing activities in the cash flow statement consistently.

7. OTHER ASSETS

	December 31, 2022	December 31, 2023
Other receivable	$ —	$ 171,441
Prepayments	$ 2,942,936	$ 1,681,465
Refundable deposits	1,033,414	1,025,028
	$ 3,976,350	$ 2,877,934

The prepayments are the advanced funds paid to the Company's contract research organizations ("CROs") for commencement of the Company's clinical trials and related preparation work.

The refundable deposits are the receivables due from the Company's CRO upon the project completion and office deposits refundable in normal course of business. All refundable deposits are current as of December 31, 2022, and 2023.

8. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31, 2022	December 31, 2023
Financial liabilities at fair value through profit or loss (FVTPL)		
Derivative financial liabilities – K2HV warrants	$ 90,213	$ 87,693
Derivative financial liabilities – Tranche 2B warrants	—	701
	$ 90,213	$ 88,394

9. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	December 31, 2022	December 31, 2023
Financial asset at fair value through other comprehensive income (FVOCI)		
Investment in equity instruments at FVOCI - Foreign unlisted ordinary shares	$ —	$ 235,567

In July 2018, the Company acquired ordinary shares of DotBio Pte. Ltd., which were not held for trading. The management believes that to recognize short-term fluctuations in the investments' fair value in profit or loss would not be consistent with the Company's purpose of holding the investments. As a result, the Company elected to designate the investments in equity instruments as at FVOCI.

10. SUBSIDIARIES

Investor	Investee	Nature of Activities	Proportion of Ownership (%) December 31 2022	Proportion of Ownership (%) December 31 2023
Subsidiaries				
ASLAN Pharmaceuticals Limited ("ASLAN Cayman")	ASLAN Pharmaceuticals Pte. Ltd.	New drug research and development	100%	100%
ASLAN Pharmaceuticals Pte. Ltd.	ASLAN Pharmaceuticals (USA) Inc.	New drug research and development	100%	100%
ASLAN Pharmaceuticals Pte. Ltd.	ASLAN Pharmaceuticals Australia Pty Ltd	New drug research and development	100%	100%
ASLAN Pharmaceuticals Pte. Ltd.	ASLAN Pharmaceuticals Hong Kong Limited	New drug research and development	100%	100%
ASLAN Pharmaceuticals Hong Kong Limited	ASLAN Pharmaceuticals (Shanghai) Co. Ltd.	New drug research and development	100%	100%

11. INVESTMENT IN ASSOCIATE COMPANY

As of December 31, 2022, and 2023 the Company's 35% equity holding in Jaguahr Therapeutics Pte. Ltd. was an investment in an associate company and is accounted for using the equity method in the consolidated financial statements.

Summarized financial information of Jaguahr Therapeutics Pte. Ltd. is set out below. The summarized financial information below represents amounts in associate company financial statements prepared in accordance with IFRS Accounting Standards.

	December 31 2022	December 31 2023
Current asset	$ 54,906	$ 192,641
Current liabilities	(30,371)	(543,278)
Equity/(Capital deficiency)	$ 24,535	$ (350,637)

JAGUAHR's loss for the years ended December 31, 2022 and 2023 were $1,245,805 and $375,171 and net cash (outflow)/inflow from operating activities were ($1,329,339) and $137,735 respectively. The Company share in losses of associate amount to $486,141 and $8,587 for the years ended December 31, 2022 and December 31, 2023, and the balance of investment in associate company were $8,587 and $0 as of December 31, 2022 and December 31, 2023, respectively.

12. TRADE AND OTHER PAYABLES

Trade payables

Trade payables are the amounts billed to the Company by the vendors and suppliers for goods delivered to or services consumed by the Company in the ordinary course of business. As of December 31, 2022, and December 31, 2023, the carrying amounts of those trade payables were $12,784,485 and $7,918,607, respectively and repayable on demand or within the normal credit terms.

Other payables

	December 31, 2022	December 31, 2023
Payables for cash-settled long-term incentive plan (Note 19)	$ 234,448	$ 46,699
Payables for salaries and bonuses	1,375,627	1,748,901
Payables for professional fees	560,578	1,098,536
Others	154,385	187,193
Total other payables	$ 2,325,038	$ 3,081,329
Maturity analysis:		
On demand or within 1 year	$ 2,325,038	$ 3,081,329

13. BORROWINGS

	December 31, 2022	December 31, 2023
Unsecured borrowings at amortized cost		
Loans from government (a)	$ 11,855,579	$ 12,496,831
Secured borrowings at amortized cost		
Other long-term borrowings (b)	$ 25,549,385	$ 14,102,108
Total borrowings	$ 37,404,964	$ 26,598,939
Analyzed as:		
Current and repayable on demand or within 1 year	$ 7,748,831	$ 1,800,387
Non-current and repayable more than 1 year	$ 29,656,133	$ 24,798,552
Total borrowings	$ 37,404,964	$ 26,598,939

a. Loans from government (unsecured)

On April 27, 2011, the Singapore Economic Development Board (EDB) awarded the Company a repayable grant (the "Grant") not exceeding SGD10 million (equivalent to $7,390,655 and $7,509,524 as at December 31, 2022 and 2023 respectively) to support the Company's drug development activities over a five-year qualifying period commencing February 24, 2011 (the "Project"). The Project was successfully implemented, resulting in substantially the full amount of the Grant being disbursed to the Company.

In the event any of the Company's clinical product candidates achieve commercial approval after Phase 3 clinical trials and accompanied by a positive cash flow situation, the Company will be required to repay the funds disbursed to the Company under the Grant plus interest of 6%. As at December 31, 2023 none of its clinical product candidates have commenced Phase 3.

As of December 31, 2022, and December 31, 2023, the amounts of funds disbursed to the Company plus accrued interest were $11,855,579 and $12,496,831, respectively.

b. Other long-term borrowings (secured)

Loan and Security Agreement with K2 HealthVentures

On July 12, 2021, ASLAN Cayman and ASLAN Pharmaceuticals (USA) Inc. as borrowers entered into a Loan, Guaranty, and Security Agreement (the K2HV Loan Agreement) with K2 HealthVentures LLC (K2HV) as administrative agent, and Ankura Trust Company, LLC as collateral agent, pursuant to which K2HV agreed to provide a four-year facility for up to $45 million (the K2HV Facility). The K2HV Facility consists of a $20 million initial term loan funded at closing, with the remaining $25 million available in tranches subject to certain terms and conditions. Due to the K2 Warrant described below, the fair value of the first tranche loan on July 12, 2021, was $19,311,676. The term loans bear interest at a floating rate equal to the greater of (i) the prime rate published by Wall Street Journal plus 5.00% or (ii) 8.25% per annum, payable monthly. The Company paid the lenders a one-time $255,000 facility fee at closing and will be obligated to pay for an additional facility fee equal to 0.85% of any term loans borrowed under the fourth tranche. In addition, the Company is obligated to pay a final payment fee of 6.25% of the original principal amount of the term loans at the maturity date. The Company may elect to prepay all, but not less than all, of the term loans prior to the term loan maturity date, subject to a prepayment fee of up to 3.0% of the then outstanding principal balance. After repayment, no term loans may be borrowed again.

Borrowings under the K2HV Facility are secured with a pledge of the borrowers' equity interests in subsidiaries and collateral over all of the Company's cash, goods and other personal property, with the exception of (i) under the K2HV Loan Agreement prior to amendment, the Company's own intellectual property assets, (ii) personal property to the extent that granting of security over any such personal property would constitute a breach of or result in the termination of, or require any consent not obtained under, any license, agreement, instrument or other document evidencing or giving rise to such property, or is otherwise prohibited by any requirement of law, and (iii) the Company's equity interests in Jaguahr Therapeutics Pte. Ltd. Such pledge and collateral may be enforced only if there has been an event of default as stipulated in the K2HV Loan Agreement.

In connection with the closing of the K2HV Facility, the Company issued a warrant to purchase ordinary shares (the K2 Warrant) to K2HV. The number of ordinary shares exercisable under the K2 Warrant equals (i) 2.95% of the aggregate term loan advances made to the Company from time to time divided by (ii) the warrant price of $0.5257 per ordinary share (an equivalent to $13.1425 per ADS). The K2 Warrant is exercisable until its expiration on July 12, 2031. The total proceeds attributed to the K2 Warrant was approximately $688,324 based on the relative fair value as of the date of the drawdown. As the number of ADS to be issued under the cashless method will continue to vary dependent on the share price of the Company, the K2 Warrants do not meet the equity classification and are classified as financial liabilities at fair value through profit or loss.

In January 2022, the conditions to the second tranche having been satisfied, the Company drew down the second tranche of $5 million in full and the funds were received in February 2022. As a result of the drawdown of the second tranche, the number of ordinary shares exercisable under the K2 Warrant increased to 1,402,891 (an equivalent of 56,116 ADS), based on the 2.95% coverage of the total drawdown facility $25 million, being the aggregate term loan advances at that date, divided by the warrant price of $0.5257 per ordinary share (an equivalent to $13.1425 per ADS).

On June 30, 2023, the Company entered into a First Amendment to the K2HV Loan Agreement (Loan Amendment) with K2HV to, among other things, extend the interest-only period under the K2HV Facility to November 1, 2023, February 1, 2024 or August 1, 2024, dependent on the Company's achievement of certain milestones. On the same day the K2 warrant price was reduced to $0.1447 per ordinary shares (an equivalent of $3.6175 per ADS). As a result of the warrant price reduction, the number of ADS exercisable under the K2 warrants increased to 203,870 ADS (an equivalent of 5,096,752 ordinary shares).

On December 6, 2023, the Company entered into an amendment (Second Amendment) of K2HV Loan Agreement pursuant to which K2HV agreed to extend the period under the K2HV Facility in which the Company is not required to make payments with respect to the outstanding principal amount (during which period interest payments continue to become due and payable in accordance with the terms of the K2HV Loan Agreement).The period for the Company to make monthly principal repayments is from January 1, 2025 until July 1, 2025, seven months of repayment on the outstanding loan principal of $13 million. In addition, pursuant to the Second Amendment, (i) the Company made a payment of $12.0 million to K2HV on December 2023 which has been applied to the outstanding principal under the K2HV Loan Agreement (Prepayment), (ii) the lenders and the administrative agent waived a prepayment fee of 2.0% that otherwise would have been required under the K2HV Loan Agreement with respect to the Prepayment, and (iii) the collateral was amended so that K2HV received a lien on certain of the Company's intellectual property, subject to customary exceptions. After giving effect to the Prepayment, $13.0 million of principal will remain outstanding under the K2HV Loan Agreement.

As of December 31, 2023, the Company was in full compliance with the K2HV Loan Agreement and there have been no events of default.

As of December 31, 2023, the fair value of the K2 Warrant was valued to $87,693 with the difference of $2,520 (Note 16(b)) being recorded to the profit or loss. See Note 22 for more detail on assumptions used in the valuation of the K2 Warrant. As of December 31, 2023, K2HV had not exercised any warrants.

14. EQUITY

a. Ordinary shares

	December 31, 2021	December 31, 2022	December 31, 2023
Number of ordinary shares authorized *	500,000,000	500,000,000	1,000,000,000
Authorized par value per share	US$ 0.01	US$ 0.01	US$ 0.01
Number of ordinary shares issued and fully paid	348,723,365	348,723,365	439,926,480
Number of equivalent ADSs issued and fully paid	13,948,935	13,948,935	17,597,059
Amount of share capital par value issued and fully paid	$ 63,019,962	$ 63,019,962	$ 63,931,993
Amount of share capital surplus issued and fully paid	$ 213,098,729	$ 213,098,729	$ 219,774,205

Issuance of new ADS

a) Private Placement

In February 2021, the Company sold 25,568,180 ordinary shares (an equivalent of 1,022,727 ADSs) in a private placement for net proceeds of approximately $18.0 million pursuant to a securities purchase agreement the Company entered into with the purchasers in the private placement (the Securities Purchase Agreement).

On February 24, 2023, the Company entered into a Unit Purchase Agreement (the "Purchase Agreement") with fund entities affiliated with BVF Partners L.P. (collectively, "BVF") and the other purchasers named therein (the "Purchasers"), pursuant to which the Company agreed to sell to the Purchasers, in a private placement offering, an aggregate of 112,359,550 ordinary shares (an equivalent of 4,494,382 ADSs) , which includes (i) pre-funded warrants (the "Pre-Funded Warrants") to purchase twenty-five ordinary shares (represented by ADSs) at a purchase price of $0.178 per ordinary share (an equivalent of $4.45 per ADS) and (ii) $4.4475 per Pre-Funded Warrant (or ADS), respectively, which represented a 15% premium to the ADSs' ten-day volume-weighted average price ("VWAP") (the "Private Placement"). The Private Placement closed on February 27, 2023 and the Company received gross proceeds of approximately $20.0 million. The Company has issued 59,957,865 ordinary shares (an equivalent of 2,398,315 ADSs) and an additional 52,401,685 ordinary shares (an equivalent of 2,096,067 ADSs) are issuable exercise of the Pre-Funded Warrants.

The Pre-Funded Warrants issued have no expiry date. As the Pre-Funded Warrants would be settled by exchange of a fixed number of 52,401,685 ordinary shares (an equivalent of 2,096,068 ADSs) for a fixed consideration of $5,240, the Pre-Funded Warrants were recognized as equity instruments. The value of the Pre-Funded Warrants was approximately $8,262,698 based on the relative fair value as of the Initial Exercise Date (February 27, 2023) using the binomial model.

As part of the Private Placement, the Purchasers also received two tranches of warrants exercisable in the aggregate for up to 11,061,823 ADSs (or Pre-Funded Warrants). The first tranche of warrants comprised of (i) 50% of warrants that were exercisable upon issuance and until 60 days after the public announcement of the Company's topline data from its TREK-AD Phase 2b clinical trial investigating *eblasakimab* in atopic dermatitis (the "*eblasakimab* announcement") at an exercise price of $6.50 per ADS (the "Tranche 1A Warrants") and (ii) 50% of warrants that could only be exercised within 60 days after the *eblasakimab* announcement at an exercise price based on the higher of $6.50 and a 50% discount to the ADS VWAP measured across a specified period after the *eblasakimab* announcement (the "Tranche 1B Warrants"). The second tranche of warrants similarly comprised (i) 50% of warrants exercisable upon issuance until 60 days after the public announcement of topline interim data from the Company's planned Phase 2 proof of concept trial investigating *farudodstat* (the "*farudodstat* announcement") at an exercise price of $8.15 per ADS (the "Tranche 2A Warrants") and (ii) 50% of warrants which can only be exercised within 60 days after the *farudodstat* announcement at an exercise price based on the higher of $8.15 and a 50% discount to the ADS VWAP measured across a specified period after the *farudodstat* announcement (the "Tranche 2B Warrants," and together with the Tranche 1A Warrants, Tranche 1B Warrants and Tranche 2A Warrants, the "Tranche Warrants"). The Tranche Warrants have a term of five years and include a mandatory exercise provision, subject to the satisfaction of certain pre-specified conditions. If all Tranche Warrants are fully exercised, the Company will receive an additional $80.0 million in gross proceeds.

If exercised, the Tranche 1A Warrants and the Tranche 2A Warrants would be settled by issuance of a fixed number of ADSs for a fixed cash consideration upon exercise of the warrants. Hence both Tranche 1A Warrants and Tranche 2A Warrants were recognized as equity instruments and the Tranche 1A Warrants and Tranche 2A Warrants were valued approximately at $1,539,117 and $2,173,285, respectively, based on the relative fair values as of the Initial Exercise Date (February 27, 2023) using the binomial model. On September 4, 2023, Tranche 1A Warrants and Tranche 1B Warrants lapsed. As a result Tranche 1A Warrants of $1,539,117 has been reclassified from equity instruments to accumulated deficit.

The exercise price of the Tranche 1B Warrants and the Tranche 2B warrants is based on the higher of the indicated minimum exercise price and a 50% discount to the ADS VWAP measured across a specified period after the public disclosure of the Company's topline data from the relevant clinical trial (the Phase 2B trial for *eblasakimab* in the case of Tranche 1B; and the Phase 2A trial for *farudodstat* in the case of Tranche 1B). The variable exercise price does not meet the fixed-for-fixed criteria and hence the Tranche 1B Warrants and Tranche 2B Warrants are recognized as financial liabilities. The Tranche 1B Warrants and Tranche 2B Warrants were valued at approximately $1,539,897 and $1,925,283, respectively, based on the relative fair values as of the date of issue (February 27, 2023) using the Monte Carlo model.

As of December 31, 2023, Tranche 1B warrants was valued at nil as it has lapsed and the fair value of the Tranche 2B Warrants was revalued to $701. A fair value valuation gain of $3,464,479 was recognized in the year ended December 31, 2023, and was recorded under other gains and losses. See Note 22 for more detail on assumptions used in the valuation of the Tranche 1B Warrants and Tranche 2B Warrants. As of December 31, 2023, BVF and the other Purchasers had not exercised any warrants.

* On January 24, 2024, the Company held an Extraordinary General Meeting of shareholders to increase authorized share capital. Please refer to Note 25(a) for subsequent event details.

b) Underwritten public offering

In March 2021, the Company sold 86,250,000 ordinary shares (an equivalent of 3,450,000 ADSs) in an underwritten public offering for net proceeds of $64.9 million after deducting underwriting discounts and commissions and offering expenses.

c) At the market ("ATM") sale agreement

On October 9, 2020, the Company entered into an Open Market Sale Agreement as amended on September 13, 2022 (the ATM Sale Agreement) with Jefferies LLC, pursuant to which we may issue and sell ADSs from time to time, through at-the-market offerings under which Jefferies LLC will act as sales agent and/or principal.

On August 6, 2021, the Company increased the ATM Sale Agreement, with Jefferies LLC whereby in accordance with the revised terms of the ATM Sale Agreement, the Company may offer and sell ADSs having an aggregate offering value of up to $85 million from time to time through Jefferies LLC, acting as sales agent. During the year ended December 31, 2021, the Company has raised net proceeds approximately $14.1 million under ATM Sale Agreement by offering 24,594,360 ordinary shares (an equivalent of 983,774 ADSs).

During the year ended December 31, 2023, the Company had raised net proceeds of approximately $3.0 million under the ATM Sale Agreement by offering 31,245,250 ordinary shares (an equivalent of 1,249,810 ADSs).

d) Warrants exercised

In 2019, the Company entered into a loan facility with certain existing stockholders/directors, affiliates or affiliate of another existing stockholder, for an aggregate amount of $2.25 million (collectively, the October/November 2019 Loan Facility). In connection with the October/November 2019 Loan Facility, the Company issued certain warrants (collectively referred to as the “Warrants”).

At the same time of the repayment in 2021, holders of Warrants amounting to $825,800 of the principal loan amount, exercised and purchased 2,045,355 ordinary shares (representing 81,814 ADSs) at an exercise price of $10.10 per ADS. No more warrants are outstanding under October/November 2019 Loan Facility.

b. Retained earnings and dividends policy

Under ASLAN Cayman’s Articles of Incorporation, ASLAN Cayman may declare dividends by ordinary resolution of ASLAN Cayman’s board of directors, but no dividends shall exceed the amount recommended by the directors of ASLAN Cayman.

ASLAN Cayman may set aside out of the funds legally available for distribution, for equalizing dividends or for any other purpose to which those funds may be properly applied, either employed in the business of ASLAN Cayman or invested in such investments as the directors of ASLAN Cayman may from time to time think fit. There were no dividends distributed in years 2021, 2022 and 2023.

15. MATERIAL LICENSE AGREEMENTS

Almirall

In 2012, the Company originally entered into a global licensing agreement with Almirall to develop DHODH inhibitor, LAS186323, which the Company refers to as *farudodstat*, for rheumatoid arthritis (excluding any topical formulation), without upfront payments. Under the license agreement, the Company agreed to fund and develop *farudodstat* to the end of Phase 2 through a development program.

The original license agreement was replaced by a new agreement, executed in December 2015 and amended in March 2018, granting an exclusive, worldwide license to develop, manufacture and commercialize *farudodstat* products for all human diseases, excluding topically-administered products embodying the compound for keratinocyte and hyperproliferative disorders, and the non-melanoma skin cancers basal cell carcinoma, squamous cell carcinomas and Gorlin Syndrome. Under the license agreement, Almirall is eligible to receive milestone payments and royalties based on the sales generated by the Company and/or sublicensees. As of December 31, 2023, the Company did not accrue for the above contingent payments since the milestones have not yet been achieved.

CSL

The Company entered into a global license agreement with CSL Limited ("CSL"), in May 2014, to develop the anti-IL13 receptor monoclonal antibody, CSL334 (which the Company refers to as *eblasakimab*) and antigen binding fragments thereof, for the treatment, diagnosis or prevention of diseases or conditions in humans, without upfront payments. This license agreement was amended on May 31, 2019, pursuant to which the Company obtained an exclusive, worldwide license to certain intellectual property owned or licensed by CSL, including patents and know-how, to develop, manufacture for clinical trials and commercialize *eblasakimab* for the treatment, diagnosis or prevention of diseases or conditions in humans. The Company's development under such agreement is currently focused on the treatment of respiratory and inflammatory conditions, and in particular, atopic dermatitis.

Under the amended agreement, the Company is generally obligated to use diligent efforts to develop *eblasakimab* products in accordance with the development plan, to obtain marketing approvals for *eblasakimab* products worldwide and to commercialize *eblasakimab* products, either by itself or through sublicensees.

In consideration of the rights granted to the Company under the amended agreement, the Company will make a first payment of $30 million to CSL upon commencement of a Phase 3 clinical trial of *eblasakimab*. The Company will also be required to pay up to an aggregate of $95 million to CSL if certain regulatory milestones are achieved, up to an aggregate of $655 million if certain sales milestones are achieved and tiered royalties on net sales of *eblasakimab* products ranging between a mid-single digit percentage and 10%. The Company is also responsible for all payments to third-party licensors to CSL, to the extent such obligations relate to the exploitation of the rights licensed under CSL's agreement with those parties and sublicensed to the Company under the amended agreement. As of December 31, 2023, the Phase 2b clinical trial investigating *eblasakimab* as a therapeutic antibody for moderate-to-severe atopic dermatitis is still ongoing and the aforementioned milestones have not been met and hence no payment is required to be made. For the years ended December 31, 2022 and 2023, the Company made milestone payments of $1 million and $0 respectively to CSL in fulfilment of our obligation under the CSL agreement to be responsible for payment required to be made by CSL to third party licensors of technology relating to exploitation of the rights subject to the CSL agreement.

Zenyaku Kogyo Co., ltd

On June 22, 2023 (the "Effective Date"), the Company entered into a development and commercialization agreement (the "Zenyaku Agreement") with Zenyaku Kogyo Co., Ltd. ("Zenyaku") under which the Company granted Zenyaku the exclusive rights to develop and commercialize *eblasakimab* in Japan. In return, the Company has received an unconditional right to consideration of $12 million in cash. The Company is eligible to receive future milestone payments of up to $123.5 million, triggered upon achievement of certain clinical, regulatory, and commercial milestones as well as tiered royalties on net sales in Japan. As of December 31, 2023, the $12 million cash payment had been received.

Zenyaku will be solely responsible for all costs related to clinical development and commercialization of *eblasakimab* in Japan. A joint steering committee has been established between the Company and Zenyaku to oversee and coordinate the overall conduct of such clinical development and commercialization. The Company intend to use the joint steering committee to help assess that the clinical development of *eblasakimab* in Japan aligns with our overall global development and commercialization strategy and not to direct, nor participate or contribute to such development in Japan.

Under the terms of the Zenyaku Agreement, the Company has an option right to buy back the license granted to Zenyaku. The price is agreed to be equal to the aggregate of (i) all prior amounts paid by Zenyaku to the Company in cash under the agreement multiplied by a factor of 3 if the option is exercised before enrollment of first patient in the Phase 3 study of *eblasakimab* in Japan or multiplied by a factor of 4 if it is after the enrollment of the aforesaid first patient; and (ii) all accumulated development costs incurred and paid by Zenyaku in connection with the development and commercialization of *eblasakimab* under the Zenyaku Agreement. In addition, the Company undertake to use commercially reasonable efforts to procure for Zenyaku the right to succeed as Japan licensee for another product of ASLAN's successor which has been granted marketing approval in Japan, or to be granted co-marketing/promotion rights for such product. If this not possible, despite such commercially reasonable efforts, tiered royalties will be payable to Zenyaku.

The Zenyaku Agreement will continue until the expiration of the royalty term in Japan unless earlier terminated by the parties. Either party may terminate the Zenyaku Agreement for an uncured material breach or bankruptcy of the other party. Zenyaku may also terminate the Zenyaku Agreement at will upon 90 days' prior written notice.

Under the terms of the Zenyaku Agreement, the Company will have an option right to buy back the license granted to Zenyaku. The Company has reviewed the buy-back option and determined that costs to buy-back the rights is not currently executable as there is insufficient cash and it will require either a third party global partner or an acquisition by a third party, both of which are not within our control. Accordingly, the contract is accounted for under IFRS 15.

The transaction price at the Effective Date of the Zenyaku Agreement was $12 million in cash upfront which was a non-refundable payment. Developmental and regulatory milestones, and the payment for the manufacture and supply of *eblasakimab* drug product, were not included in the transaction price or recognized as revenue as the Company determined that such revenue is contingent on future events which it is possible may not occur.

Commercial milestones and sales royalties were also excluded and will be recognized when the milestones are achieved or the sales occur in Japan. The performance obligations in the Zenyaku Agreement include the future grant of a license to commercialize *eblasakimab* until the end of the term, the sharing of certain know how, the sharing of certain clinical and regulatory data, and manufacture and supply of *eblasakimab*. The Company has determined that the manufacturing and supply was not at a discount and the formulation was also provided to Zenyaku which will allow them to procure it from other sources apart from the Company.

The Company has determined that the license and the know how shared with Zenyaku constitutes functional intellectual property and that revenue relating to this should be recognized at a point in time. Consequently, the Company has determined that it has fulfilled its obligations to Zenyaku when it delivered the know how that will allow Zenyaku to file an investigational new drug application in Japan. The Company delivered this know how in the year ended December 31, 2023, and the $12 million revenue was therefore recognized as revenue in the year ended.

Revenue relating to the manufacture and supply obligations will be recognized when the drug product is delivered.

16. LOSS BEFORE INCOME TAX

a. Other income

	For the year ended December 31		
	2021	2022	2023
ADS issuance contribution	$ 1,076,189	$ —	$ 386,908
Government grants for research and development expenditures	—	248,613	73,724
Government subsidies	31,112	29,147	—
Accretion income	—	94,248	—
Others	771	14,130	1,689
	$ 1,108,072	$ 386,138	$ 462,321

ADS issuance contribution is other income received from J.P. Morgan Chase Bank N.A., the Custodian and the Depositary as part of the conversion of ordinary shares to ADS due to the Taiwan delisting in 2020 and issuance of new ADS. As of December 31, 2021 and 2023, the Company recognized a total of $1,076,189 and $386,908 respectively as other income.

Government grants for research and development expenditures relates to a research and development grant of $248,613 and $73,724, approved by the Australian Government during the years of 2022 and 2023 respectively, for research and development activities carried out in Australia.

Government subsidies are reliefs from the Singapore government to support and encourage wage increases, raise employability of older Singaporeans and to help employers retain local employees due to economic uncertainty caused by the COVID-19 pandemic.

b. Other gains and losses

	For the year ended December 31		
	2021	2022	2023
Net foreign exchange (losses) gains	$ 512,450	$ (85,869)	$ (332,725)
Gain on disposal of property, plant and equipment	—	1,172	148
Net gain on fair value changes of financial assets and liabilities at fair value through profit or loss (Notes 13(b) and 14(a))	594,046	133,139	3,466,999
Others	14	(78,025)	(12,816)
	$ 1,106,510	$ (29,583)	$ 3,121,606

c. Finance costs

	For the year ended December 31		
	2021	2022	2023
Interest on government loans	$ 443,216	$ 431,052	$ 442,410
Interest on other long-term borrowing	1,191,381	3,224,369	3,871,299
Interest on loans from shareholders	154,773	—	—
Interest on loans from related parties	50,074	—	—
Interest on lease liabilities	21,510	12,544	13,074
Others	—	7,724	4,878
	$ 1,860,954	$ 3,675,689	$ 4,331,661

d. Depreciation and amortization

	For the year ended December 31		
	2021	2022	2023
Right-of-use assets	$ 264,804	$ 308,682	$ 319,725
Property, plant and equipment	14,856	18,950	24,653
Intangible assets	2,564	4,120	4,120
	$ 282,224	$ 331,752	$ 348,498

e. Employee benefits expense

	For the year ended December 31		
	2021	2022	2023
Short-term benefits	$ 6,940,900	$ 8,423,133	$ 9,622,503
Post-employment benefits	257,128	355,434	415,509
Share-based payments (Note 19)			
Equity-settled	2,428,128	2,443,894	2,769,279
Cash-settled	(234,761)	(467,134)	(66,079)
Total employee benefits expense	$ 9,391,395	$ 10,755,327	$ 12,741,212
Employee benefits expense by function			
General and administrative expenses	$ 5,718,646	$ 5,643,217	$ 7,148,068
Research and development expenses	3,672,749	5,112,110	5,593,144
	$ 9,391,395	$ 10,755,327	$ 12,741,212

17. INCOME TAX EXPENSE

Income Tax recognized in Profit or Loss

The tax rate used for the 2023, 2022 and 2021 reconciliations below is the corporate tax rate of 17% payable by corporate entity in Singapore on taxable loss under tax law in that jurisdiction where the Company's main operation is at Singapore.

	For the year ended December 31		
	2021	2022	2023
Current tax expenses			
In respect of the current period	$ —	$ 79,379	$ 113,251
Adjustments for prior periods	—	19,842	19,416
	$ —	$ 99,221	$ 132,667

	2021	2022	2023
Loss before income tax	$ (31,590,582)	$ (51,283,196)	$ (44,086,937)
Income tax benefits calculated at the statutory rate	$ (5,370,399)	$ (8,718,143)	$ (7,494,779)
Tax effect of income not taxable in determining taxable income	(870,151)	19,769	83,729
Non-deductible expenses in determining taxable income	648,651	361,600	549,230
Tax credits for research and development expenditures	(1,467,816)	(245,802)	(161,510)
Unrecognized loss carry forwards	6,044,928	7,688,535	6,396,624
Tax effect of share of results of associates and joint venture	405,712	74,125	1,460
Effect of different tax rates of group entities operating in other jurisdictions	609,075	917,106	738,497
Adjustments for prior year' tax	—	19,842	19,416
Others	—	(17,811)	—
Income tax expenses recognized in profit or loss	$ —	$ 99,221	$ 132,667

The accumulated deficits of the Company as of December 31, 2022, and December 31, 2023, were $279 million and $321 million, respectively, among which the majority of the accumulated deficits arose from its main operating entity, ASLAN Pharmaceuticals Pte. Ltd.

ASLAN Pharmaceuticals Pte. Ltd has accumulated unused tax losses of $238 million as of December 31, 2022, and $275 million as of December 31, 2023 available for offset against future profits. Out of the unused tax losses, $77 million and $78 million relates to tax credits for research and development expenditure as of December 31, 2022 and December 31, 2023 respectively. No deferred tax asset has been recognized in respect of all the unused tax losses as it is not considered probable that there will be future taxable profits available. Subject to qualifying conditions, the unused tax losses can be carried forward indefinitely.

a. Cayman Islands

ASLAN Cayman is incorporated in the Cayman Islands. Under the current laws of the Cayman Islands, the Company is not subject to tax on income or capital gains. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

b. Singapore

ASLAN Pharmaceuticals Pte. Ltd. is incorporated in Singapore and subject to the statutory corporate income tax rate of 17%. ASLAN Pharmaceuticals Pte. Ltd. has no taxable income for the years ended December 31, 2021, 2022 and 2023, no other provision for income tax is required.

c. Australia

ASLAN Pharmaceuticals Australia Pty Ltd., incorporated in Australia, is subject to the statutory corporate income tax of 30%. ASLAN Pharmaceuticals Australia Pty Ltd. has no taxable income for the years ended December 31, 2021, 2022 and 2023, and therefore, no provision for income tax is required.

d. Hong Kong

ASLAN Pharmaceuticals Hong Kong Limited, incorporated in Hong Kong, is subject to the statutory corporate income tax of 16.5%. Under the Hong Kong tax law, ASLAN Pharmaceuticals Hong Kong Limited is exempted from income tax on its foreign derived income and there are no withholding taxes in Hong Kong on the remittance of dividends. ASLAN Pharmaceuticals Hong Kong Limited has no taxable income for the years ended December 31, 2021, 2022 and 2023, and therefore, no provision for income tax is required.

e. China

ASLAN Pharmaceuticals (Shanghai) Co. Ltd., incorporated in China, is subject to the statutory corporate income tax rate of 25%. ASLAN Pharmaceuticals (Shanghai) Co. Ltd. has no taxable income for the years ended December 31, 2021, 2022 and 2023, and therefore, no provision for income tax is required.

f. United States of America

ASLAN Pharmaceuticals (USA) Inc., incorporated in Delaware, USA in October 2018, is subject to the statutory federal income tax rate of 21% and state income tax rate of 8.7%. Due to the Research and Development Service Agreement in place between ASLAN Pharmaceuticals (USA) Inc. and its parent company, it has taxable income of $94,487, $377,994 and $531,794 for the years ended December 31, 2021, 2022 and 2023 and no provision for income tax is required as fully paid up.

g. Taiwan

ASLAN Pharmaceuticals Taiwan Limited, incorporated in Taiwan is subject to the statutory corporate income tax of 20% and the corporate surtax rate of 5%. The Company disposed of ASLAN Pharmaceuticals Taiwan Limited on December 31, 2022.

18. LOSS PER ORDINARY SHARE

	For the year ended December 31		
	2021	2022	2023
Basic and diluted loss per ordinary share	$ (0.10)	$ (0.15)	$ (0.11)
Basic and diluted loss per equivalent ADS	$ (2.40)	$ (3.68)	$ (2.69)

The loss and weighted-average number of ordinary shares outstanding used in the computation of loss per share are as follows:

	For the year ended December 31		
	2021	2022	2023
Loss used in the computation of basic and diluted loss per ordinary share	$ (31,321,618)	$ (51,382,417)	$ (44,219,604)
Weighted-average number of ordinary shares in the computation of basic loss per ordinary share	325,684,272	348,723,365	411,242,644
Weighted-average number of equivalent ADS in the computation of basic loss per ADS	13,027,371	13,948,935	16,449,706

19. SHARE-BASED PAYMENT ARRANGEMENTS

Employee Share Option Plan

Under the Company's 2014 employee share option plan (the "2014 Plan"), qualified employees of the Company and its subsidiaries were granted 7,050,211 options (representing 14,100,422 ordinary shares, an equivalent of 564,017 ADSs) from July 2010 to July 2016. The vesting period is four years. If the options remain unexercised after a period of ten years from the date of grant, the options expire. Options are forfeited if the employee leaves the Company before the options vest. Options pursuant to the 2014 plan are also vested in full or forfeited as of December 31, 2022 and 2023.

2014 Plan

Information on employee share options granted from the 2014 Plan is as follows. Each option entitles the holder to subscribe for two ordinary shares of the Company:

	For the Year Ended December 31					
	2021		2022		2023	
	Number of Equivalent ADSs	Weighted-average Exercise Price	Number of Equivalent ADSs	Weighted-average Exercise Price	Number of Equivalent ADSs	Weighted-average Exercise Price
Balance at January 1	533,629	$ 17.88	487,829	$ 17.88	371,569	$ 22.00
Options expired	—	—	(116,260)	8.38	(48,800)	17.08
Options exercised	(45,800)	5.38	—	—	—	—
Balance at December 31	487,829	17.88	371,569	22.00	322,769	22.74
Options exercisable, end of period	487,829	17.88	371,569	22.00	322,769	22.74

2017 Plan

Under the Company's 2017 employee share option plan (the "2017 Plan"), qualified employees of the Company and its subsidiaries were granted 825,833 options (representing 825,833 ordinary shares, an equivalent of 33,033 ADS) in September 2017. The vesting period is two years. If the options remain unexercised after a period of ten years from the date of grant, the options expire. Options are forfeited if the employee leaves the Company before the options vest. Options granted pursuant to the 2017 Plan are all either vested in full or forfeited as of December 31, 2022 and 2023.

Information on employee share options granted from the 2017 Plan is as follows. Each option entitles the holder to subscribe for one ordinary share of the Company:

	For the Year Ended December 31					
	2021		2022		2023	
	Number of Equivalent ADSs	Weighted-average Exercise Price	Number of Equivalent ADSs	Weighted-average Exercise Price	Number of Equivalent ADSs	Weighted-average Exercise Price
Balance at January 1	20,048	$ 31.90	20,048	$ 31.90	20,048	$ 31.90
Options forfeited	—	—	—	—	(333)	31.90
Balance at December 31	20,048	31.90	20,048	31.90	19,715	31.90
Options exercisable, end of period	20,048	31.90	20,048	31.90	19,715	31.90

2020 Equity Incentive Plan

On December 10, 2020, the Board of Directors (the "Board") of the Company approved the Company's 2020 Equity Incentive Plan (the "2020 EIP"). The 2020 EIP, among other things, provides for the grant of restricted stock awards, stock options and other equity-based awards to employees, officers, directors and consultants. The vesting period is up to four years or determination that a different vesting schedule shall apply, subject to discretion of Administrator. If the options remain unexercised after a period of ten years from the date of grant, the options expire. Options are forfeited if the employee leaves the Company before the options vest.

Each option entitles the holder to subscribe for one ADS of the Company. The options granted are valid for 10 years. No performance conditions were attached to the plan. No more than 62,030,922 ordinary shares (an equivalent of 2,481,237 ADSs) may be issued under the 2020 EIP upon the exercise of options. In addition, the number of ordinary shares reserved for issuance under the 2020 EIP will automatically increase on January 1 of each year, commencing on January 1, 2022, and ending on (and including) January 1, 2030, in an amount equal to 4% of the total number of ordinary shares outstanding on December 31 of the preceding calendar year. The Board may determine prior to January 1 of a given year that there will be no increase for such year or that the increase for such year will be a lesser number of ordinary shares.

In connection with the approval of the 2020 EIP, the maximum number of ordinary shares that may be issued under the 2020 EIP was originally 20,676,974 ordinary shares (an equivalent of 827,079 ADSs). The Board determined that there would be no increase as from January 1, 2021. As from January 1, 2022 and January 1, 2023, there was be an options increase of 13,948,935 ordinary shares (an equivalent of 557,958 ADSs), which represents 4% of the total outstanding ordinary shares as of December 31, 2021 and December 31, 2022.

On December 15, 2020, 764,812 ADSs were granted under the Company's 2020 EIP. During the year ended December 31, 2021, 56,400 ADSs were granted under the Company's 2020 EIP, respectively. On January 1, 2022, and on July 1, 2022, 355,030 ADSs and 143,600 ADSs were granted, respectively. On January 1, 2023, on May 1, 2023 and on July 1, 2023, 407,226 ADSs, 370,000 ADSs and 9,600 ADSs were granted, respectively.

If an award under the 2020 EIP, expires, lapses or is terminated, exchanged for cash, surrendered, repurchased, cancelled without having been fully exercised, forfeited or is withheld to satisfy a tax withholding obligation in connection with an award or to satisfy a purchase or exercise price of an award, any unused shares subject to the award will, as applicable, become or again be available for new grants under the 2020 EIP. Awards granted under the 2020 EIP in substitution for any options or other equity or equity-based awards granted by an entity before the entity's merger or consolidation with the Company or the Company's acquisition of the entity's property or stock will not reduce the number of ordinary shares available for grant under the 2020 EIP, but will count against the maximum number of ordinary shares that may be issued upon the exercise of incentive stock options. References in this summary to ordinary shares include an equivalent number of the Company's ADSs.

In July 2022, the Remuneration Committee of the Board noted that the exercise price of options previously granted to certain officers and employees of the Company significantly exceeded the current fair market value of the underlying ADS (the "Underwater Options"). In accordance with its powers authorized under the 2020 EIP, the Remuneration Committee therefore resolved to lower the per ADS exercise price of the Underwater Options, believing this to be in the best interests of the Company and its shareholders to motivate and restore incentives for the holders of the Underwater Options. It thus resolved to amend each Underwater Option to reduce the exercise price of each to $2.60 per ADS for the 2020 EIP, being the Fair Market Value of the Company's ADSs effective on the closest trading day to the date of the resolution. The incremental fair value of $279,636 has been recognized as an expense over the period from the modification date to the end of vesting period. The expense for the original option grant will be recognized as if the terms had not been modified. The fair value of the modified options was determined using the same models and principles as described below.

Information on employee share options granted under the 2020 EIP is as follows. Each option entitles the holder to subscribe for one ADS of the Company:

	For the Year Ended December 31					
	2021		2022		2023	
	Number of Equivalent ADSs	Weighted-average Exercise Price	Number of Equivalent ADSs	Weighted-average Exercise Price	Number of Equivalent ADSs	Weighted-average Exercise Price
Balance at January 1	764,812	$ 10.30	804,312	$ 2.60	1,154,068	$ 2.59
Options granted	56,400	16.20	498,630	2.57	786,827	2.93
Options forfeited	(16,200)	10.30	(148,874)	2.60	(11,375)	2.33
Options exercised	(700)	10.30	—	—	—	—
Balance at December 31	804,312	$ 10.30	1,154,068	$ 2.59	1,929,520	$ 2.73
Options exercisable, end of period	299,505	$ 10.30	408,964	$ 2.59	803,797	$ 2.59
Weighted-average fair value of each option granted		$ 13.15		$ 2.59		$ 2.73

Information on outstanding options as of December 31, 2023 is as follows:

	Jul 2014	Jul 2015	Jul 2016	Jul 2017	Dec 2020	Jan - Jul 2021	Jan - Jul 2022	Jan - Jul 2023
Range of Exercise Price	$ 6.80	$6.80-$9.40	$ 11.30	$ 6.40	$ 2.60	$ 2.60	$2.50-$2.60	$1.80-$4.15
Weighted-average Remaining Contractual Life (Years)	0.5	1.5	2.5	3.73	6.96	7.21	8.26	9.29

Options granted in the 2014 Plan, the 2017 Plan, and the 2020 EIP were priced using the binomial option pricing model, and the inputs to the model were as follows:

	Jul 2014	Jul 2015	Jul 2016	Jul 2017	Dec 2020	Jan-Jul 2021	Jan-Jul 2022	Jan-Jul 2023
Grant-date share price	$ 6.80	$ 9.40	$ 11.30	$ 6.40	$ 11.10	$11.75-$20.60	$2.50-$5.60	$1.80-$4.15
Exercise price	$ 6.80	$6.80-$9.40	$ 11.30	$ 6.40	$ 2.60	$ 2.60	$2.50-$2.60	$1.80-$4.15
Expected volatility	50.86 %	36.37 %	39.34 %	38.33 %	66.25 %	59.99%-64.92%	118.2%-122.1%	118.8% - 133.5%
Expected life (years)	10	10	10	10	5.25 - 7	5.25 - 7	5.25 - 7	5.5-7
Risk-free interest rate	2.58 %	2.43 %	1.46 %	1.10 %	3.05%-3.06%	3.05%-3.06%	2.90%-3.06%	3.58%-3.97%

Expected volatility was based on the average annualized historical share price volatility of comparable companies before the grant date. The expected life used in the model has been adjusted, based on management's best estimate.

Compensation costs recognized for the years ended December 31, 2021, 2022 and 2023, were $2,428,128, $2,443,894 and $2,769,279 respectively.

Long Term Incentive Plan

The Company maintains the Senior Management Team (SMT) Long Term Incentive Plans (LTIP), pursuant to which bonus entitlement unit awards were granted in 2017, 2018, and 2019. On August 23, 2017, and February 1, 2018, the Company granted 1,462,000 and 104,000 ordinary shares (an equivalent to 58,480 ADSs and 4,160 ADSs) bonus entitlement units to the Company's executive officers pursuant to the 2017 LTIP, respectively. On July 30, 2018, the Company granted 48,228 ADSs bonus entitlement units to the executive officers pursuant to the 2018 LTIP, and on July 30, 2019, the Company granted 98,204 ADSs bonus entitlement units to the executive officers pursuant to the 2019 LTIP.

Upon vesting and redemption, each unit award is converted into a cash payment equal to the number of units multiplied by the per-share fair market value of the Company's ordinary shares on the day following the Company's receipt of a redemption notice. The bonus entitlement unit awards granted pursuant to the 2017 LTIP, the 2018 LTIP and the 2019 LTIP are all either vested in full or forfeited as of December 31, 2023.

Up to date, total 56,700 ADSs bonus entitlement units have been forfeited or lapsed and total 62,910 ADSs bonus entitlement units have been redeemed as of December 31, 2023. The quoted fair value on the reporting date is based on the closing price per ADS of $1.80 and $0.52 as of December 31, 2022, and December 31, 2023, respectively.

The LTIPs qualify as cash-settled share-based payment transactions. The Company recognizes the liabilities in respect of its obligations under the LTIPs, which are measured based on the Company's quoted market price of its ADSs at the reporting date, and takes into account the extent to which the services have been rendered to date.

The Company recognized total benefit of $66,079 in 2023 and recognized total benefits of $234,761, $467,134 and $66,079 in respect of the LTIPs for the years ended December 31, 2021, 2022 and 2023. As of December 31, 2022, and December 31, 2023, the Company recognized compensation liabilities of $234,448 and $46,699 as other payables (Note 12). The total intrinsic value at December 31, 2023 and 2022 was $234,448 and $46,699, respectively.

The Company's LTIP is described as follows:

	Number of ADSs units For the year ended December 31		
	2021	2022	2023
Balance at January 1	148,906	144,147	144,147
Awards exercised	(4,759)	—	(40,788)
Awards lapsed	—	—	(13,897)
Balance at December 31	144,147	144,147	89,462
Balance exercisable, end of period	144,147	144,147	89,462

20. CAPITAL MANAGEMENT

The Company manages its capital to ensure that entities in the Company will be able to safeguard cash as well as maintain financial liquidity and flexibility to support the development of its product candidates and programs as a going concern through the optimization of the debt and equity balance.

The Company's financial strategy is designed to maintain a flexible capital structure consistent with the objectives stated above and to respond to business growth opportunities and changes in economic conditions. The capital structure of the Company mainly consists of borrowings and equity of the Company. Key management personnel of the Company review the capital structure periodically. To maintain or balance the overall capital structure, the Company may adjust the amounts of long-term borrowings, or the issuance of new shares capital or other equity instruments.

As of December 31, 2023, there were no changes in the Company's capital management policy, and the Company is not subject to any externally imposed capital requirements other than those restrictions disclosed in Note 13 under K2HV Loan Agreement.

21. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's consolidated statements of cash flows as cash flows from financing activities.

				Non-cash changes			
	January 1, 2021	Interest paid	Net proceeds/ (repayment)	Additions/ (Transfers)	Others*	Interest expense	December 31, 2021
Lease Liabilities – current	$ 271,624	$ (21,510)	$ (353,649)	$ 281,149	$ —	$ 21,510	$ 199,124
Lease Liabilities – non-current	281,149	—	—	(281,149)	—	—	—
Current borrowings (Note 13)	2,900,971	(484,043)	(2,571,701)	—	—	154,773	—
Current borrowings from related parties (Notes 13 and 23)	617,912	(117,986)	(550,000)	—	—	50,074	—
Long-term borrowings (Note 13)	15,183,421	—	15,939,643	(688,324)	(124,827)	547,396	30,857,309
Other payable - interest payables (Note 12)	735,510	—	(1,680,628)	—	—	1,087,201	142,083

				Non-cash changes			
	January 1, 2022	Interest paid***	Net proceeds/ (repayment)	Additions/ (Transfers) **	Others*	Interest expense	December 31, 2022
Lease Liabilities – current	$ 199,124	$ (12,544)	$ (262,798)	$ 293,460	$ (14,115)	$ 12,544	$ 215,671
Other payable - interest payables (Note 12)	142,083	—	—	$ (142,083)	—	—	—
Current borrowings (Note 13)	—	(2,338,715)	—	7,626,678	—	2,460,868	7,748,831
Long-term borrowings (Note 13)	30,857,309	—	5,000,000	(7,484,595)	88,866	1,194,553	29,656,133

	January 1, 2023	Interest paid***	Net proceeds/ (repayment)	Non-cash changes: Additions/ (Transfers) **	Non-cash changes: Others*	Non-cash changes: Interest expense	December 31, 2023
Lease Liabilities – current	$ 215,671	$ (10,411)	$ (296,920)	$ 307,436	$ (2,663)	$ 13,074	$ 226,187
Current borrowings (Note 13)	7,748,831	(3,318,576)	—	(6,501,167)	—	3,871,299	1,800,387
Long-term borrowings (Note 13)	29,656,133	—	(12,000,000)	6,501,167	198,842	442,410	24,798,552
Financial liabilities at fair value through profit or loss	90,213	—	3,465,180****	—	(3,466,999)	—	88,394

* Others comprise mainly foreign currency translation differences for long-term borrowings and net gain on fair value changes for financial liabilities measured at fair value through profit or loss.
** The transfer from current to long-term borrowings is due to the amendment (Second Amendment) of K2HV Loan Agreement pursuant to which K2HV agreed to extend the period in which the Company is not required to make payments with respect to the outstanding amount (see Note 14b).
*** The Company classified interest paid arising from third party borrowings and leases into operating and financing cash flows activities respectively.
**** Net proceeds arising from cash received from Tranche 1B warrants and Tranche 2B warrants as of the date of issue which have been recorded as financial liabilities at fair value through profit or loss (see Note 14a).

22. FINANCIAL INSTRUMENTS

a. Fair value of financial instruments not measured at fair value

The Company believes that the carrying amounts of financial assets and financial liabilities not measured at fair value approximate to their fair values.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value- hierarchy

December 31, 2022

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Money Market Fund	$ 30,445,339	$ —	$ —	$ 30,445,339
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities – K2 warrants	$ —	$ —	$ 90,213	$ 90,213

December 31, 2023

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through other comprehensive income				
Foreign unlisted ordinary shares	$ —	$ —	$ 235,567	$ 235,567
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities				
K2 warrants	$ —	$ —	$ 87,693	$ 87,693
Tranche 2B warrants	$ —	$ —	$ 701	$ 701
Derivative financial liabilities	$ —	$ —	$ 88,394	$ 88,394

The following three levels of inputs are used to measure the fair value presented above:

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

Level 2 — Significant other observable inputs.

Level 3 — Significant unobservable inputs.

There was no transfer between Levels 1, 2 and 3 in the current and prior periods.

2) Reconciliation of Level 3 fair value measurements of financial instruments

	K2 Warrants	Tranche Warrants	Unlisted foreign ordinary shares
Balance at January 1, 2021	$ —	$ —	$ —
Issues	688,324	—	—
Subsequent measurement recognized in profit and loss	(464,972)	—	—
Balance at January 1, 2022	$ 223,352	$ —	$ —
Issues	45,482	—	—
Subsequent measurement recognized in profit and loss	(178,621)	—	—
Balance at January 1, 2023	$ 90,213	$ —	$ —
Issues	—	3,465,180	—
Subsequent measurement recognized in			
Profit and loss	(2,520)	(3,464,479)	—
Other comprehensive income	—	—	235,567
Balance at December 31, 2023	$ 87,693	$ 701	$ 235,567

3) Fair value of the group's financial assets and financial liabilities that are measured at fair value on a recurring basis

The Company's financial assets and financial liabilities are measured at fair value at the year end. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

Financial assets/ financial liabilities	Fair Value Hierarchy	Valuation Technique(s) and key input(s)	Significant unobservable input(s)	Relation and sensitivity of unobservable inputs to fair value
1. Derivative financial liabilities - K2 warrants	Level 3	Option Pricing Model (Binomial Tree Model). The following variable were taken into consideration: Time to maturity, current share price, strike price, risk free rate, dividend yield and volatility	Volatility	The higher the volatility, the higher the fair value. If the volatility was 5 per cent lower while all other variables were held constant, the carrying amount would decrease by US$3,631. If the volatility was 5 per cent higher while all other variables were held constant, the carrying amount would increase by US$3,171.
2. Derivative financial liabilities - 2B warrants	Level 3	Option Pricing Model (Monte Carlo Simulation). The following variable were taken into consideration: Time to maturity, current share price, strike price, risk free rate, dividend yield and volatility	Volatility	The higher the volatility, the higher the fair value. If the volatility was 5 per cent lower while all other variables were held constant, the carrying amount would decrease by US$376. If the volatility was 5 per cent higher while all other variables were held constant, the carrying amount would increase by US$552.
3. Foreign unlisted ordinary shares	Level 3	Backsolve Option Pricing Model. The following variable were taken into consideration: Expected holding period, risk free rate, dividend yield and volatility	Volatility	The higher the volatility, the higher the fair value. If the volatility was 5 per cent lower while all other variables were held constant, the carrying amount would decrease by US$1,314. If the volatility was 5 per cent higher while all other variables were held constant, the carrying amount would increase by US$1,367.

c. Categories of financial instruments

	December 31, 2021	December 31, 2022	December 31, 2023
Financial assets			
Financial assets at fair value through other comprehensive income			
Foreign unlisted ordinary shares	$ —	$ —	$ 235,567
Financial assets at fair value through profit or loss			
Money Market Fund	$ —	$ 30,445,339	$ —
Financial assets at amortized cost (1)	$ 91,047,060	$ 27,490,152	$ 22,448,527
Financial liabilities			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities – K2 warrants	$ 223,352	$ 90,213	$ 87,693
Derivative financial liabilities – Tranche 2B Warrants	$ —	$ —	$ 701
	$ 223,352	$ 90,213	$ 88,394
Financial liabilities at amortized cost (2)	$ 36,090,421	$ 41,922,924	$ 36,910,284
Equity instruments			
Equity instruments			
Pre-Funded Warrants	$ —	$ —	$ 8,262,698
Tranche 2A Warrants	$ —	$ —	$ 2,173,285
	$ —	$ —	$ 10,435,983

(1) The balances include financial assets at amortized cost, which comprise of cash and cash equivalents (excluding money market funds) and refundable deposits.

(2) The balances include financial liabilities at amortized cost, which comprise of trade payables, other payables, current borrowings, lease liabilities and long-term borrowings.

d. Financial risk management objectives and policies

The Company's financial risk management objective is to monitor and manage the financial risks relating to the operations of the Company. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. In order to minimize the effect of financial risks, the Company devoted time and resources to identify and evaluate the uncertainty of the market to mitigate risk exposures.

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (a) below) and interest rates (see (b) below).

a) Foreign currency risk

The Company has foreign currency transactions, which exposed the Company to foreign currency risk.

The Company's significant financial assets and liabilities denominated in foreign currencies were as follows:

	December 31, 2022		
	Foreign Currencies	Exchange Rate	Carrying Amount
Financial assets			
Monetary items			
SGD	S $ 2,312,357	0.7461	$ 1,725,279
AUD	A $ 2,616,802	0.6820	$ 1,784,606
Financial liabilities			
Monetary items			
SGD	S $ 16,298,191	0.7461	$ 12,160,288

	December 31, 2023				
	Foreign Currencies		Exchange Rate		Carrying Amount
Financial assets					
Monetary items					
SGD	S $	2,825,324	0.7577	$	2,140,748
Financial liabilities					
Monetary items					
SGD	S $	18,232,233	0.7577	$	13,814,563

Sensitivity analysis

The Company is mainly exposed to the Singapore Dollar.

The following table details the Company's sensitivity to a 5% decrease in the U.S. dollar against the relevant foreign currency. The rate of 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items. A negative number below indicates an increase in pre-tax loss where the U.S. dollar weakens 5% against the relevant currency. For a 5% strengthening of the U.S. dollar against the relevant currency, there would be an equal and opposite impact on pre-tax loss.

	For the year ended December 31		
	2021	2022	2023
Profit or loss*			
SGD	$ (548,878)	$ (521,750)	$ (583,691)
AUD	$ 87,807	$ 89,230	$ —

* This is mainly attributable to the exposure to outstanding deposits in banks and loans in foreign currency at the end of the reporting period.

b) Interest rate risk

The Company is exposed to interest rate risk because entities in the Company borrowed funds at fixed baseline interest plus floating interest rates.

The sensitivity analysis below is determined based on the Company's exposure to interest rates for investment in money market fund and fixed rate borrowings at the end of the reporting period, and is prepared assuming that the amounts of liabilities outstanding at the end of the reporting period are outstanding for the whole year. A 100-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher and all other variables were held constant, the Company's pre-tax loss for the years ended December 31, 2021, 2022 and 2023, would have increased by $308,573, $69,596 and $265,989, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company adopted a policy of only dealing with creditworthy counterparties and financial institutions, where appropriate, as a means of mitigating the risk of financial loss from defaults.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents that are deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of long-term borrowings and ensures compliance with repayment conditions.

As the Company is in the research and development phase, the Company will be seeking future funding based on the requirements of its business operations. The Company is able to exercise discretion and flexibility to deploy its capital resources in the process of the research and development activities according to the amount and timing of the financing activities. The Company intends to explore various means of fundraising to meet its funding requirements to carry out the business operations, such as the issuance of ADS representing its ordinary shares, venture debt and shareholder loasn. The Company may also use other means of financing such as out licensing to generate revenue and cash. The Company's current cash resources are not sufficient to complete the research and development activities of all of its therapeutic candidates in the absence of any additional funding. Management believes that there is presently insufficient funding available to allow the Company to fund its activities for a period exceeding one year and meet its obligations as they become due within one year, from the date of this filing. However, the future viability of the Company depends on its ability to raise additional capital or partner the drug to finance its operations, in the absence of additional funding there would be substantial doubts about the Company's ability to continue as a going concern.

On February 24, 2023, the Company entered into a Unit Purchase Agreement (the "Purchase Agreement") with fund entities affiliated with BVF Partners L.P. (collectively, "BVF") private placement. The Private Placement was on February 27, 2023 (the "Closing"), subject to customary closing conditions. The Private Placement is expected to result in gross proceeds to the Company of approximately $20.0 million, and an additional $80.0 million in gross proceeds to the Company if all Tranche Warrants are fully-exercised. Please refer to Note 14 for details.

On March 12, 2024, the Company entered into a Securities Purchase Agreement with the purchaser's signatory thereto (the Purchasers), pursuant to which the Company agreed to sell and issue, in a registered direct offering, 125,000,000 ordinary shares in the form of 5,000,000 ADSs, at a gross purchase price of $1.00 per ADS (the Registered Offering). The registered offering resulted in net proceeds to the Company of $4.5 million, and an additional $5.0 million in gross proceeds to the Company if the warrants are full-exercised. Please refer to Note 25(c) for details.

The table below break down the Company's financial liabilities into relevant maturity groupings based on their contractual and estimated maturities. The amounts disclosed in the tables are contractual and estimated undiscounted cash flows.

Contractual maturities of financial liabilities as of December 31, 2023	**On demand or within 1 year**	**Within 2 to 5 years**	**After 5 years**	**Total**
Non-derivative financial liabilities				
Trade payable	$ 7,918,607	$ —	$ —	$ 7,918,607
Other payable	3,081,329	—	—	3,081,329
Lease liabilities	226,187	—	—	226,187
Borrowings				
- Loan from government (Note 13a)	—	—	12,496,831	12,496,831
- Other long-term borrowing (Note 13b)	1,818,750	16,723,211	—	18,541,961
Derivative financial liabilities				
K2HV warrants	—	—	87,693	87,693
Tranche 2B warrants	701	—	—	701

Contractual maturities of financial liabilities as of December 31, 2022	**On demand or within 1 year**	**Within 2 to 5 years**	**After 5 years**	**Total**
Non-derivative financial liabilities				
Trade payable	$ 12,784,485	$ —	$ —	$ 12,784,485
Other payable	2,325,038	—	—	2,325,038
Lease liabilities	215,671	—	—	215,671
Borrowings				
- Loan from government (Note 13a)	—	—	11,855,579	11,855,579
- Other long-term borrowing (Note 13b)	7,503,091	24,557,362	—	32,060,453
Derivative financial liability				
K2HV warrants	—	—	90,213	90,213

23. TRANSACTIONS WITH RELATED PARTIES

Balances and transactions between the companies and its subsidiaries which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Besides information disclosed elsewhere in the other notes, details of transactions between the Company and other related parties are disclosed as follows.

a. Related party name and category

Related Party Name	Related Party Category
Other	Key Management Personnel

b. Loans from related parties

Interest expense

	For the year ended December 31		
Related Party Category/Name	**2021**	**2022**	**2023**
Related party in substance / JANK Howden Pty Ltd	$ 45,522	$ —	$ —
Key Management Personnel / Others	4,552	—	—
	$ 50,074	$ —	$ —

The loans from the related parties were repaid on March 22, 2021.

c. Compensation of Key Management Personnel

	For the year ended December 31		
Related Party Category/Name	**2021**	**2022**	**2023**
Short-term employee benefits	$ 2,881,215	$ 2,783,668	$ 3,115,619
Post-employment benefits	112,095	332,037	140,332
Share-based payments recognized	2,048,669	1,926,199	2,256,528
	$ 5,041,979	$ 5,041,904	$ 5,512,479

The remuneration of directors and key executives was determined by the remuneration committee based on the performance of individuals and market trends. In addition, the remuneration of non-executive directors was $219,628, $242,782 and $280,417 for the years ended December 31, 2021, 2022, and 2023, respectively.

24. SEGMENT INFORMATION

The Company's major business is research and development and operates only in one single segment. The Board of directors, which allocates resources and assesses performance of the Company as a whole, has identified that the Company has only one reportable operating segment.

The Company has only one reportable operating segment, and therefore, the reportable segment information is the same as the financial statements. The following is an analysis of the Company's revenue from its major products and services.

	For the year ended December 31		
	2021	**2022**	**2023**
Out-licensing	$ —	$ —	$ 12,000,000

For the year ended December 31, 2023, there was revenue generated from out-licensing of development and commercialization rights in Japan to Zenyaku Kogyo Co., Ltd. for *eblasakimab* amounting to $12 million. Please refer to Note 15 for details

25. OTHER ITEMS/SUBSEQUENT EVENTS

a) On January 5, 2024, the Company received a notice (the "Notice") from the Nasdaq Stock Market LLC ("Nasdaq") that the Company is not currently in compliance with the $1.00 minimum bid price requirement for continued listing on the Nasdaq Capital Market, as set forth in Nasdaq Listing Rule 5550(a)(2) (the "Minimum Bid Price Requirement"). The Notice indicated that, consistent with Nasdaq Listing Rule 5810(c)(3)(A), the Company has 180 days, or until July 3, 2024 (the "Compliance Deadline"), to regain compliance with the Minimum Bid Price Requirement by having the closing bid price of the Company's ADSs meet or exceed $1.00 per ADS for at least ten consecutive business days. The Notice is only a notification of deficiency and has no immediate effect on the listing of the Company's ADSs. The Company's ADSs will continue to trade on the Nasdaq Capital Market at this time. The Company's receipt of the Notice does not impact the Company's business, operations or reporting requirements with the Securities and Exchange Commission. The Company announced the receipt of the Notice through a press release on January 8, 2024.

   If the Company does not regain compliance by the Compliance Deadline, the Company may be afforded an additional 180 calendar day period to regain compliance. To qualify, the Company would be required to meet the continued listing requirement for market value of publicly held securities and all other initial listing standards for the Nasdaq Capital Market, except for the Minimum Bid Price Requirement. In addition, the Company would be required to notify Nasdaq of its intent to cure the deficiency during the second compliance period. If the Company does not regain compliance with the Minimum Bid Price Requirement by the end of the compliance period (or the second compliance period, if applicable), the Company's ADSs will become subject to delisting. In the event that the Company receives notice that its ADSs are being delisted, the Nasdaq listing rules permit the Company to appeal a delisting determination to a Nasdaq hearings panel.

b) On January 24, 2024, the Company held an Extraordinary General Meeting of shareholders. At the Extraordinary General Meeting, the Company's requisite shareholders approved (i) an ordinary resolution to increase the Company's authorized share capital from US$10,000,000 divided into 1,000,000,000 ordinary shares of a nominal or par value of US$0.01 each to US$50,000,000 divided into 5,000,000,000 ordinary shares of a nominal or par value of US$0.01 each, and (ii) a special resolution to replace existing Memorandum and Articles of Association of the Company (being the Tenth Amended and Restated Memorandum and Articles of Association of the Company) with a new Memorandum and Articles of Association (being the Eleventh Amended and Restated Memorandum and Articles of Association of the Company) under the Companies Act (as amended) of the Cayman Islands.

c) On March 12, 2024, the Company entered into a securities purchase agreement (the Purchase Agreement), with the purchasers signatory thereto (the Purchasers), pursuant to which the Company agreed to sell and issue, in a registered direct offering, 125,000,000 ordinary shares in the form of 5,000,000 ADSs, at a gross purchase price of $1.00 per ADS (the Registered Offering). The ADSs were offered by the Company pursuant to an effective shelf registration statement on Form F-3, which was originally filed with the Securities and Exchange Commission on March 24, 2023 and was declared effective on April 6, 2023 and a prospectus supplement thereunder.

   Pursuant to the Purchase Agreement, in a concurrent private placement, the Company also agreed to sell and issue to the Purchasers unregistered warrants (the Warrants) to purchase up to 125,000,000 ordinary shares in the form of 5,000,000 ADSs (the Private Placement and together with the Registered Offering, the Offering). The Warrants are exercisable upon issuance (the Initial Exercise Date) at an exercise price of $1.00 per ADS and will expire on the five-year anniversary of the Initial Exercise Date. Pursuant to the terms of Purchase Agreement, on March 26, 2024, the Company filed a registration statement on Form F-3 covering the sale of the ADS underlying the Warrants (the Resale Registration Statement). Upon effectiveness of the Resale Registration Statement, the shares underlying the Warrants will be freely tradeable in the United States. The Registered Offering closed on March 14, 2024. The aggregate gross proceeds to the Company from the Registered Offering were $5 million, before deducting offering expenses payable by the Company.

Pursuant to the terms of the Purchase Agreement, the Company agreed (i) not to issue, enter into an agreement to issue or announce the issuance or proposed issuance of any of its ADSs, ordinary shares or ordinary share equivalents, or (ii) file any registration statement or any amendment or supplement thereto, subject to certain exceptions, until 30 days following the closing of this offering. In addition, pursuant to the terms of the Warrant, the Company also agreed that at any time on or after the Initial Exercise Date but on or prior to the Termination Date, if the Company grants, issues or sells any ordinary share equivalents or rights to purchase shares, warrants, securities or other property pro rata to the record holders of any class of ordinary shares or ADSs (the "Purchase Rights"), the Purchaser in this Offering shall, in the aggregate, have the right to participate in such financing the aggregate Purchase Rights which the Purchaser could have acquired if the Purchaser had held the number of ordinary shares or ADSs acquirable upon complete exercise of the Warrant.

Exhibit 2.6

DESCRIPTION OF SECURITIES
REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT

As of December 31, 2023, **ASLAN Pharmaceuticals Limited**, or "we," "us," and "our", had the following series of securities registered pursuant to Section 12(b) of the Securities Exchange Act, as amended, or Exchange Act:

Title of each class	Trading symbol	Name of each exchange on which registered
American Depositary Shares, each representing five ordinary shares, par value $0.01 per ordinary share	**ASLN**	**The Nasdaq Capital Market**
Ordinary shares, par value $0.01 per share*		**The Nasdaq Capital Market ***

* Not for trading, but only in connection with the registration of the American Depositary Shares.

American Depositary Shares, or ADSs, each representing five ordinary shares, par value $0.01 per ordinary share, or the "shares" or "ordinary shares", have been available in the U.S. through an American Depositary Receipt, or ADR, program since May 4, 2018. This program was established pursuant to the deposit agreement that we entered into with JPMorgan Chase Bank, N.A., or JPMorgan, as depositary, or Deposit Agreement. Our ADRs have been listed on the Nasdaq Global Market since May 2018 and are traded under the symbol "ASLN". In September 2022, we transferred to the Nasdaq Capital Market and continued trading under the same trading symbol "ASLN." In connection with this listing (but not for trading), the shares are registered under Section 12(b) of the Exchange Act. This exhibit contains a description of the rights of (i) the holders of ordinary shares and (ii) ADR holders. Shares underlying the ADSs are held by JPMorgan, the depositary, and holders of ADSs will not be treated as holders of the shares.

On March 13, 2023, we effected a change to the ratio of our ADSs to our ordinary shares from one ADS representing five ordinary shares to one ADS representing twenty-five ordinary shares, or the ADS Ratio Change. Except as otherwise indicated, all information in this exhibit does not give retroactive effect to the ADS Ratio Change.

The following summary is subject to and qualified in its entirety by our Amended and Restated Memorandum and Articles of Association, or Articles, and by the Companies Act (as amended) of the Cayman Islands, or the Companies Act, and by the common law of the Cayman Islands. This is not a summary of all the significant provisions of the Articles, the Companies Act or the common law of the Cayman Islands and does not purport to be complete. Capitalized terms used but not defined herein have the meanings given to them in our annual report on Form 20-F for the fiscal year ended December 31, 2023 and in the Amended and Restated Deposit Agreement, which is an exhibit to our registration statement on Form F-6 filed with the Securities and Exchange Commission, or SEC, on September 4, 2020, as amended by Amendment No. 1 to the Amended and Restated Deposit Agreement, which is an exhibit to our post-effective amendment to registration statement on Form F-6 filed with the SEC on March 3, 2023.

DESCRIPTION OF ORDINARY SHARES

General

We are an exempted company incorporated in June 2014 with limited liability under the laws of the Cayman Islands and our affairs are governed by:

- our Articles;
- the Companies Act; and
- the common law of the Cayman Islands.

As of the filing date of our annual report, our authorized share capital is $50,000,000 divided into 5,000,000,000 ordinary shares of a nominal or par value of $0.01 per ordinary share.

The following are summaries of material provisions of our Articles and the Companies Act insofar as they relate to the material terms of our share capital.

Ordinary Shares

General

Ordinary Shares. All of our outstanding ordinary shares are fully paid and non-assessable, excluding those ordinary shares that have been issued to JPMorgan Chase Bank, N.A., as depositary, which are being held for future sales and issuances of ADSs, if any, under the Sale Agreement. Our ordinary shares are issued in registered form and certificates representing the ordinary shares have been issued to certain shareholders, including JPMorgan Chase Bank, N.A. Our shareholders who are nonresidents of the Cayman Islands may freely hold and vote their shares.

Dividends. The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors. In addition, our shareholders may declare dividends by ordinary resolution, but no dividend shall exceed the amount recommended by our directors. Our Articles provide that the directors may, before recommending or declaring any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall be applicable for meeting contingencies or for equalizing dividends or for any other purpose to which those funds may be properly applied. Under the laws of the Cayman Islands, our company may pay a dividend out of any of profit, retained earnings or the credit standing in our company's share premium account, provided that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business immediately following the date on which the distribution or dividend is paid.

Voting Rights. Holders of our ordinary shares shall be entitled to one vote per ordinary share. Voting at any shareholders' meeting is by show of hands unless a poll is demanded (before or on the declaration of the result of the show of hands). A poll may be demanded by the chairman of such meeting or any one or more shareholders present in person or by proxy at the meeting.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast at a meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes cast attaching to the outstanding ordinary shares at a meeting. A special resolution will be required for important matters such as a change of name, making changes to our Articles or approving a merger. Holders of the ordinary shares may, among other things, subdivide, consolidate or increase our share capital by ordinary resolution.

General Meetings of Shareholders. As a Cayman Islands exempted company, we are not obliged by the Companies Act or our Articles to call shareholders' annual general meetings.

Shareholders' general meetings may be convened by a majority of our board of directors. Advance written notice of at least seven calendar days (counting from the date service is deemed to take place as provided in our Articles) is required for the convening of any general meeting of our shareholders. A quorum required for any general meeting of shareholders consists of at least one shareholder present or by proxy, representing at least a majority of our paid up voting share capital.

The Companies Act provides shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our Articles provide general meetings shall also be convened on the requisition in writing of any Shareholder or Shareholders entitled to attend and vote at our general meetings holding at least ten percent of the paid up voting share capital deposited at the Office specifying the objects of the meeting by notice given no later than 21 days from the date of deposit of the requisition duly proceed to convene a general meeting to be held.

Transfer of Ordinary Shares. Subject to the restrictions set out below, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors. Our board of directors may determine to decline to register any transfer of shares for any reason.

Liquidation. On the winding up of our company, if the assets available for distribution amongst our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay the whole of the share capital, the assets will be distributed so that the losses are borne by our shareholders in proportion to the par value of the shares held by them.

Calls on Shares and Forfeiture of Shares. Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their shares in a notice served to such shareholders at least 14 days prior to the specified time and place of payment. The shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, Repurchase and Surrender of Shares. We may issue shares on terms that such shares are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner as may be determined by our board of directors. We may also repurchase any of our shares on such terms and in such manner as have been approved by our board of directors and agreed with the relevant shareholder. Under the Companies Act, the redemption or repurchase of any share may be paid out of our profits, retained earnings or out of the proceeds of a new issue of shares made for the purpose of such redemption or repurchase, or out of capital (including share premium account and capital redemption reserve) if our company can, immediately following such payment, pay its debts as they fall due in the ordinary course of business. In addition, under the Companies Act no such share may be redeemed or repurchased (a) unless it is fully paid up, (b) if such redemption or repurchase would result in there being no shares outstanding or (c) if the company has commenced liquidation. In addition, our company may accept the surrender of any fully paid share for no consideration.

Variations of Rights of Shares. If at any time our share capital is divided into different classes (and as otherwise determined by our board of directors) the rights attached to any such class may, subject to any rights or restrictions for the time being attached to any class only be materially adversely varied or abrogated with the consent in writing of the holders of not less than two-thirds of the issued shares of the relevant class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of such class by a majority of two-thirds of the votes cast at such a meeting. The board of directors may vary the rights attaching to any class without the consent or approval of shareholders provided that the rights will not, in the determination of the board of directors, be materially adversely varied or abrogated by such action.

Issuance of Additional Shares. Our Articles authorize our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares.

Our Articles also authorize our board of directors to establish from time to time one or more series of preferred shares with the approval of the board of directors and with the approval of a special resolution and to determine, with respect to any series of preference shares, the terms and rights of that series, including the:

- Order, fixed amount or fixed ratio of allocation of dividends and other distributions on preferred shares;
- Order, fixed amount or fixed ratio of allocation of the assets available for distribution on a liquidation of the Company;
- Order of or restriction on the voting rights (including declaring no voting rights whatsoever) of preferred shareholders;
- Other matters concerning rights and obligations incidental to preferred shares; and

- Method by which the Company is authorized or compelled to redeem the preferred shares, or a statement that redemption rights shall not apply.

Prior to the issuance of any preferred shares, the Articles shall be amended to set forth the rights and obligations of the preferred shares. Issuance of these shares may dilute the voting power of holders of ordinary shares.

Inspection of Books and Records. Holders of our ordinary shares will have no general right under Cayman Islands law to inspect or obtain copies of our corporate records (except for the memorandum and articles of association of our company, any special resolutions passed by our company and the register of mortgages and charges of our company). However, we will provide our shareholders with annual audited financial statements.

Anti-Takeover Provisions. Some provisions of our Articles may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that:

- Authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares; and
- Limit the ability of shareholders to requisition and convene general meetings of shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our Articles for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Exempted Company. We are an exempted company incorporated with limited liability under the Companies Act. The Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- Does not have to file an annual return of its shareholders with the Registrar of Companies;
- Is not required to open its register of members for inspection;
- Does not have to hold an annual general meeting;
- May obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- May register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- May register as a limited duration company; and
- May register as a segregated portfolio company.

“Limited liability” means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company (except in exceptional circumstances, such as involving fraud, the establishment of an agency relationship or an illegal or improper purpose or other limited circumstances in which a court may be prepared to pierce or lift the corporate veil).

K2 Loan Agreement, Warrant and Participation Rights

In connection with the closing of the Loan Agreement with K2HV, we issued a warrant, as amended on June 30, 2023, to purchase ordinary shares (K2 Warrant) to K2 HealthVentures Equity Trust LLC. The number of ordinary shares exercisable under the K2 Warrant equals (i) 2.95% of the aggregate outstanding principal amount of the term loans funded to us divided by (ii) the warrant price of $0.1447 per share (subject to adjustment as provided therein). The K2 Warrant also includes a cashless exercise feature allowing the holder to receive shares underlying the warrant in an amount reduced by the aggregate exercise price that would have been payable upon exercise of the warrant for such shares. In addition, subject to compliance with applicable securities laws (including any holding period requirements), we are required to use commercially reasonable efforts to facilitate and take all other actions required to enable the deposit of any or all of the ordinary shares exercisable under the Warrant with our depositary for the issuance of American Depositary Shares. The K2 Warrant is exercisable until its

expiration on July 12, 2031. The K2 Warrant also provides for automatic cashless exercise or assumption as a result of certain transactions involving a merger, acquisition or sale of the company, as set forth in the K2 Warrant.

The Loan Agreement with K2HV also provides K2 HealthVentures Equity Trust LLC with the right to participate in an aggregate amount of up to $5.0 million in any offering of our American Depositary Shares, ordinary shares, common stock, convertible preferred stock or other equity securities (or certain other convertible instruments but excluding non-convertible debt securities), but excluding any at-the-market offerings or facilities, on the same terms, conditions and pricing afforded to others participating in such offering; provided that with respect to any public offering, we are required to use commercially reasonable efforts to provide K2 HealthVentures Equity Trust LLC with the opportunity to invest in each such offering if it is lawful to do so (or if the offering is an underwritten public offering pursuant to a registration statement under the Securities Act of 1933, as amended, to use commercially reasonable efforts to cause the underwriters for such offering to offer K2 HealthVentures Equity Trust LLC an allocation of securities in such offering).

Preference Shares

Pursuant to our Articles, we may issue shares with rights which are preferential to those of ordinary shares issued by us with the approval of our board of directors and with the approval of a special resolution. Our Articles must be amended by special resolution to provide for such preference shares.

Material Differences in Corporate Law

The Companies Act is modeled after the corporate legislation of the United Kingdom but does not follow recent United Kingdom statutory enactments, and differs from laws applicable to United States corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Act applicable to us and the laws applicable to companies incorporated in Delaware and their shareholders.

	Delaware	**Cayman Islands**
Title of Organizational Documents	Certificate of Incorporation Bylaws	Memorandum of Association and Articles of Association
Duties of Directors	Under Delaware law, the business and affairs of a corporation are managed by or under the direction of its board of directors. In exercising their powers, directors are charged with a fiduciary duty of care to protect the interests of the corporation and a fiduciary duty of loyalty to act in the best interests of its shareholders. The duty of care requires that directors act in an informed and deliberative manner and inform themselves, prior to making a business decision, of all material information reasonably available to them. The duty of care also requires that directors exercise care in overseeing and investigating the conduct of the corporation's employees. The duty of loyalty may be summarized as the duty to act in good faith, not out of self-interest, and in a manner which the director reasonably believes to be in the best interests of the shareholders.	As a matter of Cayman Islands law, directors of Cayman Islands companies owe fiduciary duties to their respective companies to, amongst other things, act in good faith in their dealings with or on behalf of the company and exercise their powers and fulfill the duties of their office honestly. Five core duties are: • a duty to act in good faith in what the directors bona fide consider to be the best interests of the company (and in this regard, it should be noted that the duty is owed to the company and not to associate companies, subsidiaries or holding companies); • a duty not to personally profit from opportunities that arise from the office of director; • a duty of trusteeship of the company's assets; • a duty to avoid conflicts of interest; and • a duty to exercise powers for the purpose for which such powers were conferred.

		A director of a Cayman Islands company also owes the company a duty to act with skill, care and diligence. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, there are indications that the courts are moving towards an objective standard with regard to the required skill and care.
Limitations on Personal Liability of Directors	Subject to the limitations described below, a certificate of incorporation may provide for the elimination or limitation of the personal liability of a director to the corporation or its shareholders for monetary damages for a breach of fiduciary duty as a director. Such provision cannot limit liability for breach of loyalty, bad faith, intentional misconduct, unlawful payment of dividends or unlawful share purchase or redemption. In addition, the certificate of incorporation cannot limit liability for any act or omission occurring prior to the date when such provision becomes effective.	The Companies Act has no equivalent provision to Delaware law regarding the limitation of director's liability. However, as a matter of public policy, Cayman Islands law will not allow the limitation of a director's liability to the extent that the liability is a consequence of the director committing a crime or of the director's own fraud, dishonesty or willful default.
Indemnification of Directors, Officers, Agents, and Others	A corporation has the power to indemnify any director, officer, employee, or agent of the corporation who was, is, or is threatened to be made a party who acted in good faith and in a manner he believed to be in the best interests of the corporation, and if with respect to a criminal proceeding, had no reasonable cause to believe his conduct would be unlawful, against amounts actually and reasonably incurred.	Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of directors and officers, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against the consequences of committing a crime, or against the indemnified person's own fraud or dishonesty.
Interested Directors	Under Delaware law, a transaction in which a director who has an interest is not void or voidable solely because such interested director is present at or participates in the meeting that authorizes the transaction if: (i) the material facts as to such interested director's relationship or interests are disclosed or are known to the board of directors and the board in good faith authorizes the transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors are less than a quorum, (ii) such material facts are disclosed or are known to the shareholders entitled to vote on such transaction and the transaction is specifically approved in good faith by vote of the shareholders, or (iii) the transaction is fair as to the corporation as of the time it is authorized, approved or ratified. Under Delaware law, a director could be held liable for any transaction in which such director derived an improper personal benefit.	Our Articles contain a provision that allows the director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with us shall declare the nature of his interest at a meeting of the directors. A general notice given to the directors by any director to the effect that he is to be regarded as interested in any contract or other arrangement which may thereafter be made with that company or firm shall be deemed a sufficient declaration of interest in regard to any contract so made. A director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he may be interested therein and if he does so his vote shall be counted and he may be counted in the quorum at any meeting of the directors at which any such contract or proposed contract or arrangement shall come before the meeting for consideration.

Voting Requirements	The certificate of incorporation may include a provision requiring supermajority approval by the directors or shareholders for any corporate action. In addition, under Delaware law, certain business combinations involving interested shareholders require approval by a supermajority of the non-interested shareholders.	For the protection of shareholders, certain matters must be approved by special resolution of the shareholders as a matter of Cayman Islands law, including alteration of the memorandum or articles of association, appointment of inspectors to examine company affairs, reduction of share capital (subject, in relevant circumstances, to court approval), change of name, authorization of a plan of merger or transfer by way of continuation to another jurisdiction or consolidation or voluntary winding up of the company. The Companies Act requires that a special resolution be passed by a majority of at least two-thirds or such higher percentage as set forth in the articles of association, of shareholders being entitled to vote and do vote in person or by proxy at a general meeting, or by unanimous written consent of shareholders entitled to vote at a general meeting. Our Articles provide that a resolution in writing signed by all the shareholders for the time being entitled to receive notice of and to attend and vote at our general meetings (or being corporations by their duly authorized representatives) shall be as valid and effective as if the same had been passed at a general meeting duly convened and held.
Voting for Directors	Under Delaware law, unless otherwise specified in the certificate of incorporation or bylaws of the corporation, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors.	The Companies Act defines "special resolution" only. A company's articles of association can therefore tailor the definition of "ordinary resolutions" as a whole, or with respect to specific provisions. Our Articles contain a provision that shareholders may by ordinary resolution appoint any person to be a director. Further, the directors shall have power at any time and from time to time to appoint any person to be a director, either as a result of a casual vacancy or as an additional director, subject to the maximum number (if any) imposed by Ordinary Resolution.
Cumulative Voting	No cumulative voting for the election of directors unless so provided in the certificate of incorporation.	No cumulative voting for the election of directors unless so provided in the articles of association. Our Articles do not expressly provide for cumulative voting on the election of directors.
Directors' Powers Regarding Bylaws	The certificate of incorporation may grant the directors the power to adopt, amend or repeal bylaws.	The memorandum and articles of association may only be amended by a special resolution of the shareholders.

Nomination and Removal of Directors and Filling Vacancies on Board	Shareholders may generally nominate directors if they comply with advance notice provisions and other procedural requirements in company bylaws. Holders of a majority of the shares may remove a director with or without cause, except in certain cases involving a classified board or if the company uses cumulative voting. Unless otherwise provided for in the certificate of incorporation, directorship vacancies are filled by a majority of the directors elected or then in office.	Nomination and removal of directors and filling of board vacancies are governed by the terms of the articles of association.
Mergers and Similar Arrangements	Under Delaware law, with certain exceptions, a merger, consolidation, exchange or sale of all or substantially all the assets of a corporation must be approved by the board of directors and a majority of the outstanding shares entitled to vote thereon. Under Delaware ***law***, a shareholder of a corporation participating in certain major corporate transactions may, under certain circumstances, be entitled to appraisal rights pursuant to which such shareholder may receive cash in the amount of the fair value of the shares held by such shareholder (as determined by a court) in lieu of the consideration such shareholder would otherwise receive in the transaction. Delaware law also provides that a parent corporation, by resolution of its board of directors, may merge with any subsidiary, of which it owns at least 90% of each class of capital stock without a vote by shareholders of such subsidiary. Upon any such merger, dissenting shareholders of the subsidiary would have appraisal rights.	The Companies Act provides for the merger or consolidation of two or more companies into a single entity. The legislation makes a distinction between a "consolidation" and a "merger." In a consolidation, a new entity is formed from the combination of each participating company, and the separate consolidating parties, as a consequence, cease to exist and are each stricken by the Registrar of Companies. In a merger, one company remains as the surviving entity, having in effect absorbed the other merging party (with the vesting of the undertaking, property and liabilities of the other merging party with the surviving company) that then ceases to exist. Two or more Cayman Islands companies may merge or consolidate. Cayman Islands companies may also merge or consolidate with foreign companies provided that the laws of the foreign jurisdiction permit such merger or consolidation. Under the Companies Act, a written plan of merger or consolidation shall be approved by the directors of each constituent company, which then must be authorized by each constituent company by way of (i) a special resolution of the members of each such constituent company; and (ii) such other authorization, if any, as may be specified in such constituent company's articles of association. Shareholder approval is not required where a parent company registered in the Cayman Islands seeks to merge with one or more of its subsidiaries registered in the Cayman Islands and a copy of the plan of merger is given to every member of each subsidiary company to be merged unless that member agrees otherwise.

Secured creditors must consent to the merger although application can be made to the Grand Court of the Cayman Islands for such requirement to be waived if such secured creditor does not grant its consent to the merger. Where a foreign company wishes to merge with a Cayman company, consent or approval to the transfer of any security interest granted by the foreign company to the resulting Cayman entity in the transaction is required, unless otherwise released or waived by the secured party. If the merger plan is approved, it is then filed with the Cayman Islands Registrar of Companies along with a declaration by a director of each company. The Registrar of Companies will then issue a certificate of merger which shall be prima facie evidence of compliance with all requirements of the Companies Act in respect of the merger or consolidation.

The surviving or consolidated entity remains or becomes active while the other company or companies are automatically dissolved. Unless the shares of such shareholder are publicly listed or quoted on the expiry date of the period allowed for written notice of dissent to be provided to the Company, dissenting shareholders in a merger or consolidation of this type are entitled to payment of the fair value of their shares if such shareholder provides a written objection before the vote on such merger or consolidation and subsequently provides written notice of their decision to dissent within 20 days immediately following written notice from the Company to such shareholder of the authorization for such merger or consolidation. The fair value of the shares will be determined by the Cayman Islands court if it cannot be agreed among the parties. With respect to shares that are listed or quoted, a shareholder shall have similar rights only if it is required by the terms of the merger or consolidation to accept for such shares property other than (i) shares (or depositary receipts in respect thereof) in the surviving or consolidated company; (ii) listed or quoted shares (or depositary receipts in respect thereof) of another company; (iii) cash in lieu of any fractions of shares or depositary receipts described at (i) and (ii); or (iv) any combination of shares, depositary receipts or cash described in (i)—(iii).

The plan of merger or consolidation must be filed with the Registrar of Companies in the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a declaration as to the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each

constituent company and that notification of the merger and consolidation will be published in the Cayman Islands Gazette.

Our Articles provide that we may merge or consolidate with one or more other companies in accordance with the Companies Act with the approval of a Special Resolution.

Court approval is not required for a merger or consolidation effected in compliance with these statutory procedures.

Cayman companies may also be restructured or amalgamated under supervision of the Grand Court of the Cayman Islands by way of a court-sanctioned "scheme of arrangement." A scheme of arrangement is one of several transactional mechanisms available in the Cayman Islands for achieving a restructuring. Others include share capital exchange, merger (as described above), asset acquisition or control, through contractual arrangements, of an operating business. A scheme of arrangement must not be beyond the powers of the company, as stated in the constitutional documents of the company and also requires the approval of a majority, in number, of each class of shareholders and creditors with whom the arrangement is to be made and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at the meeting summoned for that purpose. The convening of the meetings and subsequently the terms of the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder would have the right to express to the Court its view that the transaction ought not be approved, the Court can be expected to approve the scheme of arrangement if it is satisfied that:

- the statutory provisions as to the required majority vote have been met;
- the classes which are required to approve the scheme of arrangement have been properly constituted, so that the members of such classes are properly and fairly represented and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the meetings held by the company in relation to the approval of the scheme of arrangement by such classes have been convened and held in accordance with any directions given by the Court;
- the scheme of arrangement has been properly explained to the shareholders or creditors so that they have been able to exercise an informed vote in respect of the scheme;
- the scheme of arrangement is one which an intelligent and honest man, who is a member of the relevant class and properly acting might approve.

When a takeover offer is made and accepted by holders of 90% of the shares within four months, the offeror may, within a two-month period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection may be made to the Grand Court of the Cayman Islands but is unlikely to succeed unless there is evidence of fraud, bad faith or collusion. If the arrangement and reconstruction are thus approved, any dissenting shareholders would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of United States corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholder Suits	Class actions and derivative actions generally are available to shareholders under Delaware law for, among other things, breach of fiduciary duty, corporate waste and actions not taken in accordance with applicable law. In such actions, the court generally has discretion to permit the winning party to recover attorneys' fees incurred in connection with such action.	The rights of shareholders under Cayman Islands law are not as extensive as those under Delaware law. Class actions are generally not available to shareholders under Cayman Islands laws; historically, there have not been any reported instances of such class actions having been successfully brought before the Cayman Islands courts. In principle, we will normally be the proper plaintiff in any claim based on a breach of duty owed to the Company, and a claim against (for example) the Company's officers or directors usually may not be brought by a shareholder. A derivative action may be brought by a minority shareholder in only limited circumstances. In this regard, the Cayman Islands courts would ordinarily be expected to follow English case law precedent, which would permit a shareholder to commence an action in the company's name to remedy a wrong done to the company where the act complained of cannot be ratified by the shareholders and where control of the company by the wrongdoer results in the company not pursuing a remedy itself. The case law shows that derivative actions have been permitted in respect of acts that are beyond the company's corporate power, illegal, where the individual rights of the plaintiff shareholder have been infringed or are about to be infringed and acts that are alleged to constitute a "fraud on the minority."
Inspection of Corporate Records	Under Delaware law, shareholders of a Delaware corporation have the right during normal business hours to inspect for any proper purpose, and to obtain copies of list(s) of shareholders and other books and records of the corporation and its subsidiaries, if any, to the extent the books and records of such subsidiaries are available to the corporation.	Except in respect of the inspection of a Company's Register of Directors upon payment of a fee at the Registrar of Companies in the Cayman Islands by any person, shareholders of a Cayman Islands exempted company have no general right under Cayman Islands law to inspect or obtain copies of a list of shareholders or other corporate records (other than the register of mortgages or charges) of the company. However, these rights may be provided in the company's articles of association.
Shareholder Proposals	Unless provided in the corporation's certificate of incorporation or bylaws, Delaware law does not include a provision restricting the manner in which shareholders may bring business before a meeting.	The Companies Act does not provide shareholders any right to bring business before a meeting or requisition a general meeting. However, these rights may be provided in the company's articles of association. Our Articles do provide for these rights.

Approval of Corporate Matters by Written Consent	Delaware law permits shareholders to take action by written consent signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of shareholders.	The Companies Act allows a special resolution to be passed in writing if signed by all the voting shareholders (if authorized by the articles of association). Our Articles authorize such written consents.
Calling of Special Shareholders Meetings	Delaware law permits the board of directors or any person who is authorized under a corporation's certificate of incorporation or bylaws to call a special meeting of shareholders.	The Companies Act does not have provisions governing the proceedings of shareholders meetings which are usually provided in the articles of association. Our Articles allow for shareholders' meetings to be convened on the requisition in writing of any shareholder or shareholders holding at least ten percent of the paid up voting share capital. Our Articles also provide that, in the event that our board of directors does not or cannot convene a general meeting upon the duly delivered requisition of any shareholder or shareholders (as described above), the requisitionists themselves may convene the general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the Directors, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Directors to convene the general meeting shall be reimbursed to them by us.

DESCRIPTION OF AMERICAN DEPOSITARY SHARES

JPMorgan Chase Bank, N.A., or JPMorgan, as depositary will issue the ADSs in connection with an offering. Each ADS will represent an ownership interest in a designated number of our ordinary shares which we will deposit with the depositary or the custodian, as agent of the depositary, under the deposit agreement among ourselves, the depositary and yourself as an ADR holder. In the future, each ADS will also represent any securities, cash or other property deposited with the depositary but which have not distributed directly to you. Unless certificated ADRs are specifically requested by you, all ADSs will be issued on the books of our depositary in book-entry form and periodic statements will be mailed to you which reflect your ownership interest in such ADSs. In our description, references to ADRs shall include the statements you will receive which reflect your ownership of ADSs.

The depositary's office is located at 383 Madison Avenue, Floor 11, New York, NY, 10179.

You may hold ADSs either directly or indirectly through your broker or other financial institution. If you hold ADSs directly, by having an ADS registered in your name on the books of the depositary, you are an ADR holder. This description assumes you hold your ADSs directly. If you hold the ADSs through your broker or financial institution nominee, you must rely on the procedures of such broker or financial institution to assert the rights of an ADR holder described in this section. You should consult with your broker or financial institution to find out what those procedures are.

As an ADR holder, we will not treat you as a shareholder of ours and you will not have any direct shareholder rights. Because the depositary or its nominee will be the shareholder of record for the ordinary shares represented by all outstanding ADSs, shareholder rights rest with such record holder. Your rights are those of an ADR holder. Such rights derive from the terms of the deposit agreement to be entered into among us, the depositary and all holders from time to time of ADRs issued under the deposit agreement. The obligations of the depositary and its agents are also set out in the deposit agreement. Because the depositary or its nominee will actually be the registered owner of the ordinary shares, you must rely on it to exercise the rights of a shareholder on your behalf. The deposit agreement and the ADSs are governed by New York law. However, our obligations to the holders of ordinary shares will continue to be governed by the Cayman Islands, which may be different from the laws of the United States. Under the deposit agreement, as an ADR holder, you agree that any legal suit, action or proceeding against or involving us or the depositary, arising out of or based upon the deposit agreement, the ADSs, the ADRs or the transactions contemplated thereby, may only be instituted in a state or federal court in New York, New York, and you irrevocably waive any objection which you may have to the laying of venue of any such proceeding and irrevocably submit to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

The following is a summary of what we believe to be the material terms of the deposit agreement. Notwithstanding this, because it is a summary, it may not contain all the information that you may otherwise deem important. For more complete information, you should read the entire deposit agreement and the form of ADR which contains the terms of your ADSs.

Share Dividends and Other Distributions

How will I receive dividends and other distributions on the ordinary shares underlying my ADSs? We may make various types of distributions with respect to our securities. The depositary has agreed that, to the extent practicable, it will distribute to you the cash dividends or other distributions it or the custodian receives on ordinary shares or other deposited securities, after converting any cash received into U.S. dollars (if it determines such conversion may be made on a reasonable basis) and, in all cases, making any necessary deductions provided for in the deposit agreement. The depositary may utilize a division, branch or affiliate of JPMorgan to direct, manage and/or execute any public and/or private sale of securities under the deposit agreement. Such division, branch and/or affiliate may charge the depositary a fee in connection with such sales, which fee is considered an expense of the depositary. You will receive these distributions in proportion to the number of underlying securities that your ADSs represent.

Except as stated below, the depositary will deliver such distributions to ADR holders in proportion to their interests in the following manner:

- *Cash.* The depositary will distribute any U.S. dollars available to it resulting from a cash dividend or other cash distribution or the net proceeds of sales of any other distribution or portion thereof (to the extent applicable), on an averaged or other practicable basis, subject to (i) appropriate adjustments for taxes withheld, (ii) such distribution being impermissible or impracticable with respect to certain registered ADR holders, and (iii)

deduction of the depositary's and/or its agents' fees and expenses in (1) converting any foreign currency to U.S. dollars to the extent that it determines that such conversion may be made on a reasonable basis, (2) transferring foreign currency or U.S. dollars to the United States by such means as the depositary may determine to the extent that it determines that such transfer may be made on a reasonable basis, (3) obtaining any approval or license of any governmental authority required for such conversion or transfer, which is obtainable at a reasonable cost and within a reasonable time and (4) making any sale by public or private means in any commercially reasonable manner. *If exchange rates fluctuate during a time when the depositary cannot convert a foreign currency, you may lose some or all of the value of the distribution.*

- *Shares.* In the case of a dividend or free distribution in ordinary shares, the depositary will issue additional ADRs to evidence the number of ADSs representing such ordinary shares. Only whole ADSs will be issued. Any ordinary shares which would result in fractional ADSs will be sold and the net proceeds will be distributed in the same manner as cash to the ADR holders entitled thereto.
- *Rights to receive additional ordinary shares.* In the case of a distribution of rights to subscribe for additional ordinary shares or other rights, if we timely provide evidence satisfactory to the depositary that it may lawfully distribute such rights, the depositary will distribute warrants or other instruments in the discretion of the depositary representing such rights. However, if we do not timely furnish such evidence, the depositary may:
    (i) Sell such rights if practicable and distribute the net proceeds in the same manner as cash to the ADR holders entitled thereto; or
    (ii) (If it is not practicable to sell such rights by reason of the non-transferability of the rights, limited markets therefor, their short duration or otherwise, do nothing, in which case ADR holders will receive nothing and the rights may lapse.

Other Distributions. In the case of a distribution of securities or property other than those described above, the depositary may either (i) distribute such securities or property in any manner it deems equitable and practicable or (ii) to the extent the depositary deems distribution of such securities or property not to be equitable and practicable, sell such securities or property and distribute any net proceeds in the same way it distributes cash.

If the depositary determines in its discretion that any distribution described above is not practicable with respect to any specific registered ADR holder, the depositary may choose any method of distribution that it deems practicable, including the distribution of foreign currency, securities or property, or it may retain such items, without liability for interest thereon or investment thereof, on behalf of the ADR holder as deposited securities, in which case the ADSs will also represent the retained items.

Any U.S. dollars will be distributed by checks drawn on a bank in the United States for whole dollars and cents. Fractional cents will be withheld without liability and dealt with by the depositary in accordance with its then current practices.

The depositary is not responsible if it fails to determine that any distribution or action is lawful or reasonably practicable.

There can be no assurance that the depositary will be able to convert any currency at a specified exchange rate or sell any property, rights, shares or other securities at a specified price, nor that any of such transactions can be completed within a specified time period. All purchases and sales of securities will be handled by the depositary in accordance with its then current policies, which are currently set forth in the "Depositary Receipt Sale and Purchase of Security" section of https://www.adr.com/Investors/FindOutAboutDRs, the location and contents of which are not incorporated into this exhibit and which the depositary shall be solely responsible for.

Deposit, Withdrawal and Cancellation

How does the depositary issue ADSs? Subject to any restrictions on deposit provided for under the laws of the Cayman Islands and the deposit agreement, the depositary will issue ADSs against the deposit of: (i) ordinary shares in registered form, validly issued and outstanding; (ii) rights to receive ordinary shares from us or any registrar, transfer agent, clearing agent or other entity recording share ownership or transactions, subject in each case to payment of the fees and expenses owing to the depositary in connection with such issuance.

Ordinary shares deposited in the future with the custodian must be accompanied by certain documents, including Share certificates, and a certified share extract, reflecting the registration of the shares in the name of JPMorgan, as depositary for the benefit of holders of ADRs or in such other name as the depositary shall direct, a delivery order directing the depositary to issue ADSs to, or upon the written order of, the person designated in such order, instruments assigning to the custodian, the depositary or the nominee of either of them any distribution on the ordinary shares so deposited or indemnity therefor, and proxies entitling the custodian to vote the deposited ordinary shares.

The custodian will hold all deposited ordinary shares for the account and to the order of the depositary for the benefit of holders of ADRs. ADR holders thus have no direct ownership interest in the ordinary shares and only have such rights as are contained in the deposit agreement. The custodian will also hold any additional securities, property and cash received on or in substitution for the deposited ordinary shares. The deposited ordinary shares and any such additional items are referred to as "deposited securities."

Upon each deposit of ordinary shares, receipt of related delivery documentation and compliance with the other provisions of the deposit agreement, including the payment of the fees and charges of the depositary and any taxes or other fees or charges owing, the depositary will issue an ADR or ADRs in the name or upon the order of the person entitled thereto evidencing the number of ADSs to which such person is entitled. All of the ADSs issued will, unless specifically requested to the contrary, be part of the depositary's direct registration system, and a registered holder will receive periodic statements from the depositary which will show the number of ADSs registered in such holder's name. An ADR holder can request that the ADSs not be held through the depositary's direct registration system and that a certificated ADR be issued.

How do ADR holders cancel an ADS and obtain deposited securities? In accordance with the deposit agreement and subject to the requirements of the laws of the Cayman Islands, an ADR holder may request the depositary to withdraw from the depositary receipt facility created by the deposit agreement the ordinary shares represented by such holder's ADRs and transfer such ordinary shares to such holder or, upon the written order of any person designated in such ADR holder's written order, upon surrender of (a) a certificated ADR in a form satisfactory to the depositary or (b) proper instructions and documentation in the case of an ADR issued through the depositary's direct registration system, as the case may be, then an ADR holder hereof is entitled to delivery at, or to the extent in dematerialized form from, the custodian's office of the deposited securities at the time represented by the ADSs evidenced by this ADR. At the request, risk and expense of the holder hereof, the depositary may deliver such deposited securities at such other place as may have been requested by the holder.

The depositary may only restrict the withdrawal of deposited securities in connection with:

- temporary delays caused by closing our transfer books or those of the depositary or the deposit of ordinary shares in connection with voting at a shareholders' meeting, or the payment of dividends;
- the payment of fees, taxes and similar charges; or
- compliance with any U.S. or foreign laws or governmental regulations relating to the ADRs or to the withdrawal of deposited securities.

Record Dates

The depositary may, after consultation with us if practicable, fix record dates (which, to the extent applicable, shall be as near as practicable to any corresponding record dates set by us) for the determination of the registered ADR holders who will be entitled (or obligated, as the case may be):

- to receive any distribution on or in respect of deposited securities,
- to give instructions for the exercise of voting rights,
- to pay the fee assessed by the depositary for administration of the ADR program and for any expenses as provided for in the deposit agreement, or
- to receive any notice or to act or be obligated in respect of other matters,

all subject to the provisions of the deposit agreement.

Voting Rights

How do I vote? If you are an ADR holder and the depositary asks you to provide it with voting instructions, you may instruct the depositary how to exercise the voting rights for the shares which underlie your ADSs. As soon as practicable after receipt from us of notice of any meeting at which the holders of shares are entitled to vote, or of our solicitation of consents or proxies from holders of shares, the depositary shall fix the ADS record date in accordance with the provisions of the deposit agreement. The depositary shall, if we request in writing in a timely manner at least 30 days prior to the date of such vote or meeting and at our expense and provided no legal prohibitions exist, distribute to the registered ADR holders a notice stating final information particular to the voting materials received by the depositary and describing how you may instruct, or, subject to the next paragraph, will be deemed to instruct, the depositary to exercise the voting rights for the shares which underlie your ADSs, including instructions for giving a discretionary proxy to a person designated by us. Each ADR holder shall be solely responsible for the forwarding of voting notices to the beneficial owners of ADSs registered in such holder's name. In accordance with our memorandum and articles of association, a shareholder may not exercise its own vote or by proxy on behalf of another shareholder of the company in respect of any contract or proposed contract or arrangement if such shareholder may be interested therein. Accordingly, no ADR holder shall instruct the depositary to vote on its behalf on any matter to be considered at the relevant meeting in respect of which such holder is interested.

To the extent we have provided the depositary with at least 35 days' notice of a proposed meeting, the notice will be received by all ADR holders and beneficial owners no less than 10 days prior to the date of the meeting and/or the cut-off date for the solicitation of consents, and the depositary does not receive instructions on a particular agenda item from a ADR holder (including, without limitation, any entity or entities acting on behalf of the nominee for The Depository Trust Company) in a timely manner, such holder shall be deemed, and in the deposit agreement the depositary is instructed to deem such holder, to have instructed the depositary to give a discretionary proxy for such agenda item(s) to a person designated by us to vote the shares represented by their ADSs for which actual instructions were not so given by all such ADR holders on such agenda item(s), provided that no such instruction shall be deemed given and no discretionary proxy shall be given unless (1) we inform the depositary in writing that (a) we wish such proxy to be given with respect to such agenda item(s), (b) there is no substantial opposition existing with respect to such agenda item(s) and (c) such agenda item(s), if approved, would not materially or adversely affect the rights of holders of shares and (2) we have provided the depositary with an opinion of our counsel, in form and substance satisfactory to the depositary, confirming that (a) the granting of such discretionary proxy does not subject the depositary to any reporting obligations in the Cayman Islands, (b) the granting of such proxy will not result in a violation of Cayman Island laws, rules, regulations or permits, (c) the voting arrangement and deemed instruction as contemplated herein will be given effect under Cayman Islands laws, rules and regulations, and (d) the granting of such discretionary proxy will not under any circumstances result in the ADSs being treated as assets of the depositary under Cayman Island laws, rules or regulations.

Holders are strongly encouraged to forward their voting instructions to the depositary as soon as possible. For instructions to be valid, the ADR department of the depositary that is responsible for proxies and voting must receive them in the manner and on or before the time specified, notwithstanding that such instructions may have been physically received by the depositary prior to such time. The depositary will not itself exercise any voting discretion. Furthermore, neither the depositary nor its agents are responsible for any failure to carry out any voting instructions, for the manner in which any vote is cast or for the effect of any vote. Notwithstanding anything contained in the deposit agreement or any ADR, the depositary may, to the extent not prohibited by law or regulations, or by the requirements of the stock exchange on which the ADSs are listed, in lieu of distribution of the materials provided to the depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of deposited securities, distribute to the registered holders of ADRs a notice that provides such holders with, or otherwise publicizes to such holders, instructions on how to retrieve such materials or receive such materials upon request (i.e., by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

There is no guarantee that you will receive voting materials in time to instruct the depositary to vote and it is possible that you, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote.

We have advised the depositary that under the Cayman Islands law and our memorandum and articles of association, voting at any meeting of our shareholders is by show of hands unless a poll is (before or on the declaration of the results of the show of hands) demanded. In the event that voting on any resolution or matter is conducted on a show of hands basis in accordance with the memorandum and articles of association, the depositary will refrain from voting and the voting instructions received

by the depositary from holders shall lapse. The depositary will not demand a poll or join in demanding a poll, whether or not requested to do so by holders of ADSs.

Reports and Other Communications

Will ADR holders be able to view our reports? The depositary will make available for inspection by ADR holders at the offices of the depositary and the custodian, or upon request made to the depositary (which request may be refused by the depositary at its discretion), the deposit agreement, the provisions of or governing deposited securities, and any written communications from us which are both received by the custodian or its nominee as a holder of deposited securities and made generally available to the holders of deposited securities.

Additionally, if we make any written communications generally available to holders of our ordinary shares, and we furnish copies thereof (or English translations or summaries) to the depositary, it will distribute the same to registered ADR holders.

Fees and Expenses

What fees and expenses will I be responsible for paying? The depositary may charge each person to whom ADSs are issued, including, without limitation, issuances against deposits of ordinary shares, issuances in respect of share distributions, rights and other distributions, issuances pursuant to a stock dividend or stock split declared by us or issuances pursuant to a merger, exchange of securities or any other transaction or event affecting the ADSs or deposited securities, and each person surrendering ADSs for withdrawal of deposited securities or whose ADRs are cancelled or reduced for any other reason, $5.00 for each 100 ADSs (or any portion thereof) issued, delivered, reduced, cancelled or surrendered, as the case may be. The depositary may sell (by public or private sale) sufficient securities and property received in respect of a share distribution, rights and/or other distributions prior to such deposit to pay such charge.

The following additional charges shall be incurred by the ADR holders, by any party depositing or withdrawing shares or by any party surrendering ADSs and/or to whom ADSs are issued (including, without limitation, issuances pursuant to a stock dividend or stock split declared by us or an exchange of stock regarding the ADSs or the deposited securities or a distribution of ADSs), whichever is applicable:

- a fee of up to $0.05 per ADS upon which any cash distribution made pursuant to the deposit agreement;
- an aggregate fee of $0.05 or less per ADS per calendar year (or portion thereof) for services performed by the depositary in administering the ADRs (which fee may be charged on a periodic basis during each calendar year and shall be assessed against holders of ADRs as of the record date or record dates set by the depositary during each calendar year and shall be payable in the manner described in the next succeeding provision);
- a fee for the reimbursement of such fees, charges and expenses as are incurred by the depositary and/or any of its agents (including, without limitation, the custodian and expenses incurred on behalf of ADR holders in connection with compliance with foreign exchange control regulations or any law or regulation relating to foreign investment) in connection with the servicing of the ordinary shares or other deposited securities, the sale of securities (including, without limitation, deposited securities), the delivery of deposited securities or otherwise in connection with the depositary's or its custodian's compliance with applicable law, rule or regulation (which fees and charges shall be assessed on a proportionate basis against ADR holders as of the record date or dates set by the depositary and shall be payable at the sole discretion of the depositary by billing such ADR holders or by deducting such charge from one or more cash dividends or other cash distributions);
- a fee for the distribution of securities (or the sale of securities in connection with a distribution), such fee being in an amount equal to the $0.05 per ADS issuance fee for the execution and delivery of ADSs which would have been charged as a result of the deposit of such securities (treating all such securities as if they were ordinary shares) but which securities or the net cash proceeds from the sale thereof are instead distributed by the depositary to those ADR holders entitled thereto;
- stock transfer or other taxes and other governmental charges;
- SWIFT, cable, telex and facsimile transmission and delivery charges incurred at your request in connection with the deposit or delivery of shares, ADRs or deposited securities;

- transfer or registration fees for the registration or transfer of deposited securities on any applicable register in connection with the deposit or withdrawal of deposited securities; and
- fees of any division, branch or affiliate of JPMorgan utilized to direct, manage and/or execute any public and/or private sale of securities under the deposit agreement.

Foreign Exchange Related Matters. To facilitate the administration of various depositary receipt transactions, including disbursement of dividends or other cash distributions and other corporate actions, the depositary may engage the foreign exchange desk within JPMorgan and/or its affiliates in order to enter into spot foreign exchange transactions to convert foreign currency into U.S. dollars, or FX Transactions. For certain currencies, FX Transactions are entered into with JPMorgan or an affiliate, as the case may be, acting in a principal capacity. For other currencies, FX Transactions are routed directly to and managed by an unaffiliated local custodian (or other third party local liquidity provider), and neither the JPMorgan nor any of its affiliates is a party to such FX Transactions.

The foreign exchange rate applied to an FX Transaction will be either (a) a published benchmark rate, or (b) a rate determined by a third party local liquidity provider, in each case plus or minus a spread, as applicable. The depositary will disclose which foreign exchange rate and spread, if any, apply to such currency on the "Disclosure" page (or successor page) of www.adr.com. Such applicable foreign exchange rate and spread may (and neither the depositary, JPMorgan nor any of their affiliates is under any obligation to ensure that such rate does not) differ from rates and spreads at which comparable transactions are entered into with other customers or the range of foreign exchange rates and spreads at which JPMorgan or any of its affiliates enters into foreign exchange transactions in the relevant currency pair on the date of the FX Transaction. Additionally, the timing of execution of an FX Transaction varies according to local market dynamics, which may include regulatory requirements, market hours and liquidity in the foreign exchange market or other factors. Furthermore, JPMorgan and its affiliates may manage the associated risks of their position in the market in a manner they deem appropriate without regard to the impact of such activities on us, the depositary, holders or beneficial owners. The spread applied does not reflect any gains or losses that may be earned or incurred by JPMorgan and its affiliates as a result of risk management or other hedging related activity.

Notwithstanding the foregoing, to the extent we provide U.S. dollars to the depositary, neither JPMorgan nor any of its affiliates will execute an FX Transaction as set forth herein. In such case, the depositary will distribute the U.S. dollars received from us.

We will pay all other charges and expenses of the depositary and any agent of the depositary (except the custodian) pursuant to agreements from time to time between us and the depositary. The charges described above may be amended from time to time by agreement between us and the depositary. The right of the depositary to receive payment of fees, charges and expenses as provided above shall survive the termination of the deposit agreement.

The depositary anticipates reimbursing us for certain expenses incurred by us that are related to the establishment and maintenance of the ADR program upon such terms and conditions as we and the depositary may agree from time to time. The depositary may make available to us a set amount or a portion of the depositary fees charged in respect of the ADR program or otherwise upon such terms and conditions as we and the depositary may agree from time to time. The depositary collects its fees for issuance and cancellation of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions, or by directly billing investors, or by charging the book-entry system accounts of participants acting for them. The depositary will generally set off the amounts owing from distributions made to holders of ADSs. If, however, no distribution exists and payment owing is not timely received by the depositary, the depositary may refuse to provide any further services to holders that have not paid those fees and expenses owing until such fees and expenses have been paid. At the discretion of the depositary, all fees and charges owing under the deposit agreement are due in advance and/or when declared owing by the depositary.

Payment of Taxes

If any taxes or other governmental charges (including any penalties and/or interest) shall become payable by or on behalf of the custodian or the depositary with respect to any ADR, any deposited securities represented by the ADSs evidenced thereby or any distribution thereon, such tax or other governmental charge shall be paid by the ADR holders to the depositary and by

holding or having held an ADR or any ADSs evidenced thereby, the holder and all beneficial owners thereof and all prior holders and beneficial owners holders thereof, jointly and severally, agree to indemnify, defend and save harmless each of the depositary and its agents in respect of such tax or other governmental charge. Each Holder of this ADR and beneficial owner of the ADSs evidenced thereby, and each prior holder and beneficial owner and thereof, or collectively, the Tax Indemnitors, by holding or having held an ADR or an interest in ADSs, acknowledges and agrees that the depositary shall have the right to seek payment of amounts owing with respect to this ADR from any one or more Tax Indemnitor(s) as determined by the depositary in its sole discretion, without any obligation to seek payment from any other Tax Indemnitor(s). If an ADR holder owes any tax or other governmental charge, the depositary may (i) deduct the amount thereof from any distributions, or (ii) sell deposited securities (by public or private sale) and deduct the amount owing from the net proceeds of such sale. In either case the ADR holder remains liable for any shortfall. If any tax or governmental charge is unpaid, the depositary may also refuse to effect any registration, registration of transfer, split-up or combination of ADRs or withdrawal of deposited securities until such payment is made. If any tax or governmental charge is required to be withheld on any cash distribution, the depositary may deduct the amount required to be withheld from any cash distribution or, in the case of a non-cash distribution, sell the distributed property or securities (by public or private sale) in such amounts and in such manner as the depositary deems necessary and practicable to pay such taxes and shall distribute any remaining net proceeds or the balance of any such property after deduction of such taxes to the ADR holders entitled thereto.

Notwithstanding the above, we will pay all stamp duties and other similar duties or taxes payable in the Cayman Islands, Singapore, the United States of America and any other jurisdiction, on or in connection with the constitution and issue of the ADSs and the execution or other event concerning the deposit agreement. If any legal proceedings are taken to enforce our obligations under the deposit agreement or the ADSs and for the purpose of such proceedings any of them are required to be taken into or enforced in any jurisdiction and stamp duties or other similar duties or taxes become payable in connection with such proceedings in such jurisdiction, the ADR holders will pay (or reimburse the person making a valid payment of) all such stamp duties and other similar duties and taxes, including any penalties and interest, unless otherwise ordered by a court of competent jurisdiction in such proceedings. The depositary may sell any deposited securities and cancel ADSs with respect thereof in order to pay any such stamp duties or other similar duties or taxes owed under the deposit agreement by ADR holders without the depositary being required to request payment thereof from the ADR holders.

Each holder and beneficial owner agrees to indemnify us, the depositary, its custodian and any of our or their respective officers, directors, employees, agents and affiliates against, and hold each of them harmless from, any claims by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced rate of withholding at source or other tax benefit obtained, and such obligations of the holders and beneficial owners shall survive the transfer of ADSs, any surrender of ADSs and withdrawal of deposited securities and any termination of the deposit agreement.

Reclassifications, Recapitalizations and Mergers

If we take certain actions that affect the deposited securities, including (i) any change in par value, split-up, consolidation, cancellation or other reclassification of deposited securities or (ii) any distributions of ordinary shares or other property not made to holders of ADRs or (iii) any recapitalization, reorganization, merger, consolidation, liquidation, receivership, bankruptcy or sale of all or substantially all of our assets, then the depositary may choose to, and shall if reasonably requested by us:

(1) amend the form of ADR;

(2) distribute additional or amended ADRs;

(3) distribute cash, securities or other property it has received in connection with such actions;

(4) sell by public or private sale any securities or property received; or

(5) none of the above.

If the depositary does not choose any of the above options, any of the cash, securities or other property it receives will constitute part of the deposited securities and each ADS will then represent a proportionate interest in such property.

Amendment and Termination

How may the deposit agreement be amended?

We may agree with the depositary to amend the deposit agreement and the ADSs without your consent for any reason. ADR holders or beneficial owners must be given at least 30 days' notice of any amendment that imposes or increases any fees or charges (other than stock transfer or other taxes and other governmental charges, transfer or registration fees, SWIFT, cable, telex or facsimile transmission costs, delivery costs or other such expenses), or that otherwise prejudices any substantial existing right of ADR holders or beneficial owners. Such notice need not describe in detail the specific amendments effectuated thereby, but must identify to ADR holders a means to access the text of such amendment. If an ADR holder continues to hold an ADR or ADRs after being so notified, such ADR holder is deemed to agree to such amendment and to be bound by the deposit agreement as so amended. Any amendments or supplements which (i) are reasonably necessary (as agreed by us and the depositary) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act or (b) the ADSs or shares to be traded solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by ADR holders, shall be deemed not to prejudice any substantial rights of ADR holders or beneficial owners. Notwithstanding the foregoing, if any governmental body or regulatory body should adopt new laws, rules or regulations which would require amendment or supplement of the deposit agreement or the form of ADR to ensure compliance therewith, we and the depositary may amend or supplement the deposit agreement and the ADR at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement may take effect before a notice is given or within any other period of time as required for compliance. No amendment, however, will impair your right to surrender your ADSs and receive the underlying securities, except in order to comply with mandatory provisions of applicable law.

How may the deposit agreement be terminated?

The depositary may, and shall at our written direction, terminate the deposit agreement and the ADRs by mailing notice of such termination the registered holders of ADRs at least 30 days prior to the date fixed in such notice for such termination; provided, however, if the depositary shall have (i) resigned as depositary under the deposit agreement, notice of such termination by the depositary shall not be provided to registered holders unless a successor depositary shall not be operating under the deposit agreement within 60 days of the date of such resignation, and (ii) been removed as depositary under the deposit agreement, notice of such termination by the depositary shall not be provided to registered holders of ADRs unless a successor depositary shall not be operating under the deposit agreement on the 60th day after our notice of removal was first provided to the depositary. Notwithstanding anything to the contrary in the deposit agreement without notice to us, the depositary may terminate the deposit agreement without notice to us, but subject to giving 30 days' notice to the ADR holders, if: (i) we become bankrupt or insolvent, (ii) we effect (or will effect) a redemption of all or substantially all of the deposited securities, or a cash or share distribution representing a return of all or substantially all of the value of the deposited securities, or (iii) there occurs a merger, consolidation, sale of assets or other transaction as a result of which securities or other property are delivered in exchange for or in lieu of deposited securities.

After termination, the depositary shall use its reasonable efforts to ensure that the ADSs cease to be DTC eligible so that neither DTC nor any of its nominees shall thereafter be a holder. At such time as the ADSs cease to be DTC eligible and/or neither DTC nor any of its nominees is a holder, the depositary shall (a) instruct its custodian to deliver all deposited securities to us along with a general stock power that refers to the names set forth on the ADR Register and (b) provide us with a copy of the ADR Register. Upon receipt of such deposited securities and the ADR Register, we shall use our best efforts to issue to each holder a share certificate representing the shares represented by the ADSs reflected on the ADR Register in such holder's name and to deliver such share certificate to the holder at the address set forth on the ADR Register. After providing such instruction to the custodian and delivering a copy of the ADR Register to us, the depositary and its agents shall have no further obligations.

Limitations on Obligations and Liability to ADR holders

Limits on our obligations and the obligations of the depositary; limits on liability to ADR holders and holders of ADSs. Prior to the issue, registration, registration of transfer, split-up, combination, or withdrawal of any ADRs, or the delivery of

any distribution in respect thereof, and from time to time in the case of the production of proofs as described below, we or the depositary or its custodian may require:

- payment with respect thereto of (i) any stock transfer or other tax or other governmental charge, (ii) any stock transfer or registration fees in effect for the registration of transfers of ordinary shares or other deposited securities upon any applicable register and (iii) any applicable fees and expenses described in the deposit agreement;
- the production of proof satisfactory to it of (i) the identity of any signatory and genuineness of any signature and (ii) such other information, including without limitation, information as to citizenship, residence, exchange control approval, beneficial ownership of any securities, compliance with applicable law, regulations, provisions of or governing deposited securities and terms of the deposit agreement and the ADRs, as it may deem necessary or proper; and
- compliance with such regulthations as the depositary may establish consistent with the deposit agreement.

The issuance of ADRs, the acceptance of deposits of ordinary shares, the registration, registration of transfer, split-up or combination of ADRs or the withdrawal of shares, may be suspended, generally or in particular instances, when the ADR register or any register for deposited securities is closed or when any such action is deemed advisable by the depositary; provided that the ability to withdraw shares may only be limited under the following circumstances: (i) temporary delays caused by closing transfer books of the depositary or our transfer books or the deposit of ordinary shares in connection with voting at a shareholders' meeting, or the payment of dividends, (ii) the payment of fees, taxes, and similar charges, and (iii) compliance with any laws or governmental regulations relating to ADRs or to the withdrawal of deposited securities.

The deposit agreement expressly limits the obligations and liability of the depositary, ourselves and our respective directors, officers, employees, agents and affiliates, provided, however, that no disclaimer of liability under the Securities Act is intended by any of the limitations of liabilities provisions of the deposit agreement. In the deposit agreement it provides that neither we nor the depositary nor any such other party will be liable to holders or beneficial owners if:

- any present or future law, rule, regulation, fiat, order or decree of the United States, the Cayman Islands, Singapore or any other country or jurisdiction, or of any governmental or regulatory authority or securities exchange or market or automated quotation system, the provisions of or governing any deposited securities, any present or future provision of our charter, any act of God, war, terrorism, nationalization, expropriation, currency restrictions, work stoppage, strike, civil unrest, revolutions, rebellions, explosions, computer failure or circumstance beyond our, the depositary's or any such other party's direct and immediate control shall prevent or delay, or shall cause any of them to be subject to any civil or criminal penalty in connection with, any act which the deposit agreement or the ADRs provide shall be done or performed by us, the depositary or such other party (including, without limitation, voting);
- by reason of any non-performance or delay, caused in the performance of any act or things which by the terms of the deposit agreement it is provided shall or may be done or performed or it exercises or fails to exercise discretion under the deposit agreement or the ADRs including, without limitation, any failure to determine that any distribution or action may be lawful or reasonably practicable;
- it performs its obligations under the deposit agreement and ADRs without gross negligence or willful misconduct and the depositary shall not be a fiduciary or have any fiduciary duty to holders or beneficial owners; or
- iIt takes any action or refrains from taking any action in reliance upon the advice of or information from legal counsel, accountants, any person presenting ordinary shares for deposit, any registered holder of ADRs, or any other person believed by it to be competent to give such advice or information, or in the case of the depositary only, from us.

We and the depositary and its agents may rely and shall be protected in acting upon any written notice, request, direction, instruction or document believed by it to be genuine and to have been signed, presented or given by the proper party or parties.

Neither we, the depositary nor our respective agents have any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any deposited securities or the ADRs which in its opinion may involve it in expense or liability, if indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability is furnished as often as may be required. The depositary and its agents may fully respond to any and all demands or requests for information maintained by or on its behalf in connection with the deposit agreement, any registered holder or holders of ADRs, any ADRs

or otherwise related to the deposit agreement or ADRs to the extent such information is requested or required by or pursuant to any lawful authority, including without limitation laws, rules, regulations, administrative or judicial process, banking, securities or other regulators. The depositary shall not be liable for the acts or omissions made by, or the insolvency of, any securities depository, clearing agency or settlement system. Furthermore, the depositary shall not be responsible for, and shall incur no liability in connection with or arising from, the insolvency of any custodian that is not a branch or affiliate of JPMorgan. Notwithstanding anything to the contrary contained in the deposit agreement or any ADRs, the depositary shall not be responsible for, and shall incur no liability in connection with or arising from, any act or omission to act on the part of the custodian except to the extent that any holder has incurred liability directly as a result of the custodian having (i) committed fraud or willful misconduct in the provision of custodial services to the depositary or (ii) failed to use reasonable care in the provision of custodial services to the depositary as determined in accordance with the standards prevailing in the jurisdiction in which the custodian is located. The depositary shall not have any liability for the price received in connection with any sale of securities, the timing thereof or any delay in action or omission to act nor shall it be responsible for any error or delay in action, omission to act, default or negligence on the part of the party so retained in connection with any such sale or proposed sale.

The depositary has no obligation to inform ADR holders or other holders of an interest in any ADSs about the requirements of the laws, rules or regulations of any country or jurisdiction or of any governmental or regulatory authority or any securities exchange or market or automated quotation system, or any changes therein or thereto.

Additionally, none of us, the depositary or the custodian shall be liable for the failure by any registered holder or beneficial owner of ADRs to obtain the benefits of credits or refunds of non-U.S. tax paid against such holder's or beneficial owner's income tax liability. Neither we nor the depositary shall incur any liability for any tax or tax consequences that may be incurred by registered holders or beneficial owners on account of their ownership of ADRs or ADSs.

Neither the depositary nor its agents will be responsible for any failure to carry out any instructions to vote any of the deposited securities, for the manner in which any such vote is cast or for the effect of any such vote. The depositary may rely upon instructions from us or our counsel in respect of any approval or license required for any currency conversion, transfer or distribution. The depositary shall not incur any liability for the content of any information submitted to it by us or on our behalf for distribution to ADR holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the deposited securities, for the validity or worth of the deposited securities, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the deposit agreement or for the failure or timeliness of any notice from us. The depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the depositary or in connection with any matter arising wholly after the removal or resignation of the depositary.

Neither we, the depositary nor any of our respective directors, officers, employees, agents or affiliates, nor our company's supervisors, shall be liable to registered holders or beneficial owners for any indirect, special, punitive or consequential damages (including, without limitation, legal fees and expenses) or lost profits, in each case of any form incurred by any person or entity (including, without limitation, holders and beneficial owners), whether or not foreseeable and regardless of the type of action in which such a claim may be brought.

In the deposit agreement each party thereto (including, for avoidance of doubt, each holder and beneficial owner and/or holder of interests in ADRs) irrevocably waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in any suit, action or proceeding against the depositary and/or us directly or indirectly arising out of or relating to the ordinary shares or other deposited securities, the ADSs or the ADRs, the deposit agreement or any transaction contemplated therein, or the breach thereof (whether based on contract, tort, common law or any other theory).

The depositary and its agents may own and deal in any class of securities of our company and our affiliates and in ADRs.

Disclosure of Interest in ADSs

To the extent that the provisions of or governing any deposited securities may require disclosure of or impose limits on beneficial or other ownership of, or interests in, deposited securities, other ordinary shares and other securities and may provide for blocking transfer, voting or other rights to enforce such disclosure or limits, you agree to comply with all such disclosure requirements and ownership limitations and to comply with any reasonable instructions we may provide in respect thereof.

Each ADR holder agrees to comply with requests from us pursuant to the laws, rules and regulations of the Cayman Islands, and Singapore, as well as the rules and regulations of any stock exchange on which the ordinary shares may hereinafter be registered, traded or listed to provide information, inter alia, as to the capacity in which such ADR holder owns ADRs (and ordinary shares as the case may be) and regarding the identity of any other person interested in such ADRs and the nature of such interest.

Books of Depositary

The depositary or its agent will maintain a register for the registration, registration of transfer, combination and split-up of ADRs, which register shall include the depositary's direct registration system. Registered holders of ADRs may inspect such register at the depositary's office at all reasonable times, but for the purpose of communicating with other ADR holders in the interest of the business of our company or a matter relating to the deposit agreement. Such register may be closed at any time or from time to time, when deemed expedient by the depositary.

The depositary will maintain facilities for the delivery and receipt of ADRs.

Appointment

In the deposit agreement, each registered holder of ADRs and each beneficial owner, upon acceptance of any ADSs or ADRs (or any interest in any of them) issued in accordance with the terms and conditions of the deposit agreement will be deemed for all purposes to:

- be a party to and bound by the terms of the deposit agreement and the applicable ADR or ADRs,
- appoint the depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the deposit agreement and the applicable ADR or ADRs, to adopt any and all procedures necessary to comply with applicable laws and to take such action as the depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the deposit agreement and the applicable ADR or ADRs, the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof, and
- acknowledge and agree that (i) nothing in the deposit agreement or any ADR shall give rise to a partnership or joint venture among the parties thereto nor establish a fiduciary or similar relationship among such parties, (ii) the depositary, its divisions, branches and affiliates, and their respective agents, may from time to time be in the possession of non-public information about us, holders, beneficial owners and/or their respective affiliates, (iii) the depositary and its divisions, branches and affiliates may at any time have multiple banking relationships with us, holders, beneficial owners and/or the affiliates of any of them, (iv) the depositary and its divisions, branches and affiliates may, from time to time, be engaged in transactions in which parties adverse to us or the holders or beneficial owners may have interests, (v) nothing contained in the deposit agreement or any ADR(s) shall (A) preclude the depositary or any of its divisions, branches or affiliates from engaging in such transactions or establishing or maintaining such relationships, or (B) obligate the depositary or any of its divisions, branches or affiliates to disclose such transactions or relationships or to account for any profit made or payment received in such transactions or relationships, (vi) the depositary shall not be deemed to have knowledge of any information held by any branch, division or affiliate of the depositary and (vii) notice to a holder shall be deemed, for all purposes of the deposit agreement, to constitute notice to any and all beneficial owners of the ADSs evidenced by such holder's ADRs.

Governing Law, Submission to Jurisdiction and Arbitration

The deposit agreement, the ADSs and the ADRs are governed by and construed in accordance with the laws of the State of New York without giving effect to the application of the conflict of law principles thereof. In the deposit agreement, we have submitted to the jurisdiction of the state and federal courts of the State of New York and appointed an agent for service of process on our behalf. Notwithstanding the foregoing, subject to the terms described below, including the federal securities law carve-out set forth at the end of this sentence, (i) the depositary may refer any such suit, action or proceedings to arbitration in accordance with the provisions of the deposit agreement, and, upon such referral, any such suit, action or proceeding instituted by us shall be finally decided in such arbitration rather than in such court, (ii) the depositary may, in its sole discretion, elect to institute any dispute, suit, action, controversy, claim or proceeding directly or indirectly based on, arising out of or relating to the deposit agreement or the ADRs or the transactions contemplated thereby, including without limitation any question regarding its or their existence, validity, interpretation, performance or termination, against any other party or parties to the deposit agreement (including, without limitation, against ADR holders and beneficial owners), by having the matter referred to and finally resolved by an arbitration conducted under the terms described below, and (iii) the depositary may in its sole discretion require that any dispute, suit, action, controversy, claim, or proceeding of the type described in clause (ii) above, brought against the depositary by any party or parties to the deposit agreement (including, without limitation, by ADR holders and beneficial owners), shall be referred to and finally settled by an arbitration conducted under the terms described below; *provided however*, that to the extent there are specific federal securities law violation aspects to any disputes against us and/or the depositary brought by any ADR holder or beneficial owner, the federal securities law violation aspects of such disputes brought by an ADR holder and/or beneficial owner against us and/or the depositary may, at the option of such holder, remain in state or federal court in New York, New York and all other aspects, claims, disputes, legal suits, actions and/or proceedings brought by such holder against us and/or the depositary, including those brought along with, or in addition to, federal securities law violation claims, would be referred to arbitration in accordance with the provisions of the deposit agreement. Any such arbitration shall be conducted either in New York, New York in accordance with the Commercial Arbitration Rules of the American Arbitration Association or in Hong Kong following the arbitration rules of the United Nations Commission on International Trade Law with the Hong Kong International Arbitration Centre serving as the appointing authority, and the language of any such arbitration shall be English.

Notwithstanding the foregoing, any suit, action or proceeding based on the deposit agreement, the ADSs or the ADRs or the transactions contemplated thereby may be instituted by the depositary in any competent court in the Cayman Islands, Singapore and/or the United States.

By holding an ADS or an interest therein, registered holders of ADRs and beneficial owners each irrevocably agree that subject to the depositary's rights, (i) any legal suit, action or proceeding against or involving us or the depositary, arising out of or based upon the deposit agreement, the ADSs or the ADRs or the transactions contemplated herein, therein or hereby may only be instituted in a state or federal court in New York, New York, and each irrevocably waives any objection which it may have to the laying of venue of any such proceeding, and irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

Exhibit 4.17

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT, MARKED BY [***], HAS BEEN EXCLUDED BECAUSE THE REGISTRANT HAS DETERMINED THE INFORMATION IS NOT MATERIAL AND IS THE TYPE THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

COLLABORATIVE DEVELOPMENT & COMMERCIALISATION AGREEMENT RELATING TO *EBLASAKIMAB* IN JAPAN

BETWEEN

ASLAN Pharmaceuticals Pte. Ltd.

AND

Zenyaku Kogyo Co., Ltd.

Dated: 22nd June 2023

THIS AGREEMENT (**"Agreement"**) is made on 22nd June 2023

BETWEEN:-

ASLAN Pharmaceuticals Pte. Ltd. ("ASLAN"), incorporated and registered in Singapore with company number 201007695N, having its principal offices at 3 Temasek Avenue, Level 18, Centennial Tower, Singapore 039190; and

Zenyaku Kogyo Co., Ltd. ("ZENYAKU"), incorporated and registered in Japan, having its principal offices at 6-15, Otsuka 5-Chome, Bunkyo-ku, Tokyo, 112-8650, Japan.

WHEREAS:-

(A) ASLAN is a pharmaceutical company that is engaged in the research, development and Commercialisation of therapeutics for treating disease in humans. ASLAN owns and/or has exclusive rights to certain patent rights and technology relating to the Product (capitalized terms as defined below).

(B) ASLAN desires to ensure that the clinical development and Commercialisation of the Product is achieved as promptly as possible and wishes to collaborate with a partner capable of realizing promptly the commercial potential of the Product in the Territory and within the Field.

(C) ASLAN desires to share costs for the clinical development and Commercialisation of the Product.

(D) ZENYAKU possesses pharmaceutical development and Commercialisation capabilities in the Field, and desires to enter into an agreement to enable the Development and Commercialisation of the Product in the Territory and within the Field.

(E) Now, therefore, in consideration of the premises and mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

A. DEFINITIONS AND INTERPRETATION

1. Definitions and Interpretation

1.1. The definitions and rules of interpretation in this clause apply in this Agreement:

"Affiliate" means, with respect to a legal entity, any corporation or other entity which directly or indirectly Controls, is Controlled by or is under common Control with, such entity.

"Annual Net Sales" means total Net Sales in the Territory in a given calendar year (that is, the period from 1 January to 31 December).

"Antibody" means the anti-IL13Rα1 monoclonal antibody with the generic name *eblasakimab* also known as ASLAN004 which has the amino acid sequence set out in Schedule 1, and any antigen binding fragments thereof, and includes any post-translational modifications of such antibody or antigen binding fragments.
"Antibody Know-How" means the ASLAN Know-How and the ASLAN In-Licensed Know-How as the same are listed in Schedule 2, together with ASLAN's interest in any Improvements which are not patented.

"Antibody Patents" means the ASLAN Patents and the ASLAN In-licensed Patents as the same are listed in Schedule 3.

"Antibody Technology" shall mean the Antibody Patents and the Antibody Know-How, including any right, title and interest in any Improvements Controlled by or assigned to ASLAN pursuant to any term of this Agreement.

"ASLAN Development Plan" means the workplan with respect to the Development of Products by ASLAN, its licensees or successors in title to ASLAN outside the Territory within the Field, the initial version of which is set out in Schedule 4.

"ASLAN In-licensed Know-How" means all results, data, know-how, antibodies, compounds, processes, discoveries, formulations, materials, inventions, techniques or proprietary confidential information which:

a) are necessary or useful for researching, developing, applying for and obtaining Marketing Approvals or licences in respect of, marketing or selling Products; and
b) are licensed to ASLAN as at the date of the Agreement or during the Term,

and in respect of which, and to the extent that, ASLAN is expressly entitled to grant a sub-licence of such know-how, and it relates to the Development and/or Commercialisation of Products.

"ASLAN In-licensed Patents" means patents and patent applications listed in Schedule 3 part (i) and licensed to ASLAN as at the date of the Agreement together with any additional patents and patent applications licensed to ASLAN during the Term, in respect of which, and to the extent that, ASLAN is expressly entitled to grant sub-licences of the same, and they relate to the Development and/or Commercialisation of Products.

"ASLAN Know-How" shall mean all results, data, know-how, antibodies, compounds, processes, discoveries, formulations, materials, inventions, techniques or proprietary confidential information which:

a) are necessary or useful for researching, developing, applying for and obtaining Marketing Approvals or licences in respect of, marketing or selling Products; and
b) are Controlled by ASLAN as at the date of this Agreement.

"ASLAN Patents" shall mean the patents and patent applications owned, jointly Controlled by ASLAN and listed in Schedule 3 parts (ii) and (iii), and, if requested by Zenyaku, any other patents and patent applications pertaining to Products that are owned or jointly Controlled by ASLAN from time to time during the Term covering the Territory.

"Base Royalty Rate" shall be as defined in clause 6.5.

"Biosimilar" shall mean any biological product: (i) characterized by the same amino acid sequence and similar post-translational modifications as an approved reference product which has received Marketing Approval in the Territory; (ii) for which any differences between it and such reference product do not result in any clinically meaningful differences in its safety, purity or potency as compared to such reference product; and (iii) for which Marketing Approval is expected to be sought or obtained based on the prior knowledge of such reference product under the regulatory pathway for biosimilars in the Territory, namely the *"Guidelines for the Quality, Safety and Efficacy Assurance of follow-on biologics"* (Yakushoku shinsahatsu 0304007 / March 4, 2009).

"Business Day" means a day that is not a Saturday, Sunday, December 29th to January 3rd or public holiday in Singapore or Japan.

"Claim" means, in relation to a person, a demand, claim, action or proceeding made or brought by or against the person, however arising.

"Commercialise" means, use, apply for Marketing Approvals, import, sell, have sold, market or distribute.

"Commercialisation Commencement Date" shall mean the date when ZENYAKU first receives a Marketing Approval for Products in the Territory, should this occur.

"Commercialisation Period" shall mean the period commencing on the Commercialisation Commencement Date and, unless terminated earlier pursuant to the terms of this Agreement, expiring upon expiration of the respective Royalty Term in the Territory.

"**Commercialisation Plan**" means the plan for the Commercialisation of each Product in the Territory.

"Commercially Reasonable Efforts" shall mean [***].

"Competing Product" means [***].

"Confidential Information" has the meaning given to it in clause 13.1.

"Control" shall mean:

- in relation to a legal entity, the possession, directly or indirectly, of more than 50% of the issued shares in that entity or the power to direct, or cause the direction of, the management or policies of that entity, whether through the ownership of voting securities, by contract or otherwise; and

- in relation to Intellectual Property, possession of the ability to independently grant the licences or sub-licences as provided herein without violating the terms of any agreement or other arrangements with any Third Party.

"CSL Head Licence Agreement" means a licence agreement between ASLAN and CSL Limited (**"CSL"**) dated 12th May 2014, as amended and restated 31st May 2019, which granted exclusive worldwide rights over

the Antibody to ASLAN, a full copy of which has been provided to ZENYAKU prior to the Effective Date. The term 'CSL Head Licence Agreement' shall also be deemed to refer to such licence as modified by any subsequent mutually agreed amendments to the same after the Effective Date, and ASLAN undertakes to provide full copies of all such amendments to ZENYAKU.

"Development" shall mean the activities to be performed for the purpose (directly or indirectly) of obtaining Marketing Approvals for any indications of Products, including without limitation importation of supplies of Product in anticipation of obtaining such Marketing Approval.

"Development Data" shall mean, with respect to a Product, (i) all data from clinical trials of such Product; and (ii) all research data, preclinical data, manufacturing data and other information, in each case that are generated by or under authority of the Party carrying out the Development with respect to such Product, and which is necessary or useful to obtain Marketing Approval for the Product in the Territory. For such purposes, "Development Data" shall include (1) raw data, study protocols, study results, analytical methodologies, manufacturing processes, materials lists, batch records, vendor information, validation documentation, and the like, (2) regulatory filings, documentation, correspondence and adverse event data, and (3) expert opinions, analyses, reports and the like, relating to the data, including in each case electronic information and databases embodying such data.

"Development Milestone Payments" means payments by way of lump sum reimbursement of part ASLAN's research and development costs to date in relation to Development of the Antibody, payable conditional upon the occurrence of certain events as set out in clause 3.3.

"EASI" means the Eczema Area and Severity Index, a generally recognized score used to measure the severity and extent of atopic dermatitis which measures erythema, infiltration, excoriation and lichenification on four anatomic regions of the body: head, trunk, upper and lower extremities.

"Effective Date" shall mean the first date this Agreement is signed by both the Parties.

"Effective Royalty Rate" shall be as defined in clause 6.5.

"Field" shall mean the treatment, prevention or palliation of human diseases.

"First Commercial Sale" means the first commercial sale of a Product in the Field in the Territory by ZENYAKU or its Affiliates, subject to clause 3.7. Sales of a Product by and between ZENYAKU and its Affiliates shall not constitute a First Commercial Sale.

"Improvement" shall mean any invention, discovery, new finding, development or modification with respect to a Product, whether or not patentable, that is conceived, reduced to practice, discovered, developed or otherwise at any time in the course of and as a result of the conduct of the activities contemplated by this Agreement, which is reasonably useful for the exploitation of a Product, including any enhancement in the efficiency, operation, manufacture, cost of manufacture, ingredients, preparation, presentation, formulation, means of delivery or dosage, use, or methods of use or packaging of such Product, any discovery or development of any new or expanded indications for the Antibody or a

Product, and/or any discovery or development that improves the stability, safety or efficacy of the Antibody or a Product.

"Initial Indication" means atopic dermatitis.

"Initial Payment" means the non-refundable payment, being a reimbursement of part of ASLAN research and development costs to date in relation to Development of the Antibody, and payable in accordance with clause 3.1.

"Intellectual Property" (or **"IP"**) shall mean any patents, rights to inventions, registered designs, copyright and related rights, database rights, design rights, topography rights, trademarks, service marks, trade names and domain names, trade secrets, confidential information, rights in unpatented know-how, and any other intellectual or industrial property rights of any nature including all applications (or rights to apply) for, and renewals or extensions of such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

"Joint Steering Committee" (or **"JSC"**) shall mean the committee established under clause 9.

"Liabilities" means Claims, losses, liabilities, costs, expenses or damage of any kind and however arising, including investigative costs, court costs, legal fees, penalties, fines and interest and amounts paid in settlement.

"Marketing Approval" means any approval, certification or authorisation granted by the Ministry of Health, Labor and Welfare (**"MHLW"**) or (as applicable) other national or regional regulatory authorities that enables such products to be marketed, imported, supplied and sold inside or outside the Territory.

"Net Sales" means the gross amounts received by ZENYAKU, its Affiliates and sublicensees, and their affiliates and sublicensees (as applicable, "**Selling Party**"), for Products sold by such Selling Party under this Agreement, in arm's length sales to Third Parties, less:

(a) customary trade, quantity or prompt settlement discounts (including chargebacks and allowances) actually allowed;
(b) amounts repaid or credited by reason of rejection, returns or recalls of goods;
(c) mandatory rebates and similar payments made with respect to sales paid for by any governmental or Regulatory Authority;
(d) sales, excise, turnover, inventory, value-added, indirect and any other tax of a similar nature assessed on the sale of Products, as well as customs duties, customs levies and import fees imposed on the sale, importation, use or distribution of Products; but only to the extent that such items are included in the gross invoice price of that Product and actually borne by the Selling Party without reimbursement from any Third Party; and
(e) any other similar and customary deductions, provided that such discounts and deductions are consistent with generally accepted international accounting principles that the Selling Party customarily apply with respect to its own portfolio of similar market potential at a similar stage in development or product life in the Field and that such discounts and deductions given are commercially reasonable, product specific and are given in the interest of increasing overall

revenues of the Products.

For the avoidance of doubt, with respect to the deductions specified in subsections (a) through (e) above, an amount shall be deducted only once regardless of how many categories may apply to it. Without limitation, Net Sales includes sale or disposal of Products in exchange for anything of value in lieu of cash. A sale shall be deemed to have occurred for a price assessed on the value of whatever consideration has been provided in exchange for the supply. For purposes of calculating Net Sales of Products, sales between or among ZENYAKU or its Affiliates or sublicensees shall be excluded from the computation of Net Sales, but sales by ZENYAKU or its Affiliates or its sublicensees to Third Parties shall be included in the computation of Net Sales.

"**NHI Price**" shall the official price set by the MHLW for prescription drugs.

"Party" shall mean a party to this Agreement.

"Product" means one or more pharmaceutical products containing the Antibody as the sole active ingredient or in combination with one or more other active ingredients, subject to clause 3.7.

"Quarter" means the three calendar month periods commencing respectively on 1 January, 1 April, 1 July and 1 October in each year, save that in the event of termination or expiry of this Agreement the relevant period shall be deemed to run from that latest of these dates up till, and including, the date of actual termination or expiry.

"Q2W" means a dosing schedule where the Product is administered every two weeks as a maintenance treatment.

"Q4W" means a dosing schedule where the Product is administered every four weeks as a maintenance treatment.

"Regulatory Authority" means any governmental agency or authority responsible for granting clinical trial authorisations or Marketing Approvals for Products, or for determining official reimbursement prices, including without limitation MHLW and other national or regional regulatory authorities, but excluding ethics committees.

"Regulatory Filings" means, with respect to Product, any submission to a Regulatory Authority to grant Marketing Approvals for Product, of any regulatory application together with any material related correspondence and documentation and shall include, without limitation, any submission to a regulatory advisory board, of Marketing Approval application and any supplement or amendment thereto.

"Royalty Term" shall be as defined in clause 6.8.

"Sales Milestone Payments" means those payments to be made by ZENYAKU to ASLAN on the achievement of certain sales milestones as detailed in clause 6.

"Tax" means all forms of tax and charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and whether in the Territory or any other jurisdiction and any penalty, fine, surcharge, interest, charges or costs relating to it.

"Tax Authority" means any authority, body or official competent to impose, assess or collect Tax in the Territory or elsewhere.

"Term" shall be as defined in clause 14.1.

"Territory" shall mean Japan.

"Third Party" shall mean any entity other than ASLAN, ZENYAKU or any Affiliate of ASLAN or ZENYAKU.

"TREK-AD Milestone" shall mean the following: in ASLAN's Phase 2b Study of ASLAN004 in adults with moderate-to-severe atopic dermatitis (ClinicalTrials.gov Identifier: NCT05158023) known as the TREK-AD study, [***]. For the avoidance of doubt, the achievement of the TREK-AD Milestone shall occur upon signature of the completed final clinical study report of TREK-AD study.

"TREK-AD Milestone Payment" shall mean the sum of USD$3,000,000 (three million dollars) payable by ZENYAKU to ASLAN in accordance with clause 3.2 if ASLAN achieves the TREK-AD Milestone.

"Valid Claim" shall mean a claim of (a) an issued and unexpired patent, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise; or (b) a pending patent application that has not been finally abandoned or finally rejected or expired within a maximum period of [***] from initial filing.

"ZENYAKU Development Plan" shall mean the workplan with respect to the Development of Products by ZENYAKU in the Territory within the Field in accordance with clause 2.5, the initial agreed version of which is set out in Schedule 5.

1.2. Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.

1.3. The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this agreement and any reference to this Agreement includes the Schedules.

1.4. Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.

1.5. Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

1.6. 'Writing' or 'written' shall be deemed to include e-mail provided that the intended recipient acknowledges receipt within 48 hours.

1.7. Any words following the terms 'including', 'include', 'in particular' or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.8. A 'person' includes a natural person, corporate or unincorporated body (whether or not having separate legal personality), partnership, joint venture and a government or statutory body or authority.

1.9. If a word is defined or phrase is defined, its other grammatical forms have the corresponding meaning.

1.10. No rule of constructions will apply to a provision to the disadvantage of a Party merely because that Party proposed the provision or would otherwise benefit from it.

B. COLLABORATION OVER DEVELOPMENT OF *EBLASAKIMAB*

2. Development

2.1. **Development.** The Parties acknowledge that up to the Effective Date, ASLAN has invested significant financial and human resources in the research and development relating to the Antibody and Products. In consideration of the payments set out in clause 3, ASLAN hereby appoints ZENYAKU as its exclusive collaboration partner for the Development of the Antibody and of Products in the Territory. ZENYAKU and its Affiliates, including through subcontractors, hereby agree and undertake, at its/their sole risk and expense, to use Commercially Reasonable Efforts to build on ASLAN's prior research and development investment and pursue all activities and perform all obligations required to develop the Products for the Territory.

2.2. ZENYAKU and its Affiliates, including through subcontractors, shall perform the Development and its obligations under this Agreement:

a) in a proper, efficient, skillful, diligent and competent manner;
b) in accordance with the ZENYAKU Development Plan and this Agreement;
c) in accordance with all applicable laws and regulations and applicable ICH Harmonised Tripartite Guidelines, including the Guideline for Good Clinical Practice (**"GCP"**);
d) to a standard acceptable by the relevant Regulatory Authority;
e) with Commercially Reasonable Efforts so as to achieve the Development events set out in clause 3.3 within the timescales set out in the ZENYAKU Development Plan.

2.3. **Transfer of Development Data.** Within [***] after the Effective Date, ASLAN shall provide ZENYAKU with complete and accurate copies of the Development Data and the Antibody Know-How as listed in Schedule 2. ASLAN shall reasonably cooperate with ZENYAKU in providing ZENYAKU with copies of such Antibody Technology in accordance with the process and schedule agreed upon through the JSC. Any Third Party costs reasonably associated with such transfer of Development Data and/or Antibody Know-How shall be borne by ZENYAKU.

2.4. ASLAN grants to ZENYAKU a royalty-free licence (including the right to grant sub-licences to permitted entities) to use and import the Antibody Technology solely for the purpose of ZENYAKU performing its obligations in respect of Development, as set out in this Part B of the Agreement.

2.5. At least [***] during the period of the Development, ZENYAKU shall prepare and submit to the JSC for its approval a reasonably detailed plan (or updated plan, as applicable) for the Development to be undertaken in the next twelve months and a timeline for the performance of the relevant activities (**"ZENYAKU Development Plan"**). For the avoidance of doubt, the Parties may amend the ZENYAKU Development Plan by mutual agreement via the JSC from time to time and no revised or updated ZENYAKU Development Plan shall be applicable to the Development unless it has been approved by the JSC.

2.6. ZENYAKU shall carry out the Development substantially in accordance with the ZENYAKU Development Plan as most recently approved by the JSC. The ZENYAKU Development Plan shall describe the following:

a) the proposed preclinical, clinical, research, regulatory and product development and formulation activities related to ongoing preclinical studies, clinical studies and regulatory plans;
b) the timelines for the development leading to commercial launch of Products in the Territory;
c) any other information as reasonably determined by the JSC;
d) clinical goals and objectives;
e) go/no-go criteria for continuing the development of Products from one clinical trial to the next; and
f) plans for obtaining Marketing Approvals, and other regulatory plans.

2.7. ZENYAKU shall provide ASLAN with such information as ASLAN may reasonably request from time to time regarding the progress of the Development and status of development of Products in the Territory hereunder, such information to include copies of correspondence with Regulatory Authorities with respect to each Product.

2.8. **Exchange of Data.** Each Party shall provide the other, at no cost to the other Party, with all Development Data and any other information necessary or useful to obtain Marketing Approval for the Products in the Territory generated after the Effective Date of this Agreement through such Party's performance of Development activities in respect of Products. ASLAN shall use Commercially Reasonable Efforts to provide Development Data relating to Products resulting from clinical trials and preclinical studies undertaken by Third Party partners outside the Territory to ZENYAKU, at no cost to ZENYAKU (excluding cost of translation).

2.9. **Records and Reports.** ZENYAKU shall maintain records in sufficient detail and in a good scientific manner of all work conducted by it in connection with the Development and all Development Data resulting from such work. Such records, including any electronic files where such Development Data may also be contained, shall reflect all work done and results achieved in the performance of the Development in sufficient detail and in a good scientific manner appropriate for regulatory purposes. ZENYAKU shall keep such records for the longer of (i) [***] from the occurrence of the

subject matter or event which they concern, (ii) as may be required by the terms of the CSL Head Licence Agreement and (iii) as required by law. In the event of termination or expiry of this Agreement this obligation to keep records shall only survive in relation to records existing as at the time of such termination or expiry. In addition, ZENYAKU will submit and present to the JSC reports and results from time to time regarding progress of the Development and data produced under the ZENYAKU Development Plan, preclinical and clinical study draft reports resulting from the Development and copies of final reports.

2.10. **Responsibility for regulatory matters during Development.** ZENYAKU shall be responsible (at its cost) for the preparation, filing and maintenance of any and all Regulatory Filings, health technology assessments, negotiations, interactions, applications and activities necessary or desirable to carry out the activities set out in the ZENYAKU Development Plan. All clinical trial protocols and Regulatory Filings will be filed in ZENYAKU's name and/or on its behalf, and prior to the initiation of any clinical trials and prior to submitting the Regulatory Filings with any Regulatory Authorities, the relevant parts of such Regulatory Filings as are reasonably necessary to assess ZENYAKU's compliance with its obligations under clauses 2.2 and 2.6 hereunder shall be subject to review and comment by ASLAN. ASLAN will use Commercially Reasonable Efforts to provide any comments within [***] of receipt of the drafts of the Regulatory Filings.

2.11. **Pricing.** Notwithstanding the foregoing, ZENYAKU shall consult with ASLAN regarding the NHI Price of Products and obtain ASLAN's prior agreement on the NHI Price to be proposed to MHLW, and such ASLAN's agreement shall not be unreasonably withheld or delayed.

2.12. **Risk and Responsibility.** All Development activities shall be performed by ZENYAKU at its sole risk and responsibility, cost and expense, and in compliance with all applicable laws and regulatory requirements, including without limitation GCP, Good Laboratory Practice (**"GLP"**) and Good Manufacturing Practice (**"GMP"**). Therefore, ZENYAKU assumes full responsibility for potential outcome or damage derived from the conduct and performance of the Development (including but not limited to any Claims for payment of any compensation due to any participants in the clinical trials conducted in the framework of the Development who suffer death or bodily injury pursuant to any rights or applicable industry guidelines) and shall be responsible for any such Claims resulting from such activities, other than any such Claims or damages resulting or derived from any defects in the clinical drug supplies provided by ASLAN or any supplier designated by ASLAN, for which ASLAN shall be fully and solely responsible.

2.13. ASLAN, its Affiliates and its sub-licensees, including through subcontractors, shall use Commercially Reasonable Efforts to conduct the development and registration activities relating to the Antibody and the Product outside the Territory in accordance with ASLAN Development Plan (the initial version of which is set out in Schedule 4).

3. Payments to ASLAN in respect of Development of *Eblasakimab*

3.1. **Initial Payment.** After execution of this Agreement ZENYAKU will make the Initial Payment to ASLAN in accordance with clause 3.5. The Initial Payment is US$12 million (twelve million US dollars).

3.2. **TREK-AD Milestone Payment**. In the event that ASLAN achieves the TREK-AD Milestone, ZENYAKU will make the TREK-AD Milestone Payment to ASLAN (not reimbursable or refundable) in accordance with clause 3.5, in addition to the Initial Payment, and the Development Milestones set out below.

3.3. **Development Milestone Payments for Initial Indication**. Upon achieving certain milestones for the Initial Indication as set out below, ZENYAKU will make one-time Development Milestone Payments to ASLAN (not reimbursable or refundable), in addition to the Initial Payment. For avoidance of doubt, (i) each of the milestone payments set forth in this clause 3.3 shall be payable only one time and only for the Product for the Initial Indication upon the first achievement of the specific milestone set out below, and (ii) any achievement of a certain milestone does not trigger other milestone payments (e.g., if Milestone (2) is achieved without achieving Milestone (1), ZENYAKU shall not need to make payment for Milestone (1)).
[***]

3.4. **Development Milestone Payments for other indications.** Upon achieving the milestones for indications other than the Initial Indication, as set out below, ZENYAKU will make separate one-time Development Milestone Payments to ASLAN (not reimbursable or refundable). For avoidance of doubt, (i) each of the milestone payments set forth in this clause 3.4 shall be payable only one time and for the Product for such indication other than the Initial Indication upon the first achievement of the specific milestone set out below, and (ii) obtaining the third and subsequent Marketing Approval for the Product for an indication other than the Initial Indication will not trigger any payments.
[***]

In order to determine fair development milestone payments for the achievement of the milestones for additional indications above, the Parties shall use the following objective methodology (the **"Market Assessment Methodology"**). The Parties shall agree (i) a percentage number derived from an assessment of the size of the market in the Territory for the Initial indication and the relevant Indication (that is to say, to divide the current size of the market as at the time of making the assessment and as forecast for the next [***] thereafter of the relevant indication, by that of the Initial Indication), and then apply such percentage to (ii) the milestone amount payable for obtaining Marketing Approval for the Product for such additional indication in the Territory stated above, to arrive at (iii) the relevant milestone amount, provided this shall not in any event exceed [***]. In making such assessment the Parties shall in good faith review the then most-recent data and analysis from generally reputable sources, such as statistics from governmental agencies and analysis conducted by any third party of generally high repute in the pharmaceutical industry, such as IQVIA.

3.5. Within [***] of ASLAN's invoice for the Initial Payment and milestone payment(s) triggered by the relevant event(s) in clauses 3.2, 3.3 or 3.4 (as applicable), ZENYAKU will pay the Initial Payment, the TREK-AD Milestone Payment and the corresponding Development Milestone Payment (as applicable) to ASLAN, provided that ZENYAKU and ASLAN shall collaborate and exercise Commercially Reasonable Efforts to enable such payments to be made sooner.

3.6. For the avoidance of doubt, the Initial Payment, the TREK-AD Milestone Payment, and the Development Milestone Payments are not payments for the use of, or right to use, the Antibody

Technology or any Intellectual Property relating thereto.

3.7. For the purposes of the expression *"Marketing Approval for the Product"* as used in clauses 3.3 and 3.4 and also the expression *"Marketing Approval being granted in the Territory for administration of the Product"* as well as the *"First Commercial Sale of the Product"* as used in clause 6.8, the following shall apply: if a Product has previously obtained Marketing Approval, and additional Marketing Approval is subsequently obtained for a later variant with a different method of administration or storage, but which is otherwise identical to the Product previously approved, in terms of active ingredients, dosage regimen and indication, then this shall not be deemed to be (as appropriate) Marketing Approval or First Commercial Sale of a new Product.

C. COMMERCIALISATION OF PRODUCTS IN THE TERRITORY

4. Commercialisation Planning & Diligence

4.1. **Planning and Preparation for Commercialisation.**

a) ZENYAKU shall generate and submit to ASLAN an initial Commercialisation Plan for each Product in the Territory no later than [***] prior to the planned submission to a Regulatory Authority seeking Marketing Approval for such Product set out in as an addendum to the ZENYAKU Development Plan attached as Schedule 5 or any updated version thereof agreed upon at the JSC, which shall include estimated indictive timelines for the commercial launch of Products, and shall update the Commercialisation Plan in the lead-up to and after such commercial launch.
b) ASLAN shall be entitled to make reasonable suggestions and comments on Commercialisation Plans and ZENYAKU shall take into account such suggestions and comments.
c) ZENYALU shall provide any other information in the lead-up to Commercialisation of Products as reasonably determined by the JSC.

4.2. **Exclusive Commercialisation Right.** Subject to the payments set out in clause 6 below, ASLAN hereby agrees that ZENYAKU shall be exclusively entitled to Commercialise Products in the Territory.

4.3. **Diligence.** ZENYAKU and/or its Affiliates shall use Commercially Reasonable Efforts to Commercialise Products in and throughout the Territory. In relation to Commercialisation of Products, ZENYAKU undertakes without limitation to the extent reasonable and legally permissible:

a) to employ a sufficient number of suitably qualified personnel in the Territory to ensure the proper fulfilment of its obligations under this Agreement;
b) to use Commercially Reasonable Efforts to maximise market access throughout the Territory;
c) to advertise and promote the Products with relevant key opinion leaders in the Territory and to advertise and promote the Products at relevant conferences, forums and similar events in the Territory;
d) to advertise, promote and sell the Products in the Territory generally and to expand the sales of the Products to potential purchasers by all reasonable and proper means and not to do anything which may hinder or interfere with such sales; and

e) to be responsible for advertising and promoting the Products in the Territory, and arrange, at its own expense, to spend an appropriate amount per year on the implementation of such advertising and promotion.

4.4. **Risk and responsibility.** All Commercialisation activities shall be performed by ZENYAKU at its sole risk and responsibility, cost and expense, and in compliance with all applicable laws and regulatory requirements, including without limitation Good Quality Practice, Good Vigilance Practice and GMP. Therefore, ZENYAKU assumes full responsibility for Liabilities or other outcomes derived from Commercialisation of Products in the Territory, other than those resulting from any defects in any Products supplied by ASLAN or any supplier designated by ASLAN, for which ASLAN shall be fully and solely responsible.

4.5. **Pharmacovigilance.** ASLAN and ZENYAKU shall, within [***] of ASLAN requiring ZENYAKU to do so, by written notice, and in any event prior to the commencement of a clinical trial for Products in the Territory, enter into a written agreement ("**Safety Data Exchange Agreement**") which shall define and finalise the responsibilities the Parties shall employ to protect patients and promote their well-being in connection with the use of the Products. The Safety Data Exchange Agreement shall include mutually acceptable guidelines and procedures for the receipt, investigation, recordation, communication, and exchange (as between the Parties) of adverse event reports, pregnancy reports, and any other information concerning the safety of the Antibody and the Product(s), whether obtained by either Party or by authorised third parties, including responsibility for managing the relevant global safety database, which shall be undertaken by ASLAN (or ASLAN's successor in title). Such guidelines and procedures shall be in accordance with, and enable the Parties and their Affiliates to fulfil, local and international regulatory reporting obligations to government authorities. Furthermore, such agreed procedures shall be consistent with relevant ICH guidelines, except where said guidelines may conflict with existing local regulatory safety reporting requirements or applicable local law, in which case local reporting requirements or applicable local law shall prevail. For clarity until such time as the Parties have entered into the Safety Data Exchange Agreement, ZENYAKU shall have sole pharmacovigilance responsibility for its activities hereunder with respect to the Antibody and the Product in the Territory in accordance with applicable local law. This clause 4.5 shall survive any termination or expiration of this Agreement to the extent and for so long as is required for legal/regulatory compliance by ZENYAKU.

5. Licence Grant for Commercialisation

5.1. ASLAN hereby grants to ZENYAKU, with effect from, and subject to the occurrence of, the Commercialisation Commencement Date, an exclusive licence under ASLAN's rights in the Antibody Technology, with the right to grant sub-licences in accordance with clause 5.5, to make, have made, use, offer for sale, and sell, import, promote, market, and distribute the Antibody and/or Products in the Field in the Territory.

5.2. All rights granted in clause 5 by ASLAN to ZENYAKU shall only be exercised in the Field in the Territory during the Commercialisation Period in accordance with the terms and conditions set out in this Agreement.

5.3. For the avoidance of doubt, ASLAN shall retain all rights to the Antibody Technology other than those granted hereunder.

5.4. Notwithstanding any other term of this Agreement, ZENYAKU must not change, modify or adapt the Antibody without the prior written consent of ASLAN.

5.5. **Sublicensing.** ZENYAKU may perform any activities in support of Commercialisation of Products through sublicensing to a Third Party; provided that:

a) prior to so doing, ZENYAKU shall receive the prior written approval of ASLAN, which approval shall not be unreasonably withheld or delayed after having the opportunity, but not the obligation, to conduct its own due diligence with respect to the proposed sublicensee;

b) ZENYAKU shall enter into an appropriate written agreement with any such sublicensee such that the sublicensee shall be bound by all applicable provisions of this Agreement to the same extent as ZENYAKU and such that ASLAN's rights under this Agreement are not adversely affected; and

c) ZENYAKU shall at all times be responsible for the acts or omissions of such sublicensee.

6. Payments in respect of Commercialisation

6.1. **Sales Milestone Payments (Q4W, Initial Indication):** In the event that the first Marketing Approval for the Initial Indication in the Territory is granted for the administration of the Product to patients on a Q4W basis, then upon achieving the sales milestones as set out below, ZENYAKU will make one-time Sales Milestone Payments to ASLAN (not reimbursable or refundable) as follows. For avoidance of doubt, (i) each of the milestone payments set forth in clause 6.1 shall be payable only one time, upon the first achievement of each applicable milestone, and (ii) the Annual Net Sales and accumulated Net Sales of the Product shall be calculated by adding up all the sales of the Products for all the indications that exist at the time of the calculation.

Sales milestone	**Payment**
Annual Net Sales	
Upon Annual Net Sales of the Product in the Territory reaching [***]	[***]
Upon Annual Net Sales of the Product in the Territory reaching [***]	[***]
Upon Annual Net Sales of the Product in the Territory reaching [***]	[***]
Upon Annual Net Sales of the Product in the Territory reaching [***]	[***]
Accumulated Net Sales	
Upon accumulated Net Sales of the Product in the Territory reaching [***]	[***]
Upon accumulated Net Sales of the Product in the Territory reaching [***]	[***]

6.2. **Sales Milestone Payments (Q2W, Initial Indication):** In the event that the first Marketing Approval for the Initial Indication in the Territory is granted for the administration of the Product to patients on a Q2W basis, then upon achieving the sales milestones as set out below, ZENYAKU will make one-time Sales Milestone Payments to ASLAN (not reimbursable or refundable) as follows. For avoidance of doubt, (i) each of the milestone payments set forth in clause 6.2 shall be payable only one time, upon the first achievement of each applicable milestone on the basis of the total amount of Net Sales of all Products of any indication, and (ii) the Annual Net Sales and accumulated Net Sales of the Product shall be calculated by adding up all the sales of the Products for all the indications that exist at the time of the calculation.

Sales milestone	**Payment**
Annual Net Sales	
Upon Annual Net Sales of the Product in the Territory reaching [***]	[***]
Upon Annual Net Sales of the Product in the Territory reaching [***]	[***]
Upon Annual Net Sales of the Product in the Territory reaching [***]	[***]
Upon Annual Net Sales of the Product in the Territory reaching [***]	[***]
Accumulated Net Sales	
Upon accumulated Net Sales of the Product in the Territory reaching [***]	[***]
Upon accumulated Net Sales of the Product in the Territory reaching [***]	[***]

6.3. **Sales Milestone Payments (Others):** In the event that (i) the first Marketing Approval is granted for an indication other than the Initial Indication in the Territory, or (ii) the first Marketing Approval granted for the Initial Indication in the Territory for the administration of the Product to patients is neither on a Q2W basis nor on a Q4W basis, the parties shall discuss and seek to agree in good faith on sales milestones which are fairly aligned with the economic realities of the market for the Product for which the first Marketing Approval is granted in the Territory.

6.4. **Royalties.** In addition to the payments set out in clause 6.1 and 6.2, royalties at the rates set out below shall be paid Quarterly by ZENYAKU to ASLAN in accordance with this clause 6 to the extent that Net Sales of the Product in the Territory in the Field attain the relevant thresholds set out below:

Level of Annual Net Sales	**Applicable royalty rate as a percentage of Annual Net Sales**
Portion of Annual Net Sales less than [***]:	[***]
Portion of Annual Net Sales [***] and above but less than [***]:	[***]

Portion of Annual Net Sales [***] and above but less than [***]:	[***]
Portion of Annual Net Sales [***] and above but less than [***]:	[***]
Portion of Annual Net Sales [***] and above but less than [***]:	[***]
Portion of Annual Net Sales [***] and above:	[***]

6.5. **Adjustment of Effective Royalty Rate in Certain Circumstances.** If and to the extent that the Effective Royalty Rate for royalties payable on Annual Net Sales of up to [***] is lower than the Base Royalty Rate, then the Base Royalty Rate shall be substituted in place of the Effective Royalty Rate as the rate for calculating royalties on such Annual Net Sales. To the extent Annual Net Sales exceed [***], the royalty rates payable on such Annual Net Sales as out in clause 6.4 shall apply.

For the purposes of this clause:

"Effective Royalty Rate" shall mean a rate calculated by dividing (i) the total amount of royalty payment by ZENYAKU produced by the different rates according to ascending levels of Net Sales in any year, as set out in clause 6.4 above, by (ii) the total amount of such Net Sales, resulting in a single aggregated royalty rate for the totality of such Net Sales.

"Base Royalty Rate" shall mean a rate for ASLAN's upstream royalty obligation to CSL and other upstream licensors based on global Annual Net Sales, calculated by dividing (i) the total amount of royalty payment by ASLAN produced by the different rates according to ascending levels of global Net Sales in any year, by (ii) the total amount of such Net Sales, resulting in a single aggregated royalty rate for the totality of such Net Sales.

In order for ZENYAKU to make an assessment of whether the Base Royalty Rate should be substituted in place of the Effective Royalty Rate as the rate for calculating royalties on Annual Net Sales, as above, it shall make a calculation after the fourth Quarter of each calendar year, based on Annual Net Sales over the whole of that year. If and to the extent that the Base Royalty Rate applies, this shall be reflected in the royalty payment for the fourth Quarter of the relevant calendar year.

6.6. **ZENYAKU Statement.** Within [***] of the end of each Quarter, ZENYAKU shall provide ASLAN with a statement setting out reasonable detail to enable ASLAN to be able to generate the invoice referred to in clause 6.7, specifying at least:

a) the nature of and amount of the payments received during that Quarter that contribute to Net Sales (including copies of any notifications, reports or statements from the Third Party relating to the contribution);
b) the calculation of Net Sales based on such payments; and
c) details of volumes of Net Sales in the Territory for that Quarter;
d) details of any currency conversions using the exchange rate for the relevant currencies as published by OANDA Corporation on the applicable dates.

6.7. **ASLAN invoice.** Upon receipt of such statement, ASLAN shall issue an invoice to ZENYAKU for the amounts due to ASLAN in respect of such Net Sales broken down into:

a) Sales Milestone Payments, if applicable, and
b) royalties at the appropriate rate(s) set out in clauses 6.4 or (as applicable) 6.5 above, and if the rate(s) set out in clause 6.5 apply, the basis for calculating Base Royalty Rate shall be provided by ASLAN in conjunction with the invoice.

Within [***] of receipt of ASLAN's invoice regarding payment for a) above, and within [***] of receipt of ASLAN's invoice regarding payment for b) above, ZENYAKU shall remit payment of all the amounts payable to ASLAN of a) and b), respectively, in US dollars to a bank account nominated by ASLAN.

6.8. **Royalty Term.** Subject to this clause, royalties payable under this clause 6 shall be paid on Product-by-Product basis with respect to Net Sales made in the Territory during the "Royalty Term", which is defined as the period from the date of the First Commercial Sale of the Product in the Territory until the later of:

(i) the expiration of the last to expire, including any extensions thereto, Valid Claim of the ASLAN Patents in the Territory;
(ii) twelve (12) years following the date of the First Commercial Sale of the Product in the Territory;
(iii) the date on which it is legally permissible to launch biosimilars to the Product in the Territory; and
(iv) the date on which ASLAN ceases to be required to pay royalties to CSL in respect of Product sales in the Territory.

Upon expiry of the Royalty Term applicable to each Product, ZENYAKU will thereafter pay to ASLAN a fixed royalty of [***] of Annual Net Sales of such Product in the Territory, and clauses 6.6, 6.7, and 6.9 through 6.13 shall apply *mutatis mutandis* to such post-Royalty Term royalties.

6.9. **Tax and Set-off**. ZENYAKU agrees to pay to ASLAN the full amount of all payments provided for in this Agreement without deductions, subject to compliance with applicable laws. In the event that any tax, levy or charge is to be imposed on any payments made under this Agreement to ASLAN, or if applicable CSL, by any government agency, ZENYAKU will be authorized to deduct such amount of any tax, levy or charge from the payments under this Agreement to ASLAN or if applicable CSL and will provide evidence of such payments within [***] of payment to the reasonable satisfaction of ASLAN or if applicable CSL, including certified copies of official receipts if so requested.

6.10. ZENYAKU will use Commercially Reasonable Efforts to cooperate with ASLAN in order to reasonably reduce any Tax liabilities which may be triggered for ASLAN in relation to any payments made under this Agreement in the Territory.

6.11. Should any such payments of Tax made by ZENYAKU in respect of payments to ASLAN under this Agreement, be refundable, ZENYAKU shall notify ASLAN as soon as this is notified and/or confirmed

to ZENYAKU by the relevant Tax Authority. If any amounts for Tax are refunded by any Tax Authority to ZENYAKU, such amounts shall be paid to ASLAN within [***] of receipt and without deduction.

6.12. **Interest and Set-Off**. Where ASLAN does not receive payment of any sum required on or before the day on which such payment is due, ZENYAKU shall pay ASLAN interest on the past due amount as follows: interest shall accrue thereafter on the sum due and owing to ASLAN at the lesser of [***] over the Secured Overnight Financing Rate (SOFR) rate for [***] deposit in US dollars on the last Business Day of the previous calendar month, or the maximum amount allowed by law, with interest to accrue on a day to day basis without prejudice to ASLAN's right to receive payment on the due date. ZENYAKU must not set off any amounts owing to ASLAN under or in connection with this Agreement.

6.13. **Adjustments In Certain Circumstances**.

6.13.1. In the event that, after obtaining any Marketing Approval for the Product in Territory: (i-α) the NHI Price of such Product is substantially different (that is, by a factor of more than [***]) from the estimated price agreed between the Parties as at the Effective Date and set out in Schedule 6 or (i-β) ASLAN sets a price for the supply of Product to ZENYAKU for Commercialisation ("**Supply Price**"), and (ii) ZENYAKU can reasonably demonstrate, given such NHI Price or such Supply Price, that:

(a) adhering to the sales milestones at the levels set out in clause 6.1 or (as applicable) clause 6.2 will make selling the Product in the Territory commercially unviable for ZENYAKU, the Parties shall discuss and seek to agree in good faith the substitution of such sales milestones with milestones more fairly aligned with the economic realities of the market in the Territory prevailing at that time; and/or

(b) adhering to royalties at the rates set out in clauses 6.4 or (as applicable) 6.5, will make selling the Product in the Territory commercially unviable for ZENYAKU, the Parties shall discuss and seek to agree in good faith the substitution of such royalties with royalties at rates more fairly aligned with the economic realities of the market in the Territory prevailing at that time; provided that the foregoing shall only apply to a review of Effective Royalty Rates defined in clause 6.5 which shall otherwise remain unaffected by this clause 6.13.

6.13.2. At the beginning of each calendar year ASLAN shall review the royalty payments made to it by ZENYAKU in the preceding calendar year to ensure that the level of such royalty payments is commercially viable for ASLAN, given ASLAN's upstream royalty obligations to CSL (that is to say, does not result in a net profit to ASLAN of zero or less). In the event ASLAN can reasonably demonstrate that such aggregate royalty payments are not so commercially viable, the Parties shall discuss and seek to agree in good faith the substitution of such royalties with royalties at rates which ensure commercial viability for ASLAN.

7. Records and Accounts

7.1. ZENYAKU must keep complete and accurate records of all matters connected with the

Commercialisation of Products and must also keep proper accounts in relation to Net Sales and other payments payable to ASLAN under this Agreement containing all data necessary for the calculation of the amounts payable to or on behalf of ASLAN pursuant to this Agreement. ZENYAKU must keep those records and books of account for [***] following the end of the calendar year to which they relate. In the event of termination or expiry of this Agreement this obligation to keep records shall only survive in relation to records existing as at the time of such termination or expiry.

7.2. Not more than once in any [***] period, ZENYAKU must permit during business hours an independent accountant nominated by ASLAN to reasonably inspect the records and accounts maintained under clause 7.1 for the purpose of verifying their accuracy, and confirming whether all payments payable to ASLAN under this Agreement have been properly calculated and paid by ZENYAKU.

7.3. ZENYAKU must provide to the accountant such assistance as is reasonably required by that person in order to verify the accuracy of those records and accounts and confirm whether all payments payable to ASLAN under this Agreement have been properly calculated and paid by ZENYAKU.

7.4. If ASLAN's inspection reveals that any monies are outstanding then ZENYAKU must, within [***] after receiving notice of the amount due, pay ASLAN the outstanding amount. If the inspection reveals there was an overpayment then the amount of the overpayment may be credited against future payments due to ASLAN under this Agreement. ASLAN shall pay for such inspections, unless such inspection discloses for any period examined that there is a discrepancy of greater than [***] in ASLAN's favour between the amounts that ZENYAKU should have paid and the amounts it actually paid in any given year, in which case ZENYAKU will be responsible for the payment of the reasonable costs of such inspection.

D. GENERALLY APPLICABLE TERMS

8. Manufacture and Supply

8.1. ASLAN agrees to provide drug supplies to ZENYAKU required for Development, for the purposes of applications to Regulatory Authorities for Marketing Approvals, and for the Commercialisation in the Territory pursuant to a separate manufacturing and supply agreement(s) to be negotiated in good faith by the Parties substantially in accordance with the terms and conditions set out in Schedule 7. The Parties shall use Commercially Reasonable Efforts to enter into the clinical supply agreement within [***] after the Effective Date of this Agreement, and shall commence discussions of commercial supply immediately after the submission of the initial Commercialisation Plan in accordance with clause 4.1 a) and use Commercially Reasonable Efforts to enter into the commercial supply agreement within [***] after the commencement of such discussion.

9. Governance

9.1. The Parties shall promptly, and in no event later than [***] after the Effective Date, establish a Joint Steering Committee (**"JSC"**). For such purpose the Parties shall appoint within this period, at least [***] suitable persons appointed by CEO of each Party to be their representatives on the JSC and

shall inform the other Party of the contact details of the appointed persons. At the Effective Date, the composition of the JSC is set out below (**"Initial Representatives"**):

[***]

The Parties may replace their Initial Representatives upon prior written notice to the other. If either Party has not appointed a replacement within [***], this shall constitute a breach of this Agreement.

9.2. The JSC's main responsibilities will be to serve as a forum:

a) for ASLAN to be kept informed regarding the ongoing Development in the Territory through reasonably detailed reports to be submitted shortly prior to and discussed at each JSC meeting. Such reports shall contain summaries of all material Development activities (including regulatory activities) and results with respect to the Products in the Territory, including study results and conclusions generated therefrom with respect to all ongoing clinical trials and all Improvements;
b) for overseeing the Development in the Territory in accordance with the ZENYAKU Development Plan;
c) for overseeing the Commercialisation in the Territory in accordance with the Commercialisation Plan;
d) for approval of the ZENYAKU Development Plan (as updated from time to time in accordance with clause 2.5), the Commercialisation Plan (as updated from time to time in accordance with clause 4.1), and agreeing any changes thereto;
e) to discuss and aim to resolve any issues between the Parties;
f) for ZENYAKU to be reasonably informed regarding progress and activities relating to the regulatory matters, development, manufacturing and Commercialisation of the Antibody and/or Product outside Territory in accordance with this Agreement;
g) have such other responsibilities as may be assigned to the JSC pursuant to this Agreement or as may be mutually agreed upon by the Parties from time to time.

9.3. ZENYAKU shall promptly notify ASLAN via the JSC of all Regulatory Filings submitted or received by ZENYAKU or its Affiliates with respect to Products, and upon ASLAN's request, shall provide to ASLAN one paper or electronic copy of such filings (or relevant parts thereof as are reasonably necessary to assess ZENYAKU's compliance with its obligations hereunder. Additionally, ZENYAKU will upon ASLAN's request, to the extent reasonably required to confirm ZENYAKU's compliance with its obligations hereunder, provide ASLAN with reasonable additional information and data generated by or on behalf of ZENYAKU in respect of Development or Commercialisation since the last JSC meeting, it being understood that ASLAN shall keep such information and data in strict confidence.
ASLAN shall promptly notify ZENYAKU via the JSC of all Regulatory Filings submitted or received by ASLAN or its Affiliates with respect to Products, and upon ZENYAKU's request, shall provide to ZENYAKU one paper copy or electronic file of all such Regulatory Filings. Additionally, ASLAN will upon ZENYAKU's request provide ZENYAKU with reasonable additional information and data generated by or on behalf of ASLAN in respect of Development or Commercialisation since the last JSC meeting, it being understood that ZENYAKU shall keep such information and data in strict

confidence.

9.4. Unless otherwise expressly agreed by the Parties, the JSC will meet [***] per year, or at such more, or less, frequent times annually as the Parties shall agree, given that there will be less formal working group discussions and liaison on a regular basis between the respective Parties. Should any of the Parties consider necessary to call a meeting of the JSC, such Party shall inform the other Party by written notice. Both Parties understand that reasonable flexibility to set meeting dates and schedules shall be necessary in view of possible previous commitments in each Party's calendars, therefore, several different dates shall be proposed for each meeting, whenever possible. The Parties agree that as a general rule, all the meetings will be held face to face in person at a location to be agreed between the Parties, or by web conference.

9.5. Decisions of the JSC shall be made by unanimous vote, with representatives of each Party having one vote collectively. In the event of a tied vote (i) ZENYAKU shall have the casting vote on matters relating to the Development provided these are within the terms of the current agreed ZENYAKU Development Plan; (ii) ZENYAKU shall have the casting vote on matters relating to the Commercialisation provided these are within the terms of the current agreed Commercialisation Plan; (iii) ASLAN shall have the casting vote on any proposed actions or omissions in the Territory which it reasonably considers would or may materially undermine the interests of ASLAN or Third Parties seeking to develop or Commercialise the Product outside the Territory; and (iv) ASLAN shall have the casting vote on any proposed actions or omissions outside the Territory subject to the remainder of this clause. For matters where ASLAN has the casting vote, ZENYAKU shall be entitled to make representations to ASLAN on matters which it reasonably considers would or may materially undermine progress of the ZENYAKU Development Plan or would or may materially undermine the interests of ZENYAKU in seeking to develop or Commercialise the Product in the Territory, and ASLAN shall consider and take reasonable account of such representations. For these purposes "materially undermine" shall mean without limitation: (i) the commercial value of the Product would or may be damaged; (ii) the reputation of any of the relevant Party's other products, antibodies or compounds in the marketplace would or may be damaged; or (iii) the reputation of that Party or Third Parties seeking to develop or Commercialise the Product would or may be damaged. Subject to the foregoing, in the event of any other tied vote the matter(s) in dispute shall be referred for resolution in good faith by the Chief Executives of ASLAN and ZENYAKU, or their respective nominee(s), following the procedures set out in clause 17.12 a).

9.6. The Parties shall alternate in preparing and circulating to the other Party drafts of minutes of all JSC meetings with a target of doing this within [***] of the meeting. Such drafts must provide a description in reasonable detail of the discussions held at the meeting and a list of actions, decisions or determinations approved by the JSC. The Party which has not prepared the minutes will review such draft with a target of providing any comments within [***] of receipt. Final minutes shall be promptly prepared by the Party which has prepared the minutes following the resolution of any outstanding comments.

9.7. All the meetings, the information to be exchanged between the Parties as a consequence of the Agreement, and the minutes of the JSC's meetings shall be in the English language.

10. Intellectual Property

Patent Prosecution

10.1. ASLAN shall have the right at its cost to control the preparation, filing, prosecution and maintenance of all the ASLAN Patents, including in the Territory.

10.2. ZENYAKU shall reimburse ASLAN for the amounts paid to Third Parties by ASLAN as from the Effective Date in connection with the filing, prosecution and maintenance of the ASLAN Patents in the Territory, including without limitation, amounts paid by ASLAN as filing and maintenance fees, translation fees and amounts paid to outside patent counsel and foreign associates ("**Patent Costs**"). ASLAN shall provide ZENYAKU with an invoice for Patent Costs on a quarterly basis, and payment shall be due within [***] thereafter.

10.3. In the event that ASLAN (or CSL alone or jointly with ASLAN) wishes to discontinue prosecution or maintenance of any of the Antibody Patents, ASLAN shall provide written notice to ZENYAKU identifying the relevant Antibody Patents ("**ASLAN Discontinuation Notice**"). ZENYAKU may elect to continue to prosecute or maintain at ZENYAKU's cost and expense any of those Antibody Patents by providing notice to ASLAN in writing within [***] of receipt of the ASLAN Discontinuation Notice. Upon receipt of such a notice from ZENYAKU, ASLAN will provide all reasonable co-operation to enable ZENYAKU to continue prosecution or maintenance of the relevant Antibody Patents, at ZENYAKU's expense.

Enforcement

10.4. In the event that either Party becomes aware of actual or threatened infringement of any Antibody Patents in the Territory by the manufacture or sale or use of a Product or competing product in the Field ("**Infringing Product**"), it shall provide the other Party with the available evidence, if any, of such infringement.

10.5. Prior to the Commercialisation Commencement Date, ASLAN at its sole expense, shall have the initial right to initiate and control any enforcement of the Antibody Patents in the Territory with respect to an Infringing Product or to defend any declaratory judgments seeking to invalidate or hold the Antibody Patents unenforceable (each, an "**Enforcement Action**"), in each case in ASLAN's own name (or in CSL's name alone or jointly with ASLAN where relevant) and, if necessary for standing purposes, in the name of ZENYAKU and shall consider, in good faith, the interests of ZENYAKU in so doing. If ASLAN does not, within [***] of receipt of notice from ZENYAKU, take significant steps to abate the infringement or file suit to enforce the Antibody Patents against at least one infringing party in the Territory, ZENYAKU shall have the right to take whatever action it deems appropriate to enforce the Antibody Patents. The Party controlling any such Enforcement Action shall not settle the action or otherwise consent to an adverse judgment in such action that diminishes the rights or interests of the non-controlling Party without the prior written consent of the other Party. All monies recovered upon the final judgment or settlement of any such suit to enforce the Antibody Patents shall be shared, after reimbursement of expenses, as follows: (i) in the event that ASLAN brought the claim, suit or action in its own name or, for standing purposes, in

the name of ZENYAKU, any remaining amount shall be retained by ASLAN; and (ii) in the event that ZENYAKU brought the claim, suit or action, any remaining amount shall be deemed to be Net Sales and as such count towards the calculation of payments under clause 6.

10.6. After the Commercialisation Commencement Date, ZENYAKU, at its sole expense, shall have the initial right to initiate and control any Enforcement Action, in each case in ZENYAKU's own name and, if necessary for standing purposes, in the name of ASLAN or its nominee and shall consider, in good faith, the interests of ASLAN in so doing. If ZENYAKU does not, within [***] of receipt of notice from ASLAN, take significant steps to abate the infringement or file suit to enforce the Antibody Patents against at least one infringing party in the Territory, ASLAN shall have the right to take whatever action it deems appropriate to enforce the Antibody Patents. The Party controlling any such Enforcement Action shall not settle the action or otherwise consent to an adverse judgment in such action that diminishes the rights or interests of the non-controlling Party (including in the case of ZENYAKU, entering into any settlement admitting the invalidity of, or otherwise impairing, the Antibody Patents) without the prior written consent of the other Party. All monies recovered upon the final judgment or settlement of any such suit to enforce the Antibody Patents shall be shared, after reimbursement of expenses, as follows: (i) in the event that ZENYAKU brought the claim, suit or action in its own name or in the name of ASLAN or its nominee, any remaining amount shall be deemed to be Net Sales and as such count towards the calculation of payments under clause 6, and (ii) in the event that ASLAN brought the claim, suit or action, any remaining amount shall be retained by ASLAN.

10.7. In any suit to enforce and/or defend the Antibody Patents pursuant to this clause 10, the Party not in control of such suit (a) shall, at the request and expense of the controlling Party, reasonably cooperate and, to the extent possible, have its employees testify when requested and make available relevant records, papers, information, samples, specimens, and the like, and (b) further agrees to be named in and consents to join in any suit, action, or proceeding as a party to the suit, action, or proceeding to the extent necessary to establish standing in the suit, action, or proceeding.

10.8. If a Third Party asserts that a patent or other right owned by it is infringed by the manufacture, use, marketing, sale or importation of any Product, the Party becoming aware of such a matter shall immediately notify the other of it. ZENYAKU shall have the right to initiate, prosecute, defend and control legal action (whether by suit, proceedings, counter-claim, oppositions, customs procedure or otherwise) in respect of any such assertion in the Territory. ASLAN shall have the right actively to co-operate and join with ZENYAKU in any legal action if it considers it necessary or desirable, and ZENYAKU shall have the right to have ASLAN and/or its nominee joined as a passive party to any legal action if necessary, and in either circumstance each party shall reasonably co-operate with the other in regard to the same. All costs and expenses (including attorneys' fees) of any legal action brought in accordance with this clause 10.8 other than all of ASLAN's costs and expenses if ASLAN actively elects to be joined as a party to such action, shall be borne by ZENYAKU. Any monetary recovery in connection with legal action shall be applied first to reimburse ZENYAKU for its out-of-pocket costs and expenses (including management time and reasonable attorneys' fees) incurred in connection with any legal action and second to reimburse ASLAN for its out-of-pocket costs and expenses if it actively elects to be joined in such proceedings (including reasonable attorneys' fees), incurred in connection with such infringement action. The remainder shall be split between the

Parties in proportion to the relative degree of their active involvement in connection with the action, but if the Parties, acting in good faith, cannot agree such relative proportions, then on the basis of [***] to ZENYAKU and [***] to ASLAN.

10.9. **Patent Marking**. ZENYAKU agrees to mark and have its Affiliates mark all patented Products they sell or distribute pursuant to this Agreement in accordance with the applicable patent statutes or regulations in the Territory.

10.10. **Patent Term Extensions**. The Parties will reasonably discuss, for Antibody Patents related to a Product, to pursue in the Territory any patent term adjustment, patent term extension, supplemental patent protection or related extension of rights with respect to the Antibody Patents which may be available. After the Commercialisation Commencement Date, to the extent permitted by applicable law, ASLAN shall apply for and pursue any such adjustment, extension or protection as directed by ZENYAKU, on the basis that all costs in connection with the same shall be reimbursed by ZENYAKU.

10.11. **Improvements by ASLAN**. If any Improvements are made by ASLAN or its Third Party collaborators during the Term, the Parties acknowledge that ASLAN will own such Improvements and the Intellectual Property therein. ASLAN will promptly disclose such Improvements to ZENYAKU if they are necessary or useful to the Development or Commercialisation of Products in the Territory and they will form part of the Antibody Technology licensed hereunder.

10.12. **Improvements by or on behalf of ZENYAKU**. All rights, title and interest in any Improvements made by ZENYAKU, or on its behalf by its Affiliates or any permitted sublicensees under clause 5.5, during the Term shall be owned by ZENYAKU; ZENYAKU will promptly disclose Improvements generated by itself or on its behalf to ASLAN if they are necessary or useful to the Development or Commercialisation of Products and hereby grants an exclusive royalty-free, perpetual licence to ASLAN to make, have made, use, offer for sale, and sell, import, promote, market, and distribute Products using or embodying such Improvements throughout the world, except the Territory.

11. Warranties and Non-Competition

11.1. Each of the Parties warrants that:

a) At the Effective Date, its entry into and performance under the terms of this Agreement does not cause it to be in breach of any agreements with a Third Party or any obligations to a Third Party nor, to the best of its actual knowledge, cause it to infringe the rights of any Third Party;
b) all information, data and materials provided by it to the other pursuant to this Agreement will be, to the best of its knowledge and belief, accurate and complete in all material respects;
c) as at the Effective Date, it is not in breach of any relevant laws, regulations, permits or licences, nor is engaged in, or threatened with any litigation;
d) it has obtained all necessary waivers, consents and/or approvals from its directors and shareholders in compliance with its constitutional documents, in respect of the matters contemplated under this Agreement.

11.2. ASLAN warrants that, to the best of its actual knowledge as at the Effective Date:

a) the exercise by ZENYAKU of the rights granted to ZENYAKU under clauses 2.4 and 5.1 does not infringe the rights of any Third Party;
b) no Third Party has threatened or is currently threatening proceedings in respect of infringement of any the Antibody Patents;
c) it has disclosed to ZENYAKU all information which would materially affect the exercise of ZENYAKU's rights and obligations under this Agreement and the Development and Commercialisation of Products in the Territory.

11.3. ZENYAKU warrants that as from the Effective Date:

a) it will not intentionally do or allow to be done anything which would or may likely have the effect of materially undermining opportunities for Developing or Commercialising the Product in the Territory or which would or may have the effect of materially undermining the interests of ASLAN or Third Parties seeking to Develop or Commercialise the Product outside the Territory and "materially undermine" shall have the meaning as set out in clause 9.5; and
b) having seen a copy of the CSL Head Licence Agreement, it will take all reasonable steps in the Territory to assist ASLAN in ensuring that it complies with its obligations under the CSL Head Licence Agreement and any obligations to Third Parties to which ASLAN is subject thereunder to the extent which relates to the Territory.

11.4. Any condition, warranty or other term which is not expressly set out in this Agreement which might otherwise be implied or incorporated into this Agreement, whether by statute, common law or otherwise, is, insofar as it is lawful to do so, hereby excluded.

11.5. **Compliance with Law.** Each Party covenants to the other that it will comply with all applicable laws as amended, in carrying out its obligations pursuant to this Agreement. Each Party covenants to the other that it and any sub-contractor appointed by it currently holds or at the relevant time will hold any and all consents, approvals, orders or authorisations necessary to comply with its obligations under this Agreement.

11.6. **Compliance with Anti-Corruption Laws**. Without limiting clause 11.5, neither Party shall perform any actions in exercising rights or complying with obligations under this Agreement that are prohibited by local and other anti-corruption laws (collectively "**Anti-Corruption Laws**") that are applicable to that Party. Without limiting the foregoing, neither Party shall make any payments, or offer or transfer anything of value, to any government official or government employee, to any political party official or candidate for political office or to any other third party related to the transaction in a manner that would violate Anti-Corruption Laws.

11.7. **Disclaimers.** Without prejudice to ASLAN's warranties set out in clauses 11.1 and 11.2, ZENYAKU acknowledges that ASLAN licenses the Antibody Technology "as is", that is, without any warranty of any kind, express or implied, including, without limitation, warranty of its accuracy or completeness, of merchantability, fitness for a particular purpose (including but not limited to manufacture the Product or conduct the Development), commercial value, and without any warranty of any kind, express or implied, of the inexistence of adverse effects, of the safety or other

quality, efficiency, stability, characteristics or usefulness of, or merchantability, or fitness for a particular purpose of any Product.

11.8. **Non-Competition.** As from the Effective Date:

a) neither ZENYAKU nor any of its Affiliates will conduct, participate in, or fund, directly or indirectly, either alone or with a Third Party, the development, manufacture or Commercialisation of a Competing Product, or conduct a drug discovery or other research program the goal of which is to identify Competing Products;
b) ZENYAKU shall not, and shall ensure that its Affiliates, sublicensees and distributors will not actively sell, market, promote and/or otherwise Commercialise the Product, directly or indirectly, to customers outside the Territory, or to customers in the Territory outside the Field. If ZENYAKU receives any orders from customers outside the Territory, or in the Territory but for use outside the Field, it will direct such orders to ASLAN. For these purposes, "actively sell, market, promote and/or otherwise Commercialise" shall be understood to mean actively approaching or soliciting customers, including, but not limited to, pursuing the actions described in clause 5.1 *mutatis mutandis* outside the Territory.

12. Liability

12.1. **ZENYAKU Indemnities**. ZENYAKU shall indemnify, keep indemnified and hold harmless ASLAN, its Affiliates and their directors, officers and employees ("**ASLAN Indemnitees**") from and against all Liabilities incurred in connection with any Third Party claim arising out of or resulting from:

a) breach of any term of this Agreement by ZENYAKU, its Affiliates or contractors;
b) the negligence, recklessness or wilful misconduct of ZENYAKU, its Affiliates or contractors or sub-licensees;
c) the Development or Commercialisation of Products by ZENYAKU or its Affiliates, or contractors or any end-use of such Products in a manner and for a purpose authorised by any of them, except to the extent that the Liabilities arise out of or result from, directly or indirectly, breach of any term of this Agreement, negligence, or wilful misconduct of any ASLAN Indemnitees.

12.2. **ASLAN Indemnities**. Notwithstanding anything to the contrary in this Agreement, ASLAN shall indemnify, keep indemnified and hold harmless ZENYAKU and its Affiliates, directors, officers and employees ("**ZENYAKU Indemnitees**") from and against all Liabilities incurred in connection with any Third Party claim arising out of or resulting from:

a) breach of any term of this Agreement by ASLAN, its Affiliates, or contractors;
b) the negligence, recklessness or wilful misconduct of ASLAN, its Affiliates or contractors in the performance of its obligations under this Agreement, except to the extent that the Liabilities arise out of or result from, directly or indirectly, breach of any term of this Agreement, negligence, or wilful misconduct of any ZENYAKU Indemnitees;
c) any defects in any clinical drug supplies or Products supplied by ASLAN or any supplier designated by ASLAN.

12.3. It is a condition of indemnification under this Agreement that:

a) the indemnified Party gives written notice to the indemnifying Party of the Claim in respect of which indemnification is sought promptly on becoming aware of it and does not at any time admit liability or otherwise attempt to settle or compromise such Claim without the indemnifying Party's prior written consent;
b) the indemnifying Party shall, at its cost, have sole conduct of the defence or compromise of any such Claim and as between the indemnifying Party and the indemnified Party shall have the sole right to any costs and damages awarded as a result of any such Claim; and
c) the indemnified Party provides the indemnifying Party such assistance and co-operation as it shall reasonably require, at the indemnifying Party's reasonable cost, in respect of the conduct of such defence or compromise.

12.4. **Insurance**. During the Commercialisation Period and for a period of at least [***] after the last commercial sale of a Product, ZENYAKU will at no cost to ASLAN maintain in full force and effect with a reputable and solvent insurer (being an insurer with Standard & Poors financial rating of not less than [***]), insurance, including product liability insurance and clinical trial insurance (each as applicable), on a claims-made basis, with reasonable levels of coverage adequate to meet ZENYAKU's obligations and potential liabilities under this Agreement from time to time, and ZENYAKU undertakes to regularly review and if necessary adjust its level of insurance cover as such obligations increase or change. Without limiting the foregoing, the parties agree that ZENYAKU will obtain and maintain the insurance with coverage limits of not less than the greater of (i) [***] per occurrence and an annual aggregate of [***] (and [***] per occurrence and an annual aggregate of [***] after the initiation of Phase 3 Clinical Trials) and (ii) an amount which represents the insurance required to conduct Development and Commercialisation, as applicable, of Product in the Territory (or applicable part thereof). At the request of ASLAN, ZENYAKU must produce evidence of the currency of the insurance policies referred to in this clause 12.4.

12.5. **Excluded Liabilities**. The Parties agree that with respect to any claim by one Party against the other arising out of the performance or failure of performance of the other Party under this Agreement, a Party shall be liable to the other Party for direct damages only and shall not be liable for any indirect or consequential loss or damage whatsoever arising under or in relation to the Agreement (whether arising from breach of contract (including under any indemnity), misrepresentation (whether tortuous or statutory), tort (including negligence), breach of statutory duty, strict liability including but not limited to loss of profits, loss of business, loss of goodwill or similar loss, regardless of whether arising from warranty, strict liability or otherwise or any other legal theory howsoever arising), even if that Party was aware of the possibility that such loss or damage might be incurred by the other, except as a result of a Party's wilful misconduct. Nothing in this clause 12.5 is intended to limit or restrict the rights or obligations of either Party under clause 12.1 and 12.2 or to limit a Party's liability in respect of wilful misconduct.

13. Confidentiality

13.1. **Confidentiality; Exceptions**. In this Agreement, "**Confidential Information**" means any information and materials disclosed or made available to one Party by or on behalf of the other Party in

connection with this Agreement, whether disclosed in writing, orally or by any other means and regardless of the date it was disclosed, except to the extent that it can be established by the receiving Party that such Confidential Information:

13.1.1 is in the lawful knowledge or possession of the receiving Party prior to the time it was disclosed to, or learned by, the receiving Party;

13.1.2 was generally available to the public or otherwise part of the public domain at the time of its disclosure to the receiving Party;

13.1.3 became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission of the receiving Party in breach of this Agreement; or

13.1.4 is disclosed to the receiving Party, other than under an obligation of confidentiality, by a Third Party who has the lawful power to disclose such information to the receiving Party.

Confidential Information shall be deemed to include the terms of this Agreement.

13.2. **Authorised Use and Disclosure**. Except as expressly provided otherwise in this Agreement or on receiving the prior written consent of the other Party, each Party:

13.2.1 must keep the Confidential Information of the other Party confidential;

13.2.2 must not use any Confidential Information of the other Party except as reasonably necessary in carrying out its obligations, or exercising its rights, under this Agreement (**"Permitted Purpose"**);

13.2.3 may only disclose any Confidential Information of the other Party as follows:

i. to its Affiliates, directors, employees, permitted sub-licensees, consultants and advisors (and the directors, employees, consultants and advisors of its Affiliates) ("**Representatives"**) to the extent necessary for the Permitted Purpose provided that the Party must ensure that any such Representative complies with the obligations of confidence and non-use set out in this Agreement;

ii. the terms of this Agreement may be disclosed to its legal and financial advisors, who must be bound by similar obligations of confidentiality as contained in this Agreement;

iii. if required to be disclosed to a competent authority in accordance with applicable laws, regulations or stock exchange rules (as applicable), in which case the disclosing Party shall promptly notify the other Party of such disclosure requirement to enable the other Party to seek a protective order or other form of confidential treatment for the Confidential Information, and shall thereafter disclose only that portion of the Confidential Information which is required to be disclosed in order to comply;

iv. ZENYAKU may make limited disclosure of IP of ASLAN which is Confidential Information to the extent such disclosure is necessary in prosecuting or defending litigation, or conducting preclinical or clinical trials.

13.3. **Term of confidentiality**. The obligations of confidentiality set out in this clause 13 apply from the Effective Date until [***] after the expiration or termination of this Agreement.

13.4. **Specific enforcement**. Each Party acknowledges that:

a) the value of the other Party's Confidential Information, which includes any jointly owned Confidential Information, is unique and difficult to assess in monetary terms;
b) a breach by it of any of its obligations of confidentiality under this Agreement may irreparably harm the Party disclosing such Confidential Information, and damages may not be an adequate remedy for any such breach; and
c) therefore, if it actually breaches or threatens to breach the confidentiality obligations set forth in this Agreement, the Party whose Confidential Information is the subject of such breach, or who is affected by such breach, may seek to enforce this Agreement by way of injunctive relief or specific performance as a remedy (in addition to any other available relief) without proof of actual or special damage.

13.5. **Publications.** Without the prior written consent of the other Party, subject to clause 13.2.3 iii, ASLAN and ZENYAKU agree not to issue any press releases, publications, abstracts or public announcements (**"Publications"**) concerning the terms of this Agreement or matters relating thereto if the other Party (or its Affiliates or Products) is named therein (directly or by referencing items such as logotypes, corporate image, commercial brands, or trademarks), or disclosing Confidential Information of the other Party, and shall ensure that their respective Affiliates do not do any of the foregoing. The Party interested in issuing the Publication shall submit the proposal to the other Party, who shall have at least [***] for review, except as required by a governmental authority and applicable local law, including disclosure required by any securities exchange.

13.6. **Application of Agreement to Confidential Information already disclosed**. Without limiting the operation of this Agreement, this Agreement applies to all Confidential Information whether or not any Confidential Information of a Party was disclosed to or accessed by the other Party before the Effective Date, and applies to information disclosed pursuant to the Reciprocal Confidentiality Agreement between the Parties dated March 1, 2022.

14. Term And Termination

14.1. **Term**. This Agreement shall become effective as of the Effective Date and, unless earlier terminated under this Agreement, shall expire upon expiration of the respective Royalty Term in the Territory ("**Term**"), provided that upon such expiration of the Term in the Territory, ASLAN will use reasonable efforts to shall grant to ZENYAKU and its Affiliates a perpetual, non-terminable, non-revocable non-exclusive licence to exploit subsisting Antibody Technology in connection with the Commercialisation of Products in the Field in the Territory, subject to clause 6.8.

14.2. **Termination on Notice**. ZENYAKU may terminate this Agreement at any time upon service of at least ninety (90) days prior written notice on ASLAN.

14.3. **Termination for Breach.** Either Party may terminate this Agreement in the event the other Party shall have breached or defaulted in the performance of any of its material obligations (including but not limited to those obligations stipulated in clauses 2 through 6 or 8 of this Agreement) hereunder, and such default shall have continued for ninety (90) days after written notice thereof was provided to the breaching Party by the non-breaching Party. Any termination shall become effective at the end of such ninety (90) day period unless the breaching Party (or any other Party on its behalf) has cured any such breach or default prior to the expiration of the ninety (90) day period.

14.4. **Termination on Insolvency**. Either Party may terminate this Agreement by notice, if, at any time, the other Party (i) suspends payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or is deemed unable to pay its debts; or (ii) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of that Party (other than for the sole purpose of a scheme for a solvent amalgamation of that Party with one or more other companies or the solvent reorganisation of that Party); or (iii) an application is made to court, or an order is made, for the appointment of an administrator, or if an administrator is appointed over that Party; or (iv) a receiver is appointed over all or any of the assets of that Party; or (v) any similar insolvency event to any of the foregoing occurs in any jurisdiction; or (vi) that Party suspends or ceases, or threatens to suspend or cease, to carry on all or a substantial part of its business.

15. Effect of Termination

15.1. **Accrued Rights, Surviving Obligations**. Termination or expiration of the Agreement for any reason shall be without prejudice to any obligations which shall have accrued prior to such termination or expiration, including, without limitation, any and all damages arising from any breach hereunder.

15.2. Upon any early termination of the Agreement (not expiry) by ASLAN under clause 14.3 or 14.4, or by ZENYAKU under clause 14.2, clauses 15.3 through 15.6 shall be applicable. Upon any early termination of the Agreement (not expiry) by ZENYAKU under clause 14.3 or 14.4, clause 15.7 shall be applicable.

15.3. Upon any termination (not expiry) of the Agreement by ASLAN under clause 14.3 or 14.4, or by ZENYAKU under clause 14.2:

a) ZENYAKU shall promptly assign and transfer to ASLAN all Regulatory Filings with respect to Products in the Field that are held or Controlled by or under authority of ZENYAKU or its Affiliates, and shall take such actions and execute such other instruments, assignments and documents as may be necessary to effect the transfer of rights under such Regulatory Filings to ASLAN. ZENYAKU shall cause each of its Affiliates to transfer any such Regulatory Filings to ASLAN if this Agreement terminates. If applicable laws, rules or regulations prevent or delay the transfer of ownership of a Regulatory Filing to ASLAN, ZENYAKU shall grant, and does hereby grant, to ASLAN an exclusive and irrevocable right of access and reference to such Regulatory

Filing for the Product(s), and shall cooperate fully to make the benefits of such Regulatory Filings available to ASLAN and/or its designee(s). Within [***] after notice of such termination, ZENYAKU shall provide to ASLAN copies of all such Regulatory Filings, and of all preclinical and clinical data (including raw data, original records, investigator reports, both preliminary and final, statistical analyses, expert opinions and reports, safety and other electronic databases) and other Know-How information pertaining to the Product, or the manufacture thereof. ASLAN shall be free to use and disclose such Regulatory Filings and other items in connection with the exercise of its rights and licences under this clause 15.3. ZENYAKU will have the right to retain one copy of such Regulatory Filings for archival purposes only and as reasonably necessary to demonstrate compliance with the terms and conditions of this Agreement, including in connection with legal proceedings.

b) ZENYAKU shall grant, and hereby does grant, effective upon the effective date of such termination: (i) an exclusive, irrevocable, fully paid-up licence to ASLAN for the Territory to make, use, sell, offer for sale or import Product(s), under any patent rights Controlled by ZENYAKU or its Affiliates that: (A) were generated by ZENYAKU or its Affiliates in connection with the Development or Commercialisation of the Product(s) prior to the effective date of such termination, or (B) were otherwise utilized by ZENYAKU, or its Affiliates in the Development or Commercialisation of the Product(s); and (ii) a non-exclusive, worldwide, fully-paid licence to ASLAN under any know-how Controlled by ZENYAKU or its Affiliates that: (A) were generated by ZENYAKU or its Affiliates in connection with the Development or Commercialisation of the Product(s) prior to the effective date of such termination, or (B) were otherwise utilized by ZENYAKU or its Affiliates in the Development or Commercialisation of the Product(s), in each case under the preceding sub-clauses (i) and (ii) solely to the extent reasonably necessary for ASLAN to make, use, sell, offer for sale or import Product(s) in the Field; provided, however, if any such patent rights or other IP licensed to ASLAN hereunder is subject to payment obligations to a Third Party, ZENYAKU shall promptly disclose such obligations to ASLAN in writing and use Commercially Reasonable Efforts to procure that ASLAN and the Third Party communicate directly with each other, with a view to the Third Party granting rights directly to ASLAN to use such rights after the effective date of termination, failing which such patent rights or other IP shall be deemed to be Controlled by ZENYAKU only if ASLAN agrees in writing to reimburse all amounts owed to such Third Party as a result of ASLAN's exercise of such licence.

c) Upon ASLAN's request, ZENYAKU shall cause to be assigned, and hereby does assign, to ASLAN all rights in and to any and all trademarks used in connection with the Commercialisation of the Product by ZENYAKU or its Affiliates in the Territory. It is understood that such assignment shall not include ZENYAKU's name or trademark for ZENYAKU's company itself.

d) If there are any ongoing clinical trials with respect to the Product being conducted by or on behalf of ZENYAKU, its Affiliates at the time of notice of termination, ZENYAKU agrees to (i) promptly transition to ASLAN or its designee some or all of such clinical trials and the activities related to or supporting such trials, (ii) continue to conduct such clinical trials for a period requested by ASLAN up to a maximum of [***] after the effective date of such termination, or (iii) terminate such clinical trials; in each case as requested by ASLAN and subject to compliance

with applicable laws, rules and regulations.

15.4. For (a) through (d) of clause 15.3 above, ZENYAKU shall be responsible for the reasonable costs of such transition.

15.5. If requested by ASLAN, ZENYAKU, its Affiliates shall continue to distribute and sell the Products in the Territory, in accordance with the terms and conditions of this Agreement, for a period requested by ASLAN not to exceed [***] following the effective date of termination ("**Commercialisation Wind-Down Period**") provided that ASLAN may terminate this Commercialisation Wind-Down Period upon [***] notice to ZENYAKU. Notwithstanding any other provision of this Agreement, during this Commercialisation Wind-Down Period, ZENYAKU's and its Affiliates' rights with respect to the Products shall be non-exclusive, and ASLAN shall have the right to engage one or more other partner(s) or distributor(s) of the Products in all or part of the Territory. The Products sold or disposed by ZENYAKU or its Affiliates during this Commercialisation Wind-Down Period shall be subject to royalties under clause 6 above. After the Commercialisation Wind-Down Period, ASLAN and ZENYAKU shall exercise Commercially Reasonable Efforts to collaborate to ensure stable supply of the Product in the Territory, by ASLAN or through another partner, in compliance with the local regulations in the Territory, provided, however, that ZENYAKU and its Affiliates shall not sell the Products nor make any representation that, or implying that, they are a continuing licensee of or distributor for ASLAN for the Products.

15.6. ZENYAKU agrees to fully cooperate with ASLAN and its designee(s) to facilitate a smooth, orderly and prompt transition of the Development and Commercialisation of Products to ASLAN and/or its designee(s) during the Commercialisation Wind-Down Period. Without limiting the foregoing ZENYAKU shall, subject to applicable data privacy laws and its relevant contractual confidentiality obligations to Third Parties, promptly provide ASLAN (i) copies of customer lists, customer data and other customer information relating to the Products and (ii) (if applicable) manufacturing information (including protocols for the production, packaging, testing and other manufacturing activities) relating to the Product in ZENYAKU's Control, which in each case ASLAN shall have the right to use and disclose for any purpose, subject to applicable data privacy laws and its relevant contractual confidentiality obligations to Third Parties, during this Commercialisation Wind-Down Period and thereafter. Upon request by ASLAN, ZENYAKU shall transfer to ASLAN all quantities of the Product in its or its Affiliates' Control (as requested by ASLAN), within [***] after the end of this Commercialisation Wind-Down Period; provided, however, that ASLAN shall reimburse ZENYAKU for the costs that ZENYAKU actually incurred to manufacture or purchase the quantities so provided to ASLAN, which in the case ZENYAKU has manufactured such quantities of Product itself, shall be ZENYAKU's fully-burdened manufacturing cost. If any Product was manufactured by any Third Party for ZENYAKU, or ZENYAKU had contracts with vendors which contracts are necessary or reasonably useful for ASLAN to take over responsibility for the Product in the Territory, then ZENYAKU shall to the extent reasonably possible and requested in writing by ASLAN, assign all of the relevant Third-Party contracts to ASLAN subject to the necessary consents of such Third Parties, and in any case, ZENYAKU agrees to cooperate with ASLAN to ensure uninterrupted supply of the Products. ZENYAKU shall be responsible for the reasonable costs of such assignment except in the case of a termination of this Agreement by ASLAN pursuant to clause 14.4, in which case ASLAN shall be responsible for such costs. If ZENYAKU or its Affiliate manufactured any Product at the time of

termination, then ZENYAKU (or its Affiliate) shall continue to provide for manufacturing of such Product for ASLAN, at its fully-burdened manufacturing costs therefor, from the date of notice of such termination until such time as ASLAN is able, using diligent efforts to do so but no longer than the expiration of the Commercialisation Wind-Down Period, to secure an acceptable alternative commercial manufacturing source from which sufficient quantities of the Product may be procured and legally sold in the Territory.

15.7. In the event that this Agreement is terminated by ZENYAKU under clause 14.3 or 14.4, ZENYAKU shall have the right, upon such termination taking effect, to require ASLAN to use Commercially Reasonable Efforts to procure that CSL enters into an agreement with ZENYAKU granting the same or substantially similar rights directly to ZENYAKU as it receives under this Agreement (including without limitation manufacturing rights), subject to ZENYAKU accepting the same or substantially the same obligations to CSL as it had to ASLAN hereunder. For the avoidance of doubt, termination by ZENYAKU of this Agreement shall not automatically result in the termination of any separate manufacturing and supply agreement between the Parties, which will remain in full force and effect (unless itself terminated in accordance its terms). In the event that an agreement is entered into between CSL and ZENYAKU directly, ASLAN undertakes to grant an exclusive licence for the Territory under the ASLAN Patents and the ASLAN Know-How to ZENYAKU, the terms of which shall be separately discussed and agreed upon between ASLAN and ZENYAKU. This clause 15.7 shall survive termination of this Agreement.

15.8. **Survival**. Clauses 1, 2.9, 4.5, 7.1, 8.1, 10.11, 10.12, 12, 13, 14.1, 15, 17.4, 17.11 and 17.12 a) of this Agreement shall survive expiration or termination of this Agreement for any reason. With respect to any termination or expiration of this Agreement, all rights and obligations of the Parties under this Agreement shall terminate upon such expiration or termination, except to the extent otherwise provided in this clause 15.

15.9. Termination is not the sole remedy under this Agreement and, whether or not termination is effected, all other remedies will remain available except as agreed to otherwise herein.

16. Buy Back Option

16.1. ASLAN reserves the right during the Term, subject to applicable Japanese laws and regulations, to revoke the rights granted to ZENYAKU pursuant to this Agreement without any liability, subject to ASLAN complying with the terms set out below ("**Buy-Back Option**").

16.2. ASLAN may exercise the Buy-Back Option by serving written notice to this effect ("**Buy-Back Notice**") to ZENYAKU. Upon such service, the Parties shall discuss and agree (time being of the essence) what matters and procedures are needed in order to effect an orderly transition of Development and/or Commercialisation of the Products in the Territory to ASLAN or its nominee, including without limitation:

(a) the effective date of the final revocation of the rights granted to ZENYAKU pursuant to this Agreement as effected by the Buy-Back Option, and the date the Buy-Back Option shall be deemed to have been exercised (the "**Buy-Back Effective Date**") shall be no more than [***]

from the date of the Buy Back Notice; and the period between the date of service of the Buy-Back Notice and the Buy-Back Effective Date shall be termed the "**Buy-Back Transition Period**";

(b) what development and/or commercialisation activities shall be pursued by ZENYAKU during the Buy-Back Transition Period;

(c) who shall bear the costs of the matters referred to in (b).

16.3. Once the Buy-Back Option has been exercised, ASLAN shall pay to ZENYAKU a sum (the "**Buy-Back Fee**") calculated as follows:

16.3.1. If ASLAN exercises the Buy-Back Option before enrolment of the first patient in the phase 3 study of the Product in the Territory, the Buy-Back Fee shall be a sum equal to:

- [***]; plus
- [***].

16.3.2. If ASLAN exercises the Buy-Back Option after enrolment of the first patient in the phase 3 study of the Product in the Territory, the Buy-Back Fee shall be a sum equal to:

- [***]; plus
- [***].

For the purposes of this clause:

- **"Development Costs"** means the costs incurred by ZENYAKU or for its account that are specifically identifiable (or reasonably allocable) to the Development of any Products in the Territory and that are directed to achieving or maintaining Marketing Approval for such Products in the Territory. Development Costs shall include amounts that ZENYAKU pays to Third Parties involved in the Development of a Product, and reasonable out-of-pocket costs incurred by ZENYAKU in connection with the Development of such Product. Development Costs include, but not limited to, the following: (a) preclinical costs such as toxicology and formulation development, test method development, delivery system development, stability testing and statistical analysis; (b) clinical costs; (c) expenses related to adverse event reporting; (d) permitted manufacturing costs for a Product for use in preclinical and clinical activities including the manufacture, purchase or packaging of comparators or placebo for use in clinical trials, and any associated release testing and QA/QC development costs; and (e) regulatory expenses relating to Development activities for the purpose of obtaining Marketing Approval for an indication for a Product.

- **"Accumulated Development Costs"** shall mean the accumulation of the Development Costs actually paid by ZENYAKU between the Effective Date and the Buy-Back Effective Date. For avoidance of doubt, any payment liabilities to Third Parties relating to Development Costs that have been invoiced to ZENYAKU but not paid out by ZENYAKU as of the Buy-Back Effective Date shall either be taken over by ASLAN, or if to be paid by ZENYAKU, shall be included in the calculation of Accumulated Development Costs, based on mutual discussion and agreement between ZENYAKU and ASLAN.

- "**Total Sums Paid**" shall mean the aggregate of all sums actually paid by ZENYAKU to ASLAN

pursuant to this Agreement up to the Buy-Back Effective Date, including without limitation the Initial Payment, plus milestones pursuant to clauses 3 and 6, and royalties pursuant to clause 6, all in the net amounts as actually received by ASLAN.

In the event that any tax, levy or charge was imposed by any government agency on any payments forming part of the Accumulated Development Costs and/or Total Sums Paid and ZENYAKU, in accordance with clause 6.9, deducted such amount of any tax, levy or charge from such payments to ASLAN, then ASLAN, shall, in calculating the Buy-Back Fee, deem these payments to be the full amounts paid out by ZENYAKU, including both such taxes, levies or charges and the net amounts actually received by ASLAN.

16.4. The Buy-Back Fee shall be payable within [***] of the ZENYAKU's invoice for the same, and the different components of the Buy-Back Fee shall be paid to ZENYAKU in the currency originally incurred (thus, for example, if milestones were paid to ASLAN in US dollars they will be repaid to ZENYAKU in US dollars; and if Development Costs were paid by ZENYAKU in Japanese Yen they will be repaid to ZENYAKU in Japanese Yen).

16.5. In the event that ASLAN exercises the Buy-Back Option, (a) if ASLAN enters into an exclusive licence of the rights for the Product in the Territory to a Third Party, (b) if ASLAN, having undergone a change of Control is now controlled by a Third Party (including, but not limited to the case where ASLAN loses its legal personality through M&A) and is to exercise the rights granted to ZENYAKU under this Agreement itself in the Territory, or (c) if ASLAN, on its own, is to exercise the rights granted to ZENYAKU under this Agreement itself in the Territory, then in addition to payment of the Buy-Back Fee, it will use Commercially Reasonable Efforts to procure that [***]. If ASLAN delivers a reasonable offer within [***], ZENYAKU shall not unreasonably withhold or delay acceptance. If, notwithstanding ASLAN's Commercially Reasonable Efforts, ASLAN is unable to procure that any such rights are granted to ZENYAKU within [***] of the Buy Back Effective Date, then [***].

[***]

16.6. In the event that ASLAN exercises the Buy-Back Option before enrolment of the first patient in the phase 3 study of the Product in the Territory, then the percentage rates set out in the right-hand column of the table in clause 16.5 shall be reduced by [***].

16.7. Upon the Buy-Back Effective Date, and subject to the terms of this clause: (i) all licences granted to ZENYAKU under clause 2 and 5 shall cease; (ii) ZENYAKU shall cease all exploitation of the Antibody Technology; (iii) ZENYAKU shall promptly return to ASLAN, at ASLAN's expense or, if ASLAN so elects, permanently delete, all records and copies (including electronic copies) of the Antibody Technology, of technical material in its possession relating to the Products, and of any information (whether or not technical) of a confidential nature communicated to it by ASLAN, either in contemplation or as a result of this Agreement, provided that it may retain one copy for archival purposes only and as reasonably necessary to demonstrate compliance with the terms and conditions of this Agreement, including in connection with legal proceedings; and (iv) within [***] after Buy-Back Effective Date, ASLAN shall, or shall cause any other person designated by ASLAN to purchase, at ASLAN's expense, all Product(s) that ZENYAKU has not disposed of at the price that ZENYAKU has paid for such

Products plus delivery costs. ZENYAKU agrees (at ASLAN's cost) to execute such documents and do all such acts and things as ASLAN may deem desirable or necessary pursuant to its exercise of its rights under this clause 16.

17. General

17.1. **Assignment.** This Agreement shall not be assignable by either Party to any Third Party hereto without the written consent of the other Party, not to be unreasonably withheld or delayed, provided that in no circumstances will ZENYAKU assign this agreement to any other party which would result in a more disadvantageous taxation outcome for ASLAN; provided, however, that either party may assign this Agreement and its rights and obligations hereunder without the other party's consent: (a) in connection with the transfer or sale of all or substantially all of the business of such party to which this Agreement relates to a Third Party, whether by merger, sale of stock, sale of assets or otherwise (whether this Agreement is actually assigned or is assumed by the acquiring party by operation of law (e.g., in the context of a reverse triangular merger)); or (b) to an Affiliate for so long as such Affiliate remains an Affiliate, provided that the assigning party shall remain liable and responsible to the non-assigning party hereto for the performance and observance of all such duties and obligations by such Affiliate. Notwithstanding the foregoing, any taxes resulting from any permitted assignment of this Agreement shall be borne by the assigning Party and the Third Party who will be the assignee of this Agreement. No Party shall enter into or purport to enter into any assignment and transfer unless and until the assignee/transferee agrees in writing to be bound by the provisions of this Agreement. The terms and conditions shall be binding on and inure to the benefit of the permitted successors and assigns of the Parties.

17.2. **ASLAN Strategic Transaction**: In the event that ASLAN intends:

17.2.1. to transfer the development and/or Commercialisation of the Antibody outside the Territory to a Third Party, either by way of outright assignment, or as part of a major international licensing deal in respect of which the territories covered by such licence deal include at least the USA and the European Union; or

17.2.2. to undergo a change in its Control,

(17.2.1 and 17.2.2 collectively a "**Strategic Transaction**")

17.2.3. ASLAN shall, to the extent it is contractually and legally permitted, and prior to entering into the Strategic Transaction, provide ZENYAKU with information about the Third Party who will be taking over rights and obligations of ASLAN under the Strategic Transaction, and the terms and conditions thereof in so far as they have impact on or relevance to ZENYAKU's rights and obligations under this Agreement. ZENYAKU shall have the right to provide comments to ASLAN on the Strategic Transaction and on such terms and conditions, and ASLAN shall consider in good faith such comments.

17.3. **Independent status of the Parties.** The Parties to this Agreement are independent contractors and agree that the relationship between the Parties shall not constitute a partnership, joint venture or

agency. No Party shall have the authority to make any statement, representation or commitment of any kind, or to take any action, which shall be binding on the other Party, without the prior written consent of the other Party.

17.4. **Waiver.** No delay or omission by a Party in exercising or availing itself of any right, power or privilege hereunder shall preclude the later exercise of any such right, power or privilege by such Party. No waiver shall be effective unless made in writing with specific reference to the relevant provision(s) of this Agreement and signed by a duly authorised representative of the Party granting the waiver. Waiver by a Party of a breach hereunder by the other Party shall not be construed as a waiver of any succeeding breach of the same or any other provision. After termination or expiry of this Agreement this clause shall only be applicable in respect of rights and obligations which survive such termination or expiry.

17.5. **Force Majeure.** Neither Party shall be deemed to be in breach of this Agreement or otherwise liable to the other by reasons of any delay in performance or non-performance of any of its obligations under this Agreement, to the extent that such delay or non-performance is due to any event of force majeure, including without limitation any wars, insurrections, strikes, acts of God, pandemics, governmental actions or controls or any other contingency beyond its control. The Party whose performance of obligations has been delayed by force majeure shall use its Commercially Reasonable Efforts to overcome the effect of the force majeure event as soon as possible. The Party affected by the force majeure shall notify immediately to the other Party the existence of the force majeure. The other Party shall have no right to demand indemnity or damages as a result of the force majeure event. If the event of force majeure preventing performance continues for more than [***] from the date of notice given pursuant thereto and such suspension of performance would otherwise constitute a material breach under this Agreement, the non-force majeure Party may terminate this Agreement, by giving written notice of termination to the other without liability to any of the Parties, except the obligation to make any payments due up to such date under this Agreement. Termination under this clause 17.5 shall be considered as termination under clause 14.3 provided that no Party shall be entitled to damages or any other legal remedy in connection therewith.

17.6. **Entire Agreement**. This Agreement embodies all of the understandings and obligations between the Parties with respect to the subject matter hereof, and supersedes, replaces and cancels all prior agreements or understandings between the Parties with respect to the same.

17.7. **Amendments.** No amendments to this Agreement shall be valid unless executed in writing by duly authorised signatories of both Parties.

17.8. **Notices.** All notices, instructions and other communications hereunder or in connection herewith shall be in writing, shall be sent to the address of the relevant Party set forth below and shall be (a) delivered personally, (b) sent via a reputable international overnight courier service, or (c) sent by email configured with electronic confirmation of receipt. Any such notice, instruction or communication shall be deemed to be delivered by the sending Party in the case of (a) upon receipt, in the case of (b) upon signature of the receipt by the receiving Party and in the case of (c) upon receipt of electronic confirmation of receipt. Either Party may change its address by giving notice to

the other Party in the manner provided above. All notices shall be in English language. Additionally, all information, documents and reports which ASLAN is required to provide or send to ZENYAKU under this Agreement, and which are not originally in English, shall be sent together with their applicable translation into English.

a) If to ASLAN:
ASLAN Pharmaceuticals Pte. Limited
3 Temasek Avenue, Level 18,
Centennial Tower, Singapore 039190
Attention: General Counsel
E mail: [***]

b) If to ZENYAKU:
Zenyaku Kogyo Co., Ltd.,
6-15, Otsuka 5-Chome, Bunkyo-ku,
Tokyo, 112-8650,
Japan
Attention: [***]
E mail: [***]

17.9. **Severability**. In the event any portion of this Agreement shall be held illegal, void or ineffective, the remaining portion hereof shall remain in full force and effect and shall not be affected. If any of the terms or provisions of this Agreement are in conflict with any applicable statute or rule of law, then such terms or provisions shall be deemed inoperative to the extent they may conflict therewith and shall be deemed to be modified to conform to such statute or rule of law. However, in case such invalidation or unenforceability injures the rights and interests of either Party, the Parties hereto shall renegotiate the corresponding provisions of this Agreement in good faith.

17.10. **Third-Party beneficiaries**. None of the provisions of this Agreement shall be for the benefit of or enforceable by any Third Party including, without limitation, any creditor of any Party hereto. No such Third Party shall obtain any right under any provision of this Agreement or shall by reason of any such provision make any claim in respect of any debt, liability or obligation (or otherwise) against any Party hereto.

17.11. **Governing Law.** This Agreement and any dispute arising from the performance or breach hereof shall be governed, construed and enforced in accordance with the laws of England, without regard or giving effect to the conflicts of law principles thereof. The Parties expressly exclude application of the United Nations Convention for the International Sale of Goods.

17.12. **Dispute Resolution.**

a) **Internal Resolution**. Except as otherwise expressly provided herein, in the event of any controversy, claim or other dispute arising out of or relating to any provision of this Agreement or the interpretation, enforceability, performance, breach, termination or validity hereof (a "**Dispute**"), such Dispute shall be first referred to the Chief Executive Officer (CEO) of each Party or the person that each of them may delegate (provided each such delegate has adequate

seniority, experience and expertise), for resolution, prior to proceeding under the following provisions of this clause. For the avoidance of doubt, this internal resolution proceeding shall not and cannot be used by any of the Parties as a way to modify the rights and obligations under the Agreement or as a way to modify the agreements already reached by the Parties as they have been reflected in the Agreement. Any Parties' resolution under this proceeding shall be resolved in accordance with the terms and conditions of the Agreement and the rights and obligations of the Parties as they are currently reflected in the Agreement. This internal resolution proceeding will be used as the last resort for the Parties to avoid to enter into a dispute to be resolved by the arbitration proceeding below. A Dispute shall be referred to such executives upon any Party providing the other Party with written notice that such Dispute exists, and such executives, or their designees, shall attempt to resolve such Dispute through good faith discussions, each Party acting reasonably, within [***] of being referred to such executives.

b) **Arbitration**. Except as otherwise agreed in writing, the Parties agree that any Dispute over any matter which has not been resolved following the procedures set out in clause 17.12 a) shall be finally settled by arbitration in accordance with the Interactive Arbitration Rules of The Japan Commercial Arbitration Association. The place of the arbitration shall be Tokyo, Japan. The arbitration shall be conducted in English. The arbitration tribunal (the "**Tribunal**") shall consist of three (3) arbitrators who are experienced in the biopharmaceutical industry. Each Party shall designate one arbitrator and the third arbitrator, who shall serve as chair of the Tribunal, shall be designated by the two party-appointed arbitrators in consultation with the Parties. Judgment upon the award may be entered in any court having jurisdiction thereof.

17.13. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement in duplicate originals by their duly authorised representatives as of the date and year first above written.

Each person executing this Agreement on behalf of a Party represents and warrants his / her capacity and authority to do so.

ASLAN Pharmaceuticals Pte. Ltd.	**Zenyaku Kogyo Co., Ltd.**
By: /s/ Carl Firth	By: /s/ Koichi Hashimoto
Name: Carl Firth	Name: Koichi Hashimoto
Title: CEO	Title: President and Chief Executive Officer
Date: 22 June, 2023	Date: 22 June, 2023

Schedule 1
Product: ASLAN004

Schedule 2
ASLAN Know-How and ASLAN In-Licensed Know-How

Schedule 3
Antibody Patents

Schedule 4
ASLAN DEVELOPMENT PLAN

Schedule 5
ZENYAKU DEVELOPMENT PLAN

Schedule 6
ESTIMATED PRICE

Schedule 7
TERM SHEET FOR CLINICAL AND COMMERCIAL SUPPLY AGREEMENTS

Exhibit 4.18

CERTAIN INFORMATION CONTAINED IN THIS EXHIBIT, MARKED BY [***], HAS BEEN EXCLUDED BECAUSE THE REGISTRANT HAS DETERMINED THE INFORMATION IS NOT MATERIAL AND IS THE TYPE THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

3 Temasek Avenue
Level 18
Singapore 039190
t +65 6817 9598
www.aslanpharma.com

To: Zenyaku Kogyo Co., Ltd.
6-15, Otsuka 5-Chome,
Bunkyo-ku, Tokyo,
112-8650, Japan
Attn: [***]
Department Manager of Business Development Department

29 January 2024 BY REGISTERED POST & EMAIL

Dear [***]

Amendment to Collaborative Development & Commercialisation Agreement

I refer to the Collaborative Development & Commercialisation Agreement relating to *eblasakimab* in Japan dated 22 June 2023 between Zenyaku Kogyo Co., Ltd. (**'Zenyaku'**) and ASLAN Pharmaceuticals Pte Limited (**'ASLAN'**) (the **'Agreement'**). Capitalised terms used herein are as defined in the Agreement unless stated otherwise.

As you know, under clause 8.1 of the Agreement the Parties agreed to use Commercially Reasonable Efforts to enter into a clinical manufacturing and supply agreement substantially in accordance with the terms and conditions set out in Schedule 7 (**'Clinical Supply Agreement'**), within [***] after the Effective Date of the Agreement, that is, by [***]. However, discussions on the Clinical Supply Agreement have not been finalised yet. Accordingly, I propose that the target deadline for the Parties to enter into the Clinical Supply Agreement be revised to [***]; and that clause 8.1 of the Agreement be deemed amended accordingly.

If you are agreeable to this amendment, and in order to make it effective pursuant to clause 17.7 of the Agreement, please counter-sign and date where indicated below on behalf of Zenyaku, and e-mail a scanned copy back to me. An original of this amendment will follow in the post; please do likewise with that.

Kind regards

(Signature) /s/ Stephen Doyle…….. Date: 31/1/24
Stephen Doyle, for and on behalf of ASLAN Pharmaceuticals Pte Limited

AGREED & ACKNOWELDGED:

(Signature) /s/ Yasukatsu Tsukada…….. Date: 31/1/24
Yasukatsu Tsukada, for and on behalf of Zenyaku Kogyo Co., Ltd.

Reg No 201007695N1

Exhibit 12.1

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, Carl Firth, certify that:

1. I have reviewed this annual report on Form 20-F of ASLAN Pharmaceuticals Limited (the "Company");

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 Company as of, and for, the periods presented in this report;

4. The Company'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 Company 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 Company, 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 Company'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 Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

Date: April 12, 2024

By: /s/ Carl Firth, Ph.D.

Carl Firth, Ph.D.
Chief Executive Officer
(Principal Executive Officer)

Exhibit 12.2

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, Kiran Asarpota, certify that:

1. I have reviewed this annual report on Form 20-F of ASLAN Pharmaceuticals Limited (the "Company");

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 Company as of, and for, the periods presented in this report;

4. The Company'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 Company 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 Company, 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 Company'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 Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

Date: April 12, 2024

By: /s/ Kiran Asarpota

Kiran Asarpota
Chief Operating Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 13.1

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), Carl Firth, Ph.D., Chief Executive Officer of ASLAN Pharmaceuticals Limited (the "Company"), hereby certifies that, to the best of his knowledge:

1. The Company's Annual Report on Form 20-F for the year ended December 31, 2023, to which this certification is attached as Exhibit 13.1 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); 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: April 12, 2024

By: /s/ Carl Firth, Ph.D.

Carl Firth, Ph.D.
Chief Executive Officer
(Principal Executive Officer)

This certification accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.

Exhibit 13.2

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), Kiran Asarpota, Chief Operating Officer of ASLAN Pharmaceuticals Limited (the "Company"), hereby certifies that, to the best of his knowledge:

1. The Company's Annual Report on Form 20-F for the year ended December 31, 2023, to which this certification is attached as Exhibit 13.1 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); 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: April 12, 2024

By: /s/ Kiran Asarpota

Kiran Asarpota
Chief Operating Officer
(Principal Financial Officer and Principal Accounting Officer)

This certification accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.

Exhibit 15.1

Deloitte & Touche LLP
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OUE Downtown 2
#33-00
Singapore 068809

Tel: +65 6224 8288
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CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-254768, 333-270835, 333-270837 and 333-278217 on Form-3 and Registration Statement Nos. 333-252118, 333-263843 and 333-270832 on Form S-8 of our reports dated April 12, 2024, relating to the financial statements of ASLAN Pharmaceuticals Limited and the effectiveness of ASLAN Pharmaceuticals Limited's internal control over financial reporting appearing in this Annual Report on Form 20-F for the year ended December 31, 2023.

/s/ Deloitte & Touche LLP Singapore
Deloitte & Touche LLP
Singapore

April 12, 2024

Exhibit 97.1

Incentive Compensation Recoupment Policy

Version: v1.0
Effective Date: 2 October 2023
Approved by: 13 March 2024

1. Introduction

The Remuneration Committee (the "***Remuneration Committee***") of the Board of Directors (the "***Board***") of **ASLAN Pharmaceuticals Limited**, an exempted company incorporated in the Cayman Islands with limited liability (the "***Company***"), has determined that it is in the best interests of the Company and its shareholders to adopt this Incentive Compensation Recoupment Policy (this "***Policy***") providing for the Company's recoupment of Recoverable Incentive Compensation that is received by Covered Officers of the Company under certain circumstances. Certain capitalized terms used in this Policy have the meanings given to such terms in Section 3 below.

This Policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Exchange Act, Rule 10D-1 promulgated thereunder ("***Rule 10D-1***") and Nasdaq Listing Rule 5608 (the "***Listing Standards***").

2. Effective Date

This Policy shall apply to all Incentive Compensation that is received by a Covered Officer on or after October 2, 2023 (the "***Effective Date***"). Incentive Compensation is deemed "***received***" in the Company's fiscal period in which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of such Incentive Compensation occurs after the end of that period.

3. Definitions

"***Accounting Restatement***" means an accounting restatement that the Company is required to prepare due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

"***Accounting Restatement Date***" means the earlier to occur of (a) the date that the Board, a committee of the Board authorized to take such action, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (b) the date that a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

"***Administrator***" means the Remuneration Committee or, in the absence of such committee, the Board.

"***Code***" means the U.S. Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

"***Covered Officer***" means each current and former Executive Officer.

"***Exchange***" means the Nasdaq Stock Market.

"***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended.

"***Executive Officer***" means the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Executive officers of the Company's parent(s) or subsidiaries are deemed executive officers of the Company if they perform such policy-making functions for the Company. Policy-making function is not intended to include policy-making functions that are not significant. Identification of an executive officer for purposes of this Policy would include at a minimum executive officers identified pursuant to Item 401(b) of Regulation S-K promulgated under the Exchange Act.

"***Financial Reporting Measures***" means measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any measures derived wholly or in part from such measures, including Company share price and total shareholder return ("***TSR***"). A measure need not be presented in the Company's financial statements or included in a filing with the SEC in order to be a Financial Reporting Measure.

"***Incentive Compensation***" means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure.

"***Lookback Period***" means the three completed fiscal years immediately preceding the Accounting Restatement Date, as well as any transition period (resulting from a change in the Company's fiscal year) within or immediately following those three completed fiscal years (except that a transition period of at least nine months shall count as a completed fiscal year). Notwithstanding the foregoing, the Lookback Period shall not include fiscal years completed prior to the Effective Date.

"***Recoverable Incentive Compensation***" means Incentive Compensation received by a Covered Officer during the Lookback Period that exceeds the amount of Incentive Compensation that would have been received had such amount been determined based on the Accounting Restatement, computed without regard to any taxes paid (*i.e.*, on a gross basis without regard to tax withholdings and other deductions). For any compensation plans or programs that take into account Incentive Compensation, the amount of Recoverable Incentive Compensation for purposes of this Policy shall include, without limitation, the amount contributed to any notional account based on Recoverable Incentive Compensation and any earnings to date on that notional amount. For any Incentive Compensation that is based on stock price or TSR, where the Recoverable Incentive Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the Administrator will determine the amount of Recoverable Incentive Compensation based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or TSR upon which the Incentive Compensation was received. The

Company shall maintain documentation of the determination of that reasonable estimate and provide such documentation to the Exchange in accordance with the Listing Standards.

"***SEC***" means the U.S. Securities and Exchange Commission.

4. RECOUPMENT

(a) Applicability of Policy. This Policy applies to Incentive Compensation received by a Covered Officer (i) after beginning services as an Executive Officer, (ii) who served as an Executive Officer at any time during the performance period for such Incentive Compensation, (iii) while the Company had a class of securities listed on a national securities exchange or a national securities association, and (iv) during the Lookback Period.

(b) Recoupment Generally. Pursuant to the provisions of this Policy, if there is an Accounting Restatement, the Company must reasonably promptly recoup the full amount of the Recoverable Incentive Compensation, unless the conditions of one or more subsections of Section 4(c) of this Policy are met and the Remuneration Committee (or, if such committee does not consist solely of independent directors, a majority of the independent directors serving on the Board), has made a determination that recoupment would be impracticable. Recoupment is required regardless of whether the Covered Officer engaged in any misconduct and regardless of fault, and the Company's obligation to recoup Recoverable Incentive Compensation is not dependent on whether or when any restated financial statements are filed.

(c) Impracticability of Recovery. Recoupment may be determined to be impracticable if, and only if:

(i) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount of the applicable Recoverable Incentive Compensation; provided that, before concluding that it would be impracticable to recover any amount of Recoverable Incentive Compensation based on expense of enforcement, the Company shall make a reasonable attempt to recover such Recoverable Incentive Compensation, document such reasonable attempt(s) to recover, and provide that documentation to the Exchange in accordance with the Listing Standards; or

(ii) recoupment of the applicable Recoverable Incentive Compensation would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Code Section 401(a)(13) or Code Section 411(a) and regulations thereunder.

(d) Sources of Recoupment. To the extent permitted by applicable law, the Administrator shall, in its sole discretion, determine the timing and method for recouping Recoverable Incentive Compensation hereunder, provided that such recoupment is undertaken reasonably promptly. The Administrator may, in its discretion, seek recoupment from a Covered Officer from any of the following sources or a combination thereof, whether the applicable compensation was approved, awarded, granted, payable or paid to the Covered Officer prior to, on or after the Effective Date: (i) direct repayment of Recoverable Incentive Compensation previously paid to the Covered Officer; (ii) cancelling prior cash or equity-based awards (whether vested or unvested and whether paid or unpaid); (iii) cancelling or offsetting against any planned future cash or equity-based awards; (iv) forfeiture of deferred compensation, subject to compliance with Code Section 409A

(if applicable); and (v) any other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Administrator may effectuate recoupment under this Policy from any amount otherwise payable to the Covered Officer, including amounts payable to such individual under any otherwise applicable Company plan or program, *e.g.*, base salary, bonuses or commissions and compensation previously deferred by the Covered Officer. The Administrator need not utilize the same method of recovery for all Covered Officers or with respect to all types of Recoverable Incentive Compensation.

(e) No Indemnification of Covered Officers. Notwithstanding any indemnification agreement, applicable insurance policy or any other agreement or provision of the Company's certificate of incorporation or bylaws to the contrary, no Covered Officer shall be entitled to indemnification or advancement of expenses in connection with any enforcement of this Policy by the Company, including paying or reimbursing such Covered Officer for insurance premiums to cover potential obligations to the Company under this Policy.

(f) Indemnification of Administrator. Any members of the Administrator, and any other members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or interpretation made with respect to this Policy and shall be indemnified by the Company to the fullest extent under applicable law and Company policy with respect to any such action, determination or interpretation. The foregoing sentence shall not limit any other rights to indemnification of the members of the Board under applicable law or Company policy.

(g) No "Good Reason" for Covered Officers. Any action by the Company to recoup or any recoupment of Recoverable Incentive Compensation under this Policy from a Covered Officer shall not be deemed (i) "good reason" for resignation or to serve as a basis for a claim of constructive termination under any benefits or compensation arrangement applicable to such Covered Officer, or (ii) to constitute a breach of a contract or other arrangement to which such Covered Officer is party.

5. Administration

Except as specifically set forth herein, this Policy shall be administered by the Administrator. The Administrator shall have full and final authority to make any and all determinations required under this Policy. Any determination by the Administrator with respect to this Policy shall be final, conclusive and binding on all interested parties and need not be uniform with respect to each individual covered by this Policy. In carrying out the administration of this Policy, the Administrator is authorized and directed to consult with the full Board, or such other committees of the Board as may be necessary or appropriate as to matters within the scope of such other committee's responsibility and authority. Subject to applicable law, the Administrator may authorize and empower any officer or employee of the Company to take any and all actions that the Administrator, in its sole discretion, deems necessary or appropriate to carry out the purpose and intent of this Policy (other than with respect to any recovery under this Policy involving such officer or employee).

6. Severability

If any provision of this Policy or the application of any such provision to a Covered Officer shall be adjudicated to be invalid, illegal or unenforceable in any respect, such invalidity, illegality

or unenforceability shall not affect any other provisions of this Policy, and the invalid, illegal or unenforceable provisions shall be deemed amended to the minimum extent necessary to render any such provision or application enforceable.

7. No Impairment of Other Remedies

Nothing contained in this Policy, and no recoupment or recovery as contemplated herein, shall limit any claims, damages or other legal remedies the Company or any of its affiliates may have against a Covered Officer arising out of or resulting from any actions or omissions by the Covered Officer. This Policy does not preclude the Company from taking any other action to enforce a Covered Officer's obligations to the Company, including, without limitation, termination of employment and/or institution of civil proceedings. This Policy is in addition to the requirements of Section 304 of the Sarbanes-Oxley Act of 2002 ("***SOX 304***") that are applicable to the Company's Chief Executive Officer and Chief Financial Officer and to any other compensation recoupment policy and/or similar provisions in any employment, equity plan, equity award, or other individual agreement, to which the Company is a party or which the Company has adopted or may adopt and maintain from time to time; provided, however, that compensation recouped pursuant to this Policy shall not be duplicative of compensation recouped pursuant to SOX 304 or any such compensation recoupment policy and/or similar provisions in any such employment, equity plan, equity award, or other individual agreement except as may be required by law.

8. Amendment; Termination

The Administrator may amend, terminate or replace this Policy or any portion of this Policy from time to time if it reasonably considers it necessary to comply with, or remain in compliance with, any applicable law or any Listing Standard.

9. Successors

This Policy shall be binding and enforceable against all Covered Officers and, to the extent required by Rule 10D-1 and/or the applicable Listing Standards, their beneficiaries, heirs, executors, administrators or other legal representatives.

10. Required Filings

The Company shall make any disclosures and filings with respect to this Policy that are required by law, including as required by the SEC.

* * * * *

ASLAN PHARMACEUTICALS LIMITED

INCENTIVE COMPENSATION RECOUPMENT POLICY

FORM OF EXECUTIVE ACKNOWLEDGMENT

I, the undersigned, agree and acknowledge that I am bound by, and subject to, the ASLAN Pharmaceuticals Limited Incentive Compensation Recoupment Policy, as may be amended, restated, supplemented or otherwise modified from time to time (the "***Policy***"). In the event of any inconsistency between the Policy and the terms of any employment agreement, offer letter or other individual agreement with ASLAN Pharmaceuticals Limited (the "***Company***") or any affiliate thereof to which I am a party, or the terms of any compensation plan, program or agreement, whether or not written, under which any compensation has been granted, awarded, earned or paid to me, the terms of the Policy shall govern.

In the event that the Administrator (as defined in the Policy) determines that any compensation granted, awarded, earned or paid to me must be forfeited or reimbursed to the Company pursuant to the Policy, I will promptly take any action necessary to effectuate such forfeiture and/or reimbursement. I further agree and acknowledge that I am not entitled to indemnification, and hereby waive any right to advancement of expenses, in connection with any enforcement of the Policy by the Company.

Agreed and Acknowledged:

_____

Name: _____

Title: _____

Date: _____

REVISION HISTORY

No	Version Number	Reviewed by	Approved By	Remark
1	1.0	Ben Goodger Dated: Dec 07, 2023	Board of Director: Dated: Mar 13, 2024	New policy adopted.