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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025
OR

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

For the transition period from to
Commission file number: 001-36485

ARDELYX, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	**26-1303944**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
400 Fifth Avenue, Suite 210, Waltham, Massachusetts	**02451**
(Address of Principal Executive Offices)	**(Zip Code)**

(510) 745-1700
(Registrant's Telephone Number, Including Area Code)

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

Title of Each Class	**Trading Symbol(s)**	**Name of Each Exchange on Which Registered**
Common Stock, par value $0.0001 per share	**ARDX**	**The Nasdaq Global Market**

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

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

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

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

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

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

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

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

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

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

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

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

The aggregate market value of the Registrant's common stock held by non-affiliates of the Registrant as of the last business day of the Registrant's most recently completed second fiscal quarter, June 30, 2025, based on the last reported sales price of the Registrant's common stock on the Nasdaq Global Market of $3.92 per share was $923,706,456.

The number of shares of Registrant's Common Stock outstanding as of February 12, 2026, was 245,247,427.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the Registrant's Definitive Proxy Statement for its 2026 Annual Meeting of Stockholders, which will be filed with the Commission within 120 days of December 31, 2025, the close of the Registrant's 2025 fiscal year, are incorporated by reference into Part III of this Report.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

Unless the context requires otherwise, in this Annual Report on Form 10-K, the terms "Ardelyx," "Company," "we," "us" and "our" refer to Ardelyx, Inc.

This Annual Report on Form 10-K contains forward-looking statements that involve risks and uncertainties. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "predict," "potential," "positioned," "seek," "should," "target," "will," "would," and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology. These forward-looking statements include, but are not limited to, statements about:

- estimates of our expenses, future revenue, capital requirements, our needs for additional financing and our ability to obtain additional capital; and
- other risks and uncertainties, including those under the caption "Risk Factors."

We have based these forward-looking statements largely on management's current expectations, estimates, forecasts and projections about our business and the industry in which we operate and management's beliefs and assumptions, and these forward-looking statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control, that could cause actual outcomes or results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results or conditions to differ from those anticipated by these and other forward-looking statements include those more fully described in the "Item 1A. Risk Factors" section and elsewhere in this Annual Report on Form 10-K. Except as required by law, we assume no obligation to update any forward-looking statement publicly, or to revise any forward-looking statement to reflect events or developments occurring after the date of this Annual Report on Form 10-K, even if new information becomes available in the future. Thus, you should not assume that our silence over time means that actual events are bearing out as expressed or implied in any such forward-looking statement.

SUMMARY OF PRINCIPAL RISKS ASSOCIATED WITH OUR BUSINESS

The principal risks and uncertainties affecting our business include the following:

- We have incurred losses in each year since our inception, and if we are unable to continue to increase revenue and/or, depending upon our pursuit of future business opportunities, we may not achieve expected cash flow positivity, and even if we do, we may not be able to sustain cash flow positivity quarter over quarter and year over year.
- We may require additional financing for the foreseeable future as we invest in the growth of IBSRELA and XPHOZAH in the U.S. and build a pipeline. The inability to access necessary capital when needed on acceptable terms, or at all, could force us to delay or limit our pursuit of other future business opportunities.
- We are substantially dependent on the successful commercialization of IBSRELA, and there is no guarantee that we will maintain sufficient market acceptance for IBSRELA, grow market share for IBSRELA, secure and maintain adequate coverage and reimbursement for IBSRELA, or generate sufficient revenue from product sales of IBSRELA.
- There is no guarantee that we will achieve sufficient market acceptance for XPHOZAH, or that we will be able to secure and maintain adequate coverage and reimbursement for XPHOZAH, or generate sufficient revenue from

product sales of XPHOZAH. The inclusion of XPHOZAH in the ESRD PPS creates additional uncertainty as to the commercial opportunity for XPHOZAH.

- XPHOZAH became part of the ESRD PPS on January 1, 2025, which means coverage for XPHOZAH for Medicare beneficiaries is no longer available under Medicare Part D; this resulted in a negative and material impact on our XPHOZAH revenue in 2025; and the continued lack of Medicare Part D coverage for XPHOZAH will result in a materially lower pace of revenue growth as compared to expectations before XPHOZAH became part of the ESRD PPS.
- Current and future healthcare reform legislation, regulation or action by the current administration may increase the difficulty and cost for us to commercialize our approved products and may adversely affect the prices we, or they, may obtain and may have a negative impact on our business and results of operations.
- IBSRELA and/or XPHOZAH may cause undesirable side effects or have other properties that could limit the commercial success of the products.
- Third-party payor coverage and reimbursement status of newly commercialized products are uncertain. Failure to obtain or maintain adequate coverage and reimbursement for IBSRELA and XPHOZAH could limit our ability to market those products and decrease our ability to generate revenue.
- We rely completely on third parties, including certain single-source suppliers, to manufacture IBSRELA and XPHOZAH. If they are unable to comply with applicable regulatory requirements, unable to source sufficient raw materials, experience manufacturing or distribution difficulties or are otherwise unable to manufacture sufficient quantities to meet demand, our commercialization of IBSRELA and XPHOZAH may be materially harmed.
- Our operating activities may be restricted as a result of covenants related to the indebtedness under our loan and security agreement with SLR, as amended, and we may be required to repay the outstanding indebtedness in an event of default, which could have a materially adverse effect on our business.

The summary risk factors described above should be read together with the text of the full risk factors below in the section titled “Risk Factors” and the other information set forth in this Annual Report on Form 10-K, including our financial statements and the related notes, as well as in other documents that we file with the U.S. SEC. The risks summarized above or described in full below are not the only risks that we face. Additional risks and uncertainties not precisely known to us or that we currently deem to be immaterial may also materially adversely affect our business, financial condition, results of operations, and future growth prospects.

NOTE REGARDING TRADEMARKS

ARDELYX®, IBSRELA® and XPHOZAH® are trademarks of Ardelyx. All other trademarks, trade names and service marks appearing in this Annual Report on Form 10-K are the property of their respective owners.

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FISCAL YEAR ENDED DECEMBER 31, 2025

PART I

ITEM 1. BUSINESS

Overview

We are a commercial-stage biopharmaceutical company focused on the development and commercialization of innovative medicines that meet significant unmet medical needs. We currently market two therapies from the active ingredient tenapanor, a sodium/hydrogen exchanger (NHE3) inhibitor that was discovered and developed by Ardelyx. NHE3 is an antiporter expressed on the apical surface of the small and large intestines. Tenapanor is a minimally absorbed, first-in-class, oral, small molecule therapy.

Tenapanor, branded as IBSRELA®, is approved in the U.S. for the treatment of adults with irritable bowel syndrome with constipation. We believe that IBSRELA can bring meaningful benefit to the approximately 13 million Americans who suffer from the symptoms of IBS-C, many of whom continue to experience symptoms despite intervention with other therapies. We are seeking to further expand the IBSRELA eligible patient population to include patients with chronic idiopathic constipation (CIC), and have initiated a Phase 3 clinical trial evaluating tenapanor in adult CIC patients.

Tenapanor, branded as XPHOZAH®, is approved in the U.S. to reduce serum phosphorus in adults with chronic kidney disease on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy. We believe XPHOZAH can bring meaningful relief to adult chronic kidney disease patients on dialysis, the vast majority of whom have elevated levels of serum phosphorus and are unable to achieve target serum phosphorus levels with phosphate binders alone. Continually elevated levels of serum phosphorus can result in severe cardiovascular health complications.

In addition to commercializing IBSRELA and XPHOZAH, we are also developing a next-generation NHE3 inhibitor that we believe can have application across multiple therapeutic areas.

Refer to the *Summary of Abbreviated Terms* at the end of this Annual Report on Form 10-K for definitions of terms used throughout the document.

Strategy

We are committed to our mission of developing and commercializing innovative medicines that address unmet patient needs. Our principal strategy is to continue our commercial momentum with our current products while advancing and expanding a portfolio of important medicines for patients with unmet medical needs.

Our priorities include (i) driving significant IBSRELA growth, (ii) maintaining XPHOZAH commercial momentum, (iii) further advancing our pipeline and portfolio and (iv) maintaining a solid financial foundation to support our future growth.

We have incurred losses in each year since our inception in October 2007. We continue to incur commercialization, development and additional expenses related to our ongoing operations and pursuit of future business opportunities. We have historically funded our operations primarily from product sales, sales of our common stock, funds from our loan agreements with SLR, funds from our collaboration partnerships, as well as the sale of future royalties and commercialization milestones to HCR. We expect that we will increasingly rely on cash generated from our commercial operations to fund our operating plan while maintaining financial flexibility to source cash from future equity sales and debt financing.

Our Commercial Products

IBSRELA for IBS-C

IBSRELA is a first-in-class NHE3 inhibitor approved by the FDA for the treatment of IBS-C in adults. IBSRELA acts locally in the gut and is minimally absorbed. IBS-C is a gastrointestinal disorder characterized by both constipation and abdominal pain. IBS-C is associated with significantly impaired quality of life, reduced productivity and substantial economic burden. We recognized our first sales of IBSRELA in the U.S. in March 2022.

We deploy a market-responsive commercial strategy for IBSRELA and have a commercial organization highly experienced in commercializing novel therapies in specialty areas. The dynamics of the IBS-C market reflect an established patient base, limited number of competitors all confined to a single mechanism of action (secretagogues), concentrated number of prescribers who see a large number of IBS-C patients, and recognized unmet need. These dynamics enable a targeted promotional focus on IBS-C patients currently being managed by high-writing healthcare providers. Central to our commercial strategy for IBSRELA has been our highly experienced specialty sales force, many with existing relationships across their gastrointestinal target base,

omnichannel digital initiatives and our patient services programs, including ArdelyxAssist, that support patient access to our therapies.

We believe competition for IBSRELA comes largely from prescription products indicated for IBS-C: branded products, Linzess (linaclotide) and Trulance (plecanatide), as well as generic lubiprostone.

In January 2026, we initiated ACCEL (ten-03-301), a Phase 3 clinical trial designed to assess the safety and efficacy of tenapanor for the treatment of CIC. Enrollment in ACCEL is expected throughout 2026, with topline data read out in the second half of 2027. CIC is characterized by difficult, infrequent or incomplete bowel movements, and is associated with significantly impaired quality of life, disrupted productivity and high healthcare-related costs and is estimated to affect more than 34 million Americans.

XPHOZAH for Hyperphosphatemia in CKD Patients on Dialysis

XPHOZAH was approved by the FDA in October 2023. XPHOZAH is a first-in-class phosphate absorption inhibitor approved in the U.S. to reduce serum phosphorus in adults with CKD on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy. XPHOZAH has a differentiated mechanism of action and acts locally in the gut to inhibit NHE3. This results in the tightening of the epithelial cell junctions, thereby significantly reducing paracellular uptake of phosphate, the primary pathway of phosphate absorption. It is estimated that there are more than 550,000 adult patients with CKD on dialysis in the U.S. and approximately 80% of those patients are being treated with phosphate lowering therapies. In addition, approximately 70% of patients treated with phosphate binders to treat hyperphosphatemia were unable to consistently maintain phosphorous levels <=5.5 mg/dL over a six-month period. XPHOZAH is the first therapy for phosphate management that blocks phosphate absorption at the primary site of uptake. We recognized our first sales of XPHOZAH in the U.S. in December 2023.

We have a commercial organization highly experienced and knowledgeable of the nephrology market. The dynamics of the hyperphosphatemia market reflect an established patient base, limited number of competitors all confined to a single mechanism of action (phosphate binders), concentrated number of prescribers and significant unmet need. Central to our commercial strategy is our highly experienced specialty sales force, many with existing relationships across the nephrology target base, innovative omnichannel digital initiatives and our patient services programs, including ArdelyxAssist, that support patient access to our therapies.

On January 1, 2025, XPHOZAH, along with other oral drugs for ESRD patients on dialysis without injectable or intravenous equivalents, became part of the ESRD Prospective Payment System and coverage for XPHOZAH and these other oral drugs under Medicare Part D was eliminated. We made the decision to preserve access to XPHOZAH for all appropriate patients. Although more patients had access to XPHOZAH and we increased the number of patients on treatment compared to 2024, the change in Medicare reimbursement coverage had a negative and material impact on our XPHOZAH revenue in 2025. Our strategy for XPHOZAH remains a targeted promotional focus on nephrology healthcare providers to preserve access for patients, regardless of insurance coverage, determined to be appropriate candidates for XPHOZAH by their healthcare provider.

XPHOZAH is indicated to reduce serum phosphorus in adults with CKD on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy. The various types of phosphate binders commercialized in the U.S. include the following: Calcium acetate (several prescription brands, including PhosLo and Phoslyra); Lanthanum carbonate (Fosrenol); Sevelamer hydrochloride (Renagel); Sevelamer carbonate (Renvela); Sucroferric oxyhydroxide (Velphoro) and Ferric citrate (Auryxia). All of the listed phosphate binders are available as generics in the U.S., with the exception of Velphoro. Additionally, over-the-counter calcium carbonate, such as Tums and Caltrate, is also used to bind phosphorus.

In addition to the currently available phosphate binders, we are aware of at least four phosphate binders in development, including AP-301, developed by Alebund Pharmaceutical (Hong Kong) Limited; VS-505, developed by Vidasym; TS-172, developed by Taisho Pharmaceutical; and OLC, developed by Unicycive Therapeutics. Additionally, Alebund is developing AP-306, an inhibitor of phosphate transporters NaPi-2b, PiT-1, and PiT-2.

Our Commercial Strategy

We have established a high-quality commercial organization, with capabilities, including marketing, market access, patient services and sales designed to support our commercialization of IBSRELA and XPHOZAH. We have executed collaborations with established industry leaders to efficiently bring XPHOZAH and IBSRELA to patients in specific territories outside of the U.S. We continue to evaluate our strategy for the commercialization of IBSRELA and XPHOZAH in ex-U.S. territories.

Product Pipeline

Label Extension for IBSRELA to Treat Patients with CIC

In September 2025, we submitted an IND application to the FDA for IBSRELA to expand the IBSRELA eligible patient population to include patients with CIC. In January 2026, we initiated ACCEL (ten-03-301), a Phase 3 clinical trial designed to assess the safety and efficacy of tenapanor for the treatment of CIC. Enrollment in ACCEL is expected throughout 2026, with topline data read out in the second half of 2027. CIC is characterized by difficult, infrequent or incomplete bowel movements, and is associated with significantly impaired quality of life, disrupted productivity and high healthcare-related costs. CIC is estimated to affect more than 34 million Americans. Pending the outcome of the Phase 3 clinical trial, if successful, we intend to submit a supplemental NDA to the FDA for tenapanor for the CIC indication.

Discovery and Development Asset

In October 2025, we announced a development program for RDX10531. We believe RDX10531 is a next-generation NHE3 inhibitor with potential application across multiple therapeutic areas. We are currently conducting activities to support an IND submission to the FDA for RDX10531 in the second half of 2026.

Collaboration Partners

We have entered into collaboration agreements with third parties for the development and commercialization of tenapanor for certain indications in their respective territories. In exchange for granting the respective licenses, we receive upfront payments upon contract execution, are eligible to receive development and regulatory milestones upon achievement of respective events and are eligible to receive sales-based royalties and commercialization milestones. We also enter into supply agreements with our partners to supply drug substance or finished product for a fee.

We have an exclusive license agreement with Knight for the development, commercialization and distribution of tenapanor in Canada for hyperphosphatemia and IBS-C. IBSRELA was launched in Canada in March 2021. We supply IBSRELA drug product packaged for the Canadian market to Knight to satisfy Knight's commercial needs.

We have an exclusive license agreement with Kyowa Kirin for the development, commercialization and distribution of tenapanor in Japan for cardiorenal indications. We supply tenapanor drug substance to satisfy Kyowa Kirin's commercial needs. In February 2024, Kyowa Kirin announced the launch of tenapanor, marketed as PHOZEVEL®, for CKD patients with hyperphosphatemia in Japan. As discussed in *Note 8. Deferred Royalty Obligation Related to the Sale of Future Royalties*, the future royalties and commercialization milestone payments we may receive under the license, as amended, will be remitted to HCR pursuant to the HCR Agreement.

We have an exclusive license agreement with Fosun Pharma for the development and commercialization of tenapanor in China for both hyperphosphatemia and IBS-C. In February 2025, we announced the approval of an NDA for tenapanor for the control of hyperphosphatemia in adult patients with CKD undergoing hemodialysis by China's Center for Drug Evaluation of the NMPA.

We have an exclusive license agreement with METiS for the development and commercialization of a portfolio of TGR5 agonist compounds that we discovered and developed for all therapeutic areas.

Corporate Financings

In January 2023, we entered into the 2023 Open Market Sales Agreement with Jefferies with respect to an "at-the-market offering" program, which was established under the Company's shelf registration statement on Form S-3 and expired in January 2026. Under the 2023 Open Market Sales Agreement, we sold a total of 16.8 million shares of our common stock and received gross proceeds of $70.0 million at a weighted average sales price of approximately $4.17. During the year ended December 31, 2025, we did not sell any shares under the 2023 Open Market Sales Agreement.

In November 2025, we filed an automatic shelf registration statement on Form S-3ASR, which became effective upon filing, containing (i) a base prospectus, which covers the offering, issuance and sale from time to time in one or more offerings of our common stock, preferred stock, debt securities, warrants and/or units; and (ii) a prospectus supplement for the offering, issuance and sale of up to a maximum aggregate offering price of $100.0 million of our common stock that may be issued and sold from time to time, under the 2025 Open Market Sales Agreement, deemed to be "at-the-market offerings." Pursuant to the 2025 Open Market Sales Agreement, Jefferies, as sales agent, may receive a commission of up to three percent of the gross

sales price for shares of our common stock sold under the 2025 Open Market Sales Agreement. As of December 31, 2025, there have been no sales of our common stock under the 2025 Open Market Sales Agreement.

We have a loan and security agreement (as amended, the 2022 Loan Agreement) with SLR. The 2022 Loan Agreement provides a total of $300.0 million, of which $200.0 million has been drawn and is outstanding as of December 31, 2025, including $50.0 million of the Term E Loan drawn during the 2025 second quarter.

As of December 31, 2025, we had cash, cash equivalents and short-term investments totaling $264.7 million, an increase of $14.6 million, or 5.8%, from our cash position as of December 31, 2024.

Intellectual Property

Our commercial success depends in part on our ability to obtain and maintain proprietary protection for our products, drug candidates, manufacturing and process discoveries and other know-how, to operate without infringing the proprietary rights of others and to prevent others from infringing our proprietary rights. Our policy is to seek to protect our intellectual property by, among other methods, filing U.S. and foreign patent applications related to our proprietary technology and inventions that are important to the development and operation of our business. We also rely on trade secrets and careful monitoring of our proprietary information to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection.

The patent positions of biopharmaceutical companies like us are generally uncertain and involve complex legal, scientific and factual questions. In addition, the coverage claimed in a patent application can be significantly reduced before the patent is issued and its scope can be reinterpreted after issuance. Consequently, we do not know whether any of our products or drug candidates will be protectable or remain protected by enforceable patents. We cannot predict whether the patent applications we are currently pursuing will issue as patents in any particular jurisdiction or whether the claims of our issued patents will provide sufficient proprietary protection from competitors. Any patents that we hold may be challenged, circumvented or invalidated by third parties. If third parties prepare and file patent applications in the U.S. that also claim technology or therapeutics to which we have rights, we may have to participate in interference proceedings in the USPTO to determine priority of invention, which would result in substantial costs to us even if the eventual outcome is favorable to us.

The term of individual patents depends upon the legal term of the patents in countries in which they are obtained. In most countries, including the U.S., the patent term is generally 20 years from the earliest date of filing a non-provisional patent application in the applicable country. In the U.S., a patent's term may, in certain cases, be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the USPTO in examining and granting a patent, or may be shortened if a patent is terminally disclaimed over a commonly owned patent or a patent naming a common inventor and having an earlier expiration date.

In addition, in the U.S., the Hatch-Waxman Act permits a patent term extension of up to five years beyond the expiration of a U.S. patent as partial compensation for the patent term lost during the FDA regulatory review process occurring while the patent is in force. A patent extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, and only one patent applicable to each regulatory review period 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. Similar provisions are available in the European Union and certain other foreign jurisdictions to extend the term of a patent that covers an approved drug.

We may rely, in some circumstances, on trade secrets to protect our technology. Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees and consultants, third parties may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or disclose our technology. Thus, we may not be able to meaningfully protect our trade secrets. It is our policy to require our employees, consultants, outside scientific collaboration partners, sponsored researchers and other advisors to execute confidentiality agreements upon the commencement of employment or consulting relationships with us. These agreements provide that all confidential information concerning the business or financial affairs developed or made known to the individual during the course of the individual's relationship with us is to be kept confidential and not disclosed to third parties except in specific circumstances. In the case of employees, the agreements provide that all inventions conceived by the individual, and which are related to our current or planned business or research and development or made during the normal working hours, on our premises or using our equipment or proprietary information, are our exclusive property.

Tenapanor Patents

Our tenapanor patent portfolio includes seven issued U.S. patents, three issued patents in each of Israel and Mexico, two issued patents in each of the European Patent Organization, Japan, Korea and Hong Kong and one issued patent in each of the

following territories: Australia, Brazil, China and India. These issued patents cover the composition and certain methods of using tenapanor, are wholly owned by us, and are predicted, without extension or adjustment, to expire in December 2029. The term of U.S. patent no. 8,541,448, which claims the composition of matter of tenapanor, was extended under the Hatch-Waxman Act to August 1, 2033. The portfolio further includes patents covering the use of tenapanor for controlling serum phosphorus that are wholly owned by us and have been issued in the U.S., Europe, Japan, China, Australia, Gulf Co-op countries, Hong Kong, Israel, Korea, Macao, Mexico, New Zealand, Russia, South Africa and Taiwan and are pending in other countries. These patents are predicted, without extension or adjustment, to expire in April 2034. On January 22, 2026, we received an Issue Notification from the USPTO indicating the issuance of U.S. Patent No. 12,539,299. The patent relates to the formulation of tenapanor and covers the commercial formulations of IBSRELA and XPHOZAH and has an expiration date of November 26, 2042.

Additional U.S. and international patent applications are pending covering additional methods of treatment with tenapanor, and composition of matter and methods of using compounds that we believe may be follow on compounds to tenapanor.

Manufacturing

To date, we have relied upon third-party CMOs to manufacture both the API and final drug product dosage forms of our commercial products, as well as our clinical trial material, and we expect that we will continue to rely upon CMOs for the manufacture of commercial product for IBSRELA, commercial product for XPHOZAH and clinical trial materials. Our license agreements with Knight and Fosun Pharma currently require us to supply final drug product dosage forms of tenapanor for their use in the development and commercialization of tenapanor in each of their respective territories. We are further obligated to supply API to Kyowa Kirin to support their development and commercialization of tenapanor in Japan. We expect that we will continue to use CMOs to satisfy our supply obligations to our collaboration partners.

Government Regulation

The FDA and comparable regulatory authorities in state and local jurisdictions and in other countries impose substantial and burdensome requirements upon companies involved in the clinical development, manufacture, marketing and distribution of drugs. These agencies and other federal, state and local entities regulate research and development activities and the testing, manufacture, quality control, safety, effectiveness, labeling, storage, record keeping, approval, advertising and promotion, distribution, post-approval monitoring and reporting, sampling and export and import of our products and product candidates.

In the U.S., the FDA regulates drug products under the FFDCA and the FDA's implementing regulations. If we fail to comply with applicable FDA or other requirements at any time during the drug development process, the approval process or after approval, we may become subject to administrative or judicial sanctions. These sanctions could include the FDA's refusal to approve pending applications, license suspension or revocation, withdrawal of an approval, warning or untitled letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, civil penalties or criminal prosecution. Any FDA enforcement action could have a material adverse effect on us. FDA approval is required before any new unapproved drug or dosage form, including a new use of a previously approved drug, can be marketed in the U.S.

The process required by the FDA before a drug may be marketed in the U.S. generally involves:

- completion of extensive preclinical laboratory tests, preclinical animal studies and formulation studies, some performed in accordance with the FDA's current GLP regulations;
- submission to the FDA of an IND application which must become effective before human clinical trials in the U.S. may begin;
- approval by an independent IRB or ethics committee at each clinical trial site before each trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with GCP regulations to establish the safety and efficacy of the drug candidate for each proposed indication;
- submission to the FDA of an NDA for marketing approval of the new drug;
- determination by the FDA within 60 days of its receipt of an NDA to accept and file the NDA for review;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the drug is produced to assess compliance with cGMP regulations;
- satisfactory completion of a potential FDA audit of the non-clinical and/or clinical trial sites that generated the data in support of the NDA;

- satisfactory completion of a potential review by an FDA advisory committee, if applicable; and
- payment of applicable user fees and FDA review and approval of the NDA prior to any commercial marketing, sale or commercial shipment of the drug.

The preclinical and clinical testing and approval process requires substantial time, effort and financial resources, and we cannot be certain that any approvals for any product candidates that we may seek to advance, or any approvals for label expansions for existing marketed products that we may seek to obtain, will be granted on a timely basis, if at all. Nonclinical tests include laboratory evaluation of product chemistry, formulation, stability and toxicity, as well as animal studies to assess the characteristics and potential safety and efficacy of the product. The results of preclinical tests, together with manufacturing information, analytical data and a proposed clinical trial protocol and other information, are submitted as part of an IND to the FDA. Additional preclinical testing 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 period, raises concerns or questions relating to the IND and places the clinical trial on a clinical hold, including concerns that human research subjects will be exposed to unreasonable health risks. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. A separate submission to an existing IND must also be made for each successive clinical trial conducted during product development.

Clinical trials involve the administration of the investigational drug to human subjects under the supervision of qualified investigators. Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, the parameters to be used in monitoring safety and the effectiveness criteria to be used. Each protocol must be submitted to the FDA as part of the IND.

An independent IRB or ethics committee for each medical center proposing to conduct a clinical trial must also review and approve a plan for any clinical trial before it can begin at that center and the IRB must monitor the clinical trial until it is completed. The FDA, the 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. Clinical testing also must satisfy extensive GCP requirements, including the requirements for informed consent.

All clinical research to be performed in the U.S. in support of an NDA must be reviewed in advance by the FDA under the IND regulations and procedures described above. However, a sponsor who wishes to conduct a clinical trial outside the U.S. may, but need not, obtain FDA authorization to conduct the clinical trial under an IND. If a foreign clinical trial is not conducted under an IND, the sponsor may still submit data from the clinical trial in support of an NDA as long as the clinical trial is conducted in compliance with GCP and if the FDA is able to validate the data from the study through an onsite inspection, if necessary. GCP includes, among other things, review and approval by an independent ethics committee, such as an IRB, and obtaining and documenting the freely given informed consent of each subject before study initiation. If the applicant seeks approval of an NDA solely on the basis of foreign data, the FDA will only accept such data if they are applicable to the U.S. population and U.S. medical practice, the studies have been performed by clinical investigators of recognized competence, and the data may be considered valid without the need for an on-site inspection by the FDA, or if the FDA considers such an inspection to be necessary, the FDA is able to validate the data through an on-site inspection or through other appropriate means.

Clinical Trials

The clinical investigation of a new drug is typically conducted in three or four phases, which may overlap or be combined, and generally proceed as follows.

- *Phase 1*: Clinical trials are initially conducted in a limited population of subjects to test the drug candidate for safety, dose tolerance, absorption, metabolism, distribution and excretion in healthy humans or, on occasion, in patients with severe problems or life-threatening diseases to gain an early indication of its effectiveness.
- *Phase 2*: Clinical trials are generally conducted in a limited patient population to evaluate dosage tolerance and appropriate dosage, identify possible adverse effects and safety risks and evaluate preliminarily the efficacy of the drug for specific targeted indications in patients with the disease or condition under study.
- *Phase 3*: Clinical trials are typically conducted when Phase 2 clinical trials demonstrate that a dose range of the product candidate is effective and has an acceptable safety profile. Phase 3 clinical trials are commonly referred to as “pivotal” studies, which typically denotes a study which presents the data that the FDA or other relevant regulatory agency will use to determine whether or not to approve a drug. Phase 3 clinical trials are generally undertaken with large numbers of patients, such as groups of several hundred to several thousand, to further evaluate dosage, to provide

substantial evidence of clinical efficacy and to further test for safety in an expanded and diverse patient population at multiple, geographically dispersed clinical trial sites.

- *Phase 4*: In some cases, the FDA may condition approval of an NDA for a product candidate on the sponsor's agreement to conduct additional clinical trials after NDA approval. In other cases, a sponsor may voluntarily conduct additional clinical trials post approval to gain more information about the drug. Such post approval trials are typically referred to as Phase 4 clinical trials.

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

The FDA, the IRB or the clinical trial sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects are being exposed to an unacceptable health risk.

Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board or committee. This group provides authorization for whether or not a trial may move forward at designated check points based on access to certain data from the study.

We may also suspend or terminate a clinical trial based on evolving business objectives and/or competitive climate.

New Drug Applications

The results of preclinical studies and of the clinical trials, together with other detailed information, including extensive manufacturing information and information on the composition of the drug, are submitted to the FDA in the form of an NDA requesting approval to market the drug for one or more specified indications. The FDA reviews an NDA to determine, among other things, whether a drug is safe and effective for its intended use.

Under the Prescription Drug User Fee Act, the FDA has a goal of responding to standard review NDAs for new molecular entities within ten months after the 60-day filing review period, or six months after the 60-day filing review period for priority review NDAs. For non-new molecular entities, the FDA has a goal of responding within ten months of receipt of standard review NDAs and six months of receipt for priority review NDAs. These timeframes are often extended by FDA requests for additional information or clarification. The FDA may refer the application to an advisory committee for review, evaluation and recommendation as to whether the application should be approved. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendations.

After the FDA evaluates the NDA and conducts inspections of manufacturing facilities where the drug product and/or its API will be produced, if deemed necessary, it may issue an approval letter or a Complete Response Letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications. A Complete Response Letter indicates that the review cycle of the application is complete, and the application is not ready for approval. A Complete Response Letter may require additional clinical data and/or an additional Phase 3 clinical trial(s), and/or other significant, expensive and time-consuming requirements related to clinical trials, preclinical studies or manufacturing. Even if such additional information is submitted, the FDA may ultimately decide that the NDA does not satisfy the criteria for approval. The FDA could also approve the NDA with a REMS if it determines that a REMS is necessary to ensure that the drug's benefits outweigh its risks, which could include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. The FDA also may condition approval on, among other things, changes to proposed labeling, development of adequate controls and specifications, or a commitment to conduct one or more post-market studies or clinical trials. Such post-market testing may include Phase 4 clinical trials and surveillance to further assess and monitor the product's safety and effectiveness after commercialization. The FDA has the authority to prevent or limit further marketing of a drug based on the results of these post-market programs. Once the FDA approves an NDA, or any supplement thereto, the FDA may withdraw the approval if ongoing regulatory requirements are not met or if safety problems are identified after the drug reaches the market.

Drugs may be marketed only for the FDA-approved indications and in accordance with the provisions of the approved labeling. Further, if there are any modifications to the drug, including changes in indications, labeling, or manufacturing processes or facilities, the applicant may be required to submit and obtain FDA approval of a new NDA or NDA supplement, which may require the applicant to develop additional data or conduct additional preclinical studies and clinical trials. There can

be no assurances that the FDA will approve any requested changes in indications, labeling or manufacturing processes or facilities.

The testing and approval processes require substantial time, effort and financial resources, and each may take several years to complete. The FDA may not grant approval on a timely basis, or at all. Even if we believe a clinical trial has demonstrated safety and efficacy of one of our drug candidates for the proposed indication, the results may not be satisfactory to the FDA. Nonclinical and clinical data may be interpreted by the FDA in different ways, which could delay, limit or prevent regulatory approval. We may encounter difficulties or unanticipated costs in our efforts to secure necessary governmental approvals which could delay or preclude us from marketing drugs. The FDA may limit the indications for use or place other conditions on any approvals that could restrict the commercial application of the drugs.

Ongoing Regulatory Requirements

Any drugs manufactured or distributed by us or our collaboration partners pursuant to FDA approvals would be subject to continuing regulation by the FDA, including recordkeeping requirements and reporting of adverse experiences associated with the drug. Drug manufacturers and their subcontractors are required to register their establishments with the FDA and certain state agencies and are subject to periodic announced and unannounced inspections by the FDA and certain state agencies for compliance with ongoing regulatory requirements, including cGMP, which impose certain procedural and documentation requirements upon us and our third-party manufacturers. Failure to comply with the statutory and regulatory requirements can subject a manufacturer to possible legal or regulatory action, such as warning or untitled letters, suspension of manufacturing, seizure of product, injunctive action or possible civil penalties. We cannot be certain that we or our present or future third-party manufacturers or suppliers will be able to comply with the cGMP regulations and other ongoing FDA regulatory requirements. If we or our present or future third-party manufacturers or suppliers are not able to comply with these requirements, the FDA may, among other things, halt our clinical trials, require us to recall a drug from distribution or withdraw approval of the NDA for that drug.

The FDA closely regulates the post-approval marketing and promotion of drugs, including standards and regulations for direct-to-consumer advertising, off-label promotion, industry-sponsored scientific and educational activities and promotional activities involving the Internet. A company can make only those claims relating to safety and efficacy that are in the final label or consistent with the final label. Failure to comply with these requirements can result in, among other things, adverse publicity, warning or untitled letters, corrective advertising and potential civil and criminal penalties. Physicians may prescribe legally available drugs for uses that are not described in the product's labeling and that differ from those tested by us and approved by the FDA. Such off-label uses are common across medical specialties. Physicians may believe that such off-label uses are the best treatment for many patients in varied circumstances. The FDA does not regulate the behavior of physicians in their choice of treatments. The FDA does, however, impose stringent restrictions on manufacturers' communications regarding off-label use.

Hatch-Waxman Act

Under the Price Competition and Patent Term Restoration Act, or Hatch-Waxman Act, Section 505 of the FFDCA describes three types of marketing applications that may be submitted to the FDA to request marketing authorization for a new drug. A Section 505(b)(1) NDA is an application that contains full reports of investigations of safety and efficacy. A Section 505(b)(2) NDA is an application that contains full reports of investigations of safety and efficacy but where at least some of the information required for approval comes from investigations that were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted. This regulatory pathway enables the applicant to rely, in part, on the FDA's prior findings of safety and efficacy for an existing product, or on published literature, in support of its application. Section 505(j) establishes an abbreviated approval process for a generic version of approved drug products through the submission of an ANDA. An ANDA provides for marketing of a generic drug product that has the same active ingredients, dosage form, strength, route of administration, labeling, performance characteristics and intended use, among other things, to a previously approved product. ANDAs are termed "abbreviated" because they are generally not required to include nonclinical (animal) and clinical (human) data to establish safety and efficacy. Instead, generic applicants must scientifically demonstrate that their product is bioequivalent to, or performs in the same manner as, the innovator drug through in vitro, in vivo, or other testing. The generic version can often be substituted by pharmacists under prescriptions written for the reference listed drug. In seeking approval for a drug through an NDA, applicants are required to list with the FDA each patent that claims the applicant's drug or a method of using the drug. Upon approval of a drug, each of the patents listed in the application for the drug is then published in the FDA's publication Approved Drug Products with Therapeutic Equivalence Evaluations, commonly known as the Orange Book. Additional patents issued after NDA approval may be added to the Orange Book.

Once a product and any applicable patents are listed in the Orange Book, it can be referenced by potential competitors seeking approval of a follow-on version of the drug in either an ANDA or 505(b)(2) NDA. Upon submission of an ANDA or a 505(b)(2) NDA, the applicant must certify to the FDA, with respect to each patent listed in the Orange Book for the reference drug, that (1) no patent information has been submitted to the FDA; (2) such patent has expired; (3) the date on which such patent expires; or (4) such patent is invalid or will not be infringed upon by the manufacture, use or sale of the drug product for which the application is submitted. Generally, the ANDA or 505(b)(2) NDA cannot be approved until all listed patents have expired, except where the ANDA or 505(b)(2) NDA applicant challenges a listed patent through the last type of certification, known as a Paragraph IV certification. If the applicant does not challenge the listed patents or indicates that it is not seeking approval of a patented method of use, the ANDA or 505(b)(2) NDA application will not be approved until all of the applicable listed patents claiming the referenced product have expired.

If the ANDA or 505(b)(2) NDA applicant has provided a Paragraph IV certification to the FDA, the applicant must send notice of the Paragraph IV certification to the NDA holder and patent owners once the application has been accepted for filing by the FDA. The NDA and patent holders may then initiate a patent infringement lawsuit in response to the notice of the Paragraph IV certification. If the NDA holder or the patent owner(s) bring such patent infringement lawsuit within 45 days of the ANDA or 505(b)(2) NDA applicant's Paragraph IV certification notice, the FDA may not approve that application until 30 months from the receipt of the notice of the Paragraph IV certification or such shorter or longer period as may be ordered by a court, or if applicable, the date the infringement case concerning each such patent is favorably decided or settled in the applicant's favor. This prohibition is generally referred to as the 30-month stay. In instances where an ANDA or 505(b)(2) NDA applicant files a Paragraph IV certification, the NDA holder or patent owner(s) regularly take action to trigger the 30-month stay, recognizing that the related patent litigation may take many months or years to resolve. Thus, approval of an ANDA or 505(b)(2) NDA could be delayed for a significant period of time depending on the patent certification the applicant makes and the reference drug sponsor's decision to initiate patent litigation.

The Hatch-Waxman Act establishes periods of regulatory exclusivity for certain approved drug products, during which the FDA cannot approve (or in some cases accept) an ANDA or 505(b)(2) NDA that relies on the reference drug. For example, the holder of an NDA, including a 505(b)(2) NDA, may obtain five years of exclusivity upon approval of a new drug containing an NCE that has not been previously approved by the FDA. A drug is an NCE if the FDA has not previously approved any other drug containing the same active moiety, which is the molecule or ion responsible for the therapeutic activity of the drug substance. During the exclusivity period, the FDA may not accept for review an ANDA or a 505(b)(2) NDA submitted by another company that contains the NCE active moiety. However, an ANDA or 505(b)(2) NDA may be submitted after four years if it contains a Paragraph IV certification of patent invalidity or non-infringement.

The Hatch-Waxman Act also provides three years of marketing exclusivity to the holder of an NDA (including a 505(b)(2) NDA) for a particular condition of approval, or change to a marketed product, such as a new formulation for a previously approved product, if one or more new clinical investigations (other than bioavailability or bioequivalence studies) was essential to the approval of the application and was conducted/sponsored by the applicant. This three-year exclusivity period protects against FDA approval of ANDAs and 505(b)(2) NDAs for the specific condition of the new drug's approval. As a general matter, the three-year exclusivity does not prohibit the FDA from approving ANDAs or NDAs for generic versions of the original, unmodified drug product. Five-year and three-year exclusivity will not delay the submission or approval of a full 505(b)(1) NDA; however, an applicant submitting a full NDA would be required to conduct or obtain a right of reference to all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and efficacy.

Fraud and Abuse Laws

In the U.S. the research, manufacturing, distribution, sale and promotion of drug products and medical devices are subject to regulation by various federal, state and local authorities in addition to the FDA, including CMS and other divisions of the U.S. Department of Health and Human Services (e.g., the Office of Inspector General), the U.S. Department of Justice, state Attorneys General, and other state and local government agencies. These laws include, but are not limited to, the Anti-Kickback Statute, the federal False Claims Act, the federal Physician Payments Sunshine Act and other state and federal laws and regulations.

The Anti-Kickback Statute makes it illegal for any person, including a prescription drug manufacturer (or a party acting on its behalf), to knowingly and willfully solicit, receive, offer or pay any remuneration that is intended to induce the referral of business, including the purchase, order or prescription of a particular drug, for which payment may be made under a federal healthcare program, such as Medicare or Medicaid. The term remuneration has been interpreted broadly to include anything of value. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution. The exceptions and safe harbors are drawn narrowly and practices that involve remuneration that may be alleged to be intended to induce prescribing, purchasing or recommending may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe

harbor does not make the conduct per se illegal under the federal Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all of its facts and circumstances. Additionally, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

The federal False Claims Act prohibits anyone from knowingly presenting, or causing to be presented, for payment to federal programs (including Medicare and Medicaid) claims for items or services, including drugs, that are false or fraudulent, claims for items or services not provided as claimed, or claims for medically unnecessary items or services. Although we do not submit claims directly to payors, manufacturers can be held liable under these laws if they are deemed to "cause" the submission of false or fraudulent claims by, for example, providing inaccurate billing or coding information to customers or promoting a product off-label. In addition, our activities relating to the reporting of wholesaler or estimated retail prices for our products, the reporting of prices used to calculate Medicaid rebate information and other information affecting federal, state, and third-party reimbursement for our products, and the sale and marketing of our products, are subject to scrutiny under this law. Moreover, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act. If the government were to allege that we were, or convict us of, violating these false claims laws, we could be subject to a substantial fine and may suffer a decline in our stock price. In addition, private individuals have the ability to bring actions under the federal False Claims Act.

The civil monetary penalties statute imposes penalties against any person or entity who, among other things, is determined to have presented or caused to be presented a claim to a federal health program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent.

The federal HIPAA created additional federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of whether the payor is public or private, knowingly and willfully embezzling or stealing from a health care benefit program, willfully obstructing a criminal investigation of a health care offense and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute, or the specific intent to violate it, to have committed a violation.

In addition to the laws described above, the Physician Payments Sunshine Act requires certain drug manufacturers to report payments and other transfer of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) certain non-physician practitioners (physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, anesthesiologist assistants and certified nurse midwives) and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members. Failure to submit required information may result in significant civil monetary penalties, and additional penalties for knowing failures, for all payments, transfers of value or ownership or investment interests that are not timely, accurately and completely reported in an annual submission. Manufacturers must submit reports by the 90th day of each subsequent calendar year.

Many states have also adopted laws similar to the federal laws discussed above. Some of these state prohibitions apply to the referral of patients for healthcare services reimbursed by any insurer, not just federal healthcare programs such as Medicare and Medicaid. There has also been a recent trend of increased regulation of payments made to physicians and other healthcare providers. Certain states mandate implementation of compliance programs, impose restrictions on drug manufacturers' marketing practices and/or require the tracking and reporting of pricing and marketing information as well as gifts, compensation and other remuneration to physicians. Many of these laws contain ambiguities as to what is required to comply with such laws, which may affect our sales, marketing, and other promotional activities by imposing administrative and compliance burdens on us. In addition, given the lack of clarity with respect to these laws and their implementation, our reporting actions could be subject to the penalty provisions of the pertinent state and perhaps federal authorities.

Violations of any of such laws or any other governmental regulations that apply may result in penalties, including, without limitation, administrative, civil and criminal penalties, damages, fines, disgorgement, the curtailment or restructuring of operations, reporting obligations and integrity oversight, exclusion from participation in federal and state healthcare programs and imprisonment.

Third-Party Coverage and Reimbursement

Sales of pharmaceutical products depend in significant part on the availability of coverage and adequate reimbursement by third-party payors, such as state and federal governments, including Medicare and Medicaid, and commercial managed care providers. In the U.S., no uniform policy of coverage and reimbursement for drug products exists among third-party payors.

Accordingly, decisions regarding the extent of coverage and amount of reimbursement to be provided for our product candidates are made on a payor by payor basis. 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 product candidates to each payor separately, with no assurance that coverage and adequate reimbursement will be obtained. Third-party payors may limit coverage to specific drug products on an approved list, or formulary, which might not include all of the FDA-approved drugs for a particular indication. A decision by a third-party payor not to cover our product candidates could reduce physician utilization of our products once approved and have a material adverse effect on our future sales, results of operations and financial condition. Moreover, a payor's decision to provide coverage for a drug product does not imply that an adequate reimbursement rate will be approved. Adequate third-party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on our investment in product development.

Additionally, under the ESRD PPS, CMS generally makes a single bundled payment to the dialysis facility for each dialysis treatment that is intended to cover all items and services CMS has determined are routinely required for dialysis treatments furnished to Medicare beneficiaries in Medicare-certified ESRD facilities or at their home, including the cost of certain drugs required for treatment of ESRD patients on dialysis. On January 1, 2025, XPHOZAH, along with other oral drugs for ESRD patients on dialysis without injectable or intravenous equivalents, became part of the ESRD PPS and coverage for XPHOZAH and these other oral drugs under Medicare Part D was eliminated. We made the decision to preserve access to XPHOZAH for all appropriate patients. Although more patients had access to XPHOZAH and we increased the number of patients on treatment compared to 2024, the change in Medicare reimbursement coverage had a negative and material impact on our XPHOZAH revenue in 2025. Our strategy for XPHOZAH remains a targeted promotional focus on nephrology healthcare providers to preserve access for patients, regardless of insurance coverage, determined to be appropriate candidates for XPHOZAH by their healthcare provider.

Healthcare Reform

In the U.S. and some foreign jurisdictions, there have been and continue to be ongoing efforts to implement legislative and regulatory changes regarding the healthcare system at the federal and state level, including with respect to the containment of healthcare costs. The significant interest by federal and state legislatures, as well as by foreign governments, in the adoption of drug price controls and other cost-containment measures, in addition to adoption of more restrictive policies in jurisdictions with existing controls and measures, could place additional downward pressure on the prices we or our collaborators may receive for our products and future product candidates, if approved, and may adversely affect our ability to achieve or maintain profitability.

For example, the ACA, enacted in 2010, substantially changed the way healthcare is financed by both governmental and private insurers and contains a number of provisions that may affect our business, including those governing enrollment in federal healthcare programs, reimbursement changes, rules regarding prescription drug benefits under the health insurance exchanges, changes to the Medicaid Drug Rebate Program, expansion of the Public Health Service Act's 340B drug pricing program, or 340B program, and fraud and abuse measures. These changes have impacted existing government healthcare programs and have resulted in the development of new programs, including Medicare payment for performance initiatives and improvements to the physician quality reporting system and feedback program. There have been ongoing changes to the implementation of the ACA since its adoption. For example, the availability of enhanced premium tax credits and other subsidies under the ACA expired as of December 31, 2025, and absent legislative action to reinstate or replace them, many individuals may experience higher out-of-pocket premium costs. These changes could result in an increase in uninsured or underinsured patients, which could negatively affect patients' ability or willingness to start or continue treatment with our products or future product candidates, if successfully developed and approved, or may otherwise increase prescription abandonment rates or place greater pressure on drug pricing generally.

Other legislative changes have been proposed and adopted in the U.S. since the ACA was enacted. These laws, among other things, included aggregate reductions of Medicare payments to providers that will remain in effect through 2032, unless additional Congressional action is taken, additional specific reductions in Medicare payments to several providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. The American Rescue Plan Act of 2021 eliminated the statutory Medicaid drug rebate cap beginning January 1, 2024. The rebate was previously capped at 100% of a drug's AMP.

There has also been heightened governmental scrutiny over the manner in which drug manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries and proposed bills designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products. In 2022, the IRA was signed into law. This statute marks the most significant action by Congress with respect to the pharmaceutical industry since adoption of the ACA in 2010. Among other things, the IRA requires manufacturers of certain drugs to engage in price negotiations with Medicare, with

prices that can be negotiated subject to a cap; imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation (first due in 2023); redesigns the Medicare Part D benefit (beginning in 2024); and replaces the Part D coverage gap discount program with a new manufacturer discount program (beginning in 2025). CMS has published the negotiated prices for the initial ten drugs, which went into effect in January 2026, and the subsequent 15 drugs, which will first be effective in 2027. The IRA permits the Secretary of HHS to implement many of these provisions through guidance, as opposed to regulation, for the initial years. HHS has and will continue to issue and update guidance as these programs are implemented, although the Medicare drug price negotiation program is currently subject to legal challenges. While the impact of the IRA on the pharmaceutical industry cannot yet be fully determined, it is likely to be significant.

The One Big Beautiful Bill Act, which was enacted in July 2025, imposes significant reductions in the funding of the Medicaid program, and imposes requirements for recipients to work and/or participate in qualifying activities in order to receive Medicaid benefits. Such reductions and requirements are expected to decrease the number of persons enrolled in Medicaid and reduce the services covered by Medicaid, which could adversely affect sales of our products.

The current administration is pursuing a two-fold strategy to reduce drug costs in the U.S. While it is unclear whether and how these proposals will be implemented, the current administration's policies are likely to have a negative impact on the pharmaceutical industry and on our ability to receive adequate revenues for our products. On the one hand, President Trump has threatened to impose significant tariffs on pharmaceutical manufacturers that do not adopt pricing policies such as most favored nation pricing, which would tie the price for drugs in the U.S. to the lowest price in a group of other countries. In response, multiple manufacturers have entered into confidential pricing agreements with the federal government. On the other hand, the current administration is pursuing traditional regulatory pathways to impose drug pricing policies and published two proposed regulations in December 2025, referred to as GLOBE and GUARD. If finalized, these regulations would implement mandatory payment models under which manufacturers of eligible drugs would be required to pay rebates to the federal government on a portion of the units of their drugs that are reimbursed by Medicare, with the rebate amount based on most favored nation pricing. Imposing a rebate in the U.S. that is based on drug prices outside the U.S. would mark a drastic and unprecedented shift in the U.S. pharmaceutical market, and while the impact of the GLOBE and GUARD proposed regulations, if finalized, cannot yet be determined, it is likely to be significant. Even regulatory proposals or executive actions that are ultimately deemed unlawful could negatively impact the U.S. pharmaceutical sector and our business.

Additionally, individual states have become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access, and to encourage importation from other countries and bulk purchasing. Some states have enacted legislation creating so-called prescription drug affordability boards, which ultimately may attempt to impose price limits on certain drugs in these states, and at least one state board is imposing an upper payment limit. States are also seeking to implement general, across the board price caps for pharmaceuticals, or are seeking to regulate drug distribution.

These new laws and the regulations and policies implementing them, as well as other healthcare reform measures that may be adopted in the future, may have a material adverse effect on our industry generally and on our ability to successfully develop and commercialize our products.

Government Price Reporting

Medicaid is a joint federal and state program for low-income and disabled beneficiaries. Medicare is a federal program covering individuals age 65 and over as well as those with certain disabilities. As a condition of having federal funds being made available for our covered outpatient drugs under Medicaid, we have enrolled in the MDRP, which requires us to pay a rebate to state Medicaid programs for each unit of our covered outpatient drugs dispensed to a Medicaid beneficiary and paid for by a state Medicaid program. Medicaid drug rebates are based on pricing data that we must report on a monthly and quarterly basis to the U.S. CMS, the federal agency that administers the MDRP and Medicare programs. For the MDRP, these data include the AMP and the best price for each drug. If we become aware that our MDRP price reporting submission for a prior period was incorrect or has changed as a result of recalculation of the pricing data, we must resubmit the corrected data for up to three years after those data originally were due. Manufacturers who fail to provide information timely or are found to have knowingly submitted false information to the government may be subject to civil monetary penalties and other sanctions, including termination from the MDRP.

Federal law requires that a manufacturer that participates in the MDRP also participate in the 340B program in order for federal funds to be available for the manufacturer's covered outpatient drugs under Medicaid and Medicare Part B. We participate in the 340B program, which is administered by HRSA, and requires us to charge statutorily defined covered entities no more than the 340B "ceiling price" for our covered outpatient drugs used in an outpatient setting. These 340B covered entities include a variety of community health clinics and other entities that receive health services grants from the Public Health Service, as well as hospitals that serve a disproportionate share of low-income patients. The 340B ceiling price is

calculated using a statutory formula, which is based on the AMP and rebate amount for the covered outpatient drug as calculated under the MDRP. In general, products subject to Medicaid price reporting and rebate liability are also subject to the 340B ceiling price calculation and discount requirement. We must report 340B ceiling prices to HRSA on a quarterly basis, and HRSA publishes them to 340B covered entities. HRSA has finalized regulations regarding the calculation of the 340B ceiling price and the imposition of civil monetary penalties on manufacturers that knowingly and intentionally overcharge covered entities for 340B-eligible drugs. HRSA has also finalized an administrative dispute resolution process through which 340B covered entities may pursue claims against participating manufacturers for overcharges, and through which manufacturers may pursue claims against 340B covered entities for engaging in unlawful diversion or duplicate discounting of 340B drugs.

In order to be eligible to have drug products paid for with federal funds under Medicaid and purchased by certain federal agencies and grantees, manufacturers must also participate in the U.S. VA FSS pricing program. Under the VA/FSS program, manufacturers must report the Non-FAMP for their covered drugs to the VA and charge certain federal agencies no more than the Federal Ceiling Price, which is calculated based on Non-FAMP using a statutory formula. These four agencies are the VA, the U.S. Department of Defense, the U.S. Coast Guard and the U.S. Public Health Service (including the Indian Health Service). Manufacturers must also pay rebates on products purchased by military personnel and dependents through the TRICARE retail pharmacy program. Manufacturers who fail to provide timely information or are found to have knowingly submitted false information may be subject to civil monetary penalties.

Individual states continue to consider and have enacted legislation to limit the growth of healthcare costs, including the cost of prescription drugs and combination products. A number of states have either implemented or are considering implementation of drug price transparency legislation. Requirements under such laws include advance notice of planned price increases, reporting price increase amounts and factors considered in taking such increases, wholesale acquisition cost information disclosure to prescribers, purchasers, and state agencies, and new product notice and reporting. Such legislation could limit the price or payment for certain drugs, and a number of states are authorized to impose civil monetary penalties or pursue other enforcement mechanisms against manufacturers who fail to comply with drug price transparency requirements, including the untimely, inaccurate or incomplete reporting of drug pricing information.

Data Privacy and Security Laws

Numerous state, federal and foreign laws, including consumer protection laws and regulations, govern the collection, dissemination, use, access to, confidentiality and security of personal information, including health-related information. In the U.S., numerous federal and state laws and regulations, including data breach notification laws, health information privacy and security laws that govern the collection, use, disclosure, and protection of health-related and other personal information could apply to our operations or the operations of our partners. Further, certain foreign laws govern the privacy and security of personal data, including health-related data. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and/or criminal penalties and private litigation. Privacy and security laws, regulations, and other obligations are constantly evolving, may conflict with each other to complicate compliance efforts, and can result in investigations, proceedings, or actions that lead to significant civil and/or criminal penalties and restrictions on data processing.

Other Regulations

We are also subject to numerous federal, state and local laws relating to such matters as safe working conditions, manufacturing practices, environmental protection, fire hazard control, and disposal of hazardous or potentially hazardous substances. We may incur significant costs to comply with such laws and regulations now or in the future.

Human Capital

The future success of our company depends on our ability to attract, retain and further develop top talent. As we continually expand our organization to support our current and future growth opportunities, we have remained steadfastly committed to our values, including our goal to develop and maintain a professional, respectful and collaborative workplace with opportunities for our employees to grow and develop in their careers, supported by strong compensation and benefits.

At December 31, 2025, we had 489 full-time employees, 93 of whom were engaged directly in research, development and manufacturing, 305 in sales and marketing and 91 in general and administrative activities. During 2025, our employee base increased by 94, or approximately 24%.

Workforce Culture and Composition

Our culture is supported by an unwavering commitment to maintaining a professional, respectful and collaborative work environment that supports engagement and performance. As of December 31, 2025, approximately 63% of our workforce was female; 38% of our executive leadership team was female and 54% of our employees in managerial roles were female. As of

December 31, 2025, employees who self-identified as members of underrepresented groups represented 35% of our workforce and 37% of our employees in managerial roles. We strive to foster a culture where mutual respect, accountability, integrity and dignity are core to our individual expectations.

We believe that fostering an environment in which employees feel respected and supported enhances productivity, innovation and long-term organizational success.

Core Values

Fostering and maintaining a strong, healthy culture is a key strategic focus. Our core values reflect who we are and the way our employees interact with one another, our partners and our stockholders. We are committed to our core values, recognizing that they will foster an environment where we will be able to realize our vision of advancing patient care. We are Passionate, aware that with integrity and determination, we make a difference for patients. We are Fearless, aware that by challenging convention, we truly innovate. We are Dedicated, aware that working tirelessly together, we are greater than the sum of our parts. We are Inclusive, aware that with respect, grace and humor, we are family. We encourage our employees to live out our core values and believe they help our culture stay strong and unique.

Health, Safety and Well-being

The health, safety and well-being of our employees are priorities in which we have always invested and will continue to do so. We offer hybrid and remote working opportunities for our team members employed in areas within the organization where such flexible work options are possible. We will continue to adopt and align our policies to focus on the health, safety and wellness of our employees, and the needs of our business.

Compensation and Benefits

We recognize that we operate within an industry where there is significant competition for top talent, and we endeavor to provide not only a strong healthy culture, but also important compensation and benefits programs to help meet the needs of our employees. In addition to base compensation, these programs include annual bonuses, quarterly incentives for our field based teams, stock awards, an Employee Stock Purchase Plan, 401(k) with company match contribution, healthcare and insurance benefits, health savings (funded by the Company) and flexible spending accounts, family leave, family care resources, and flexible work schedules, among many others.

Ensuring fair and equitable pay is integral to our commitment to our employees. Our executive team and board of directors strongly support this commitment. We conduct pay equity reviews annually to help us understand whether our compensation structure is appropriate and to identify what improvements can be made.

Corporate Information

We were founded in October 2007 as a Delaware corporation under the name Nteryx. We changed our name to Ardelyx, Inc. in June 2008. We operate in one business segment, which is the development and commercialization of biopharmaceutical products. Our principal executive offices are located at 400 Fifth Avenue, Suite 210, Waltham, Massachusetts 02415, and our telephone number is (510) 745-1700. Our website address is www.ardelyx.com.

We file electronically with the SEC our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K pursuant to Section 13(a) or 15(d) of the Exchange Act. We make copies of these reports available on our website, www.ardelyx.com, free of charge, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The address of that website is www.sec.gov.

ITEM 1A. RISK FACTORS

Our business involves significant risks, some of which are described below. You should carefully consider these risks, as well as other information in this Annual Report on Form 10-K, including our financial statements and the notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations, cash flows, the trading price of our common stock and our growth prospects. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations.

Risks Related to our Financial Condition and Capital Requirements

We have incurred losses in each year since our inception, and if we are unable to continue to increase revenue and/or, depending upon our pursuit of future business opportunities, we may not achieve expected cash flow positivity, and even if we do, we may not be able to sustain cash flow positivity quarter over quarter and year over year.

In March 2022, we commenced the commercialization of our first product, IBSRELA® (tenapanor) for the treatment of IBS-C in adult patients. In November 2023, we commenced the commercialization of XPHOZAH® (tenapanor) for the reduction of serum phosphorus in adults with CKD on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy.

We have incurred losses in each year since our inception in October 2007. We continue to incur commercialization, development and additional expenses related to our ongoing operations and pursuit of future business opportunities. As of December 31, 2025, we had an accumulated deficit of $946.9 million. Our prior losses, combined with any future losses, have had and will continue to have an adverse effect on our stockholders' equity and working capital.

If we are unable to continue to increase revenue for IBSRELA and XPHOZAH, and/or if we elect to pursue future business opportunities to strengthen our pipeline, we may not achieve expected cash flow positivity, and even if we do, we may not be able to sustain cash flow positivity quarter over quarter and year over year.

Our ability to achieve and sustain cash flow positivity quarter over quarter and year over year depends heavily on our ability to successfully commercialize IBSRELA and XPHOZAH and on the decisions we may make to expand our pipeline through internal investment and/or acquiring external assets. In addition, our cash flow positivity may be impacted by the costs of our ongoing development efforts, including our Phase 3 clinical trial evaluating tenapanor in CIC and our RDX10531 development program.

Our ability to successfully commercialize IBSRELA and XPHOZAH and continue to grow revenue received for both products depends on many factors, including but not limited to:

- maintaining sufficient market acceptance of IBSRELA as a viable treatment option for IBS-C;
- obtaining market acceptance of XPHOZAH;
- the extent to which access to XPHOZAH is impacted by the elimination of Medicare Part D coverage for XPHOZAH, which occurred on January 1, 2025, and the extent to which this change will interfere with the shared decision-making between healthcare professionals and their patients, regardless of insurance coverage;
- the extent to which the elimination of separate payment for XPHOZAH for Medicare beneficiaries under Medicare Part D will influence the payment decisions of other payors and the extent to which payment for XPHOZAH will continue to be made as a pharmacy benefit for non-Medicare patients;
- our ability to obtain an adequate level of coverage and reimbursement for IBSRELA by third-party payors;
- the extent to which the actions of the current administration may result in downward pressure on the price that we receive for IBSRELA and XPHOZAH;
- establishing and maintaining supply and manufacturing relationships with third parties that can provide an adequate (in amount and quality) supply of product to support the market demand for IBSRELA and XPHOZAH;
- addressing any competing technological and market developments, including competing therapies that currently exist or that could be successfully developed and approved;

- maintaining, protecting and expanding our portfolio of intellectual property rights, including patents, trade secrets, and know-how, and our ability to develop, manufacture and commercialize our product candidates and products without infringing intellectual property rights of others; and
- attracting, hiring, and retaining qualified personnel.

With respect to our commercialization of IBSRELA and XPHOZAH, our revenue, and therefore, our ability to achieve and sustain cash flow positivity will be dependent, in part, upon the size of the markets in the U.S., the label for which approval was granted, accepted price for the product, and the ability to secure and maintain adequate reimbursement. On January 1, 2025, XPHOZAH, along with other oral drugs for ESRD patients on dialysis without injectable or intravenous equivalents, became part of the ESRD PPS and coverage for XPHOZAH and these other oral drugs under Medicare Part D was eliminated. The inclusion of XPHOZAH in the ESRD PPS creates additional uncertainty as to the commercial opportunity for XPHOZAH. See "— *XPHOZAH became part of the ESRD PPS on January 1, 2025, which means coverage for XPHOZAH for Medicare beneficiaries is no longer available under Medicare Part D; this resulted in a negative and material impact on our XPHOZAH revenue in 2025; and the continued lack of Medicare Part D coverage for XPHOZAH will result in a materially lower pace of revenue growth as compared to expectations before XPHOZAH became part of the ESRD PPS*" below.

If our current cash, cash equivalents and short-term investments as well as our plans to meet our operating cash flow requirements are not sufficient to fund investments we may elect to make in building our pipeline, we will not be able achieve or, if achieved, to sustain cash flow positivity, and our liquidity, financial condition, and business prospects may be materially affected.

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

We have substantial net operating loss and tax credit carryforwards for Federal and California income tax purposes. Such net operating losses and tax credits carryforwards may be reduced as a result of certain intercompany restructuring transactions. In addition, the future utilization of such net operating loss and tax credit carryforwards and credits may be subject to limitations, pursuant to Sections 382 and 383 of the Internal Revenue Code of 1986, as amended. In general, if a corporation undergoes an "ownership change," generally defined as a cumulative change of more than 50 percentage points (by value) in its equity ownership by certain stockholders over a three-year period, the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes (such as research and development tax credits) to offset its post-change income or taxes may be limited. We have experienced ownership changes in the past and may experience additional ownership changes in the future, as a result of subsequent changes in our stock ownership, some of which are outside our control. Accordingly, we may not be able to utilize a material portion of our NOL carryforwards, even if we achieve profitability.

We may require additional financing for the foreseeable future as we invest in the growth of IBSRELA and XPHOZAH in the U.S. and build a pipeline. The inability to access necessary capital when needed on acceptable terms, or at all, could force us to delay or limit our pursuit of other future business opportunities.

We believe that we will continue to expend substantial resources for the foreseeable future, including costs associated with our efforts to commercialize IBSRELA and XPHOZAH; conducting pediatric clinical trials for IBSRELA; our ongoing efforts to evaluate and seek approval of tenapanor for the treatment of CIC, including our ongoing Phase 3 clinical trial in this indication; manufacturing for IBSRELA and XPHOZAH; investments to build a pipeline; and research and development related to potential new product candidates, including development costs related to RDX10531, a next-generation sodium/hydrogen exchanger 3 (NHE3) inhibitor. The inability to access necessary capital when needed on acceptable terms, or at all, could force us to delay or limit our development of potential new products, or our pursuit of future business opportunities. Our future funding requirements will depend on many factors, including, but not limited to:

- the extent to which we are able to continue to generate and increase product revenue from sales of IBSRELA and XPHOZAH;
- the extent to which access to XPHOZAH is impacted by the elimination of Medicare Part D coverage for XPHOZAH, which occurred on January 1, 2025, and the extent to which this change will interfere with the shared decision-making between healthcare professionals and their patients, regardless of insurance coverage;
- the extent to which the elimination of separate payment for XPHOZAH for Medicare beneficiaries under Medicare Part D will influence the payment decisions of other payors and the extent to which payment for XPHOZAH will continue to be made as a pharmacy benefit for non-Medicare patients;
- the extent to which the actions of the current administration may result in downward pressure on the price that we receive for IBSRELA and XPHOZAH;

- the availability of adequate third-party reimbursement for IBSRELA;
- the manufacturing, selling and marketing costs associated with IBSRELA and XPHOZAH;
- our ability to maintain our existing collaboration partnerships and to establish additional collaboration partnerships, in-license/out-license, joint ventures or other similar arrangements and the financial terms of such agreements;
- the timing, receipt and amount of milestones or royalties from our collaboration partners, if any;
- the cash requirements necessary to expand our business;
- the cash requirements for our ongoing efforts to evaluate and seek approval of tenapanor for the treatment of CIC, including our ongoing Phase 3 clinical trial in this indication;
- the cash requirements for the discovery and/or development of other potential product candidates, including RDX10531;
- the time and cost necessary to respond to technological and market developments;
- the costs of filing, prosecuting, maintaining, defending and enforcing any patent claims and other intellectual property rights, including litigation costs and the outcome of such litigation, and costs of defending any claims of infringement brought by others in connection with the development, manufacture or commercialization of tenapanor or any of our product candidates; and
- the payment of interest and principal related to our loan and security agreement entered into with SLR, as amended to date.

Additional funds may not be available when we need them on terms that are acceptable to us, or at all. If adequate funds are not available to us on a timely basis, we may be required to delay or limit additional clinical trials for tenapanor, or delay or limit our pursuit of other future business opportunities.

Principal Risks Related to Our Business

We are substantially dependent on the successful commercialization of IBSRELA, and there is no guarantee that we will maintain sufficient market acceptance for IBSRELA, grow market share for IBSRELA, secure and maintain adequate coverage and reimbursement for IBSRELA, or generate sufficient revenue from product sales of IBSRELA.

We began selling IBSRELA in the U.S. in March 2022. The overall commercial success of IBSRELA will depend on a number of factors, including the following:

- the ability of the third-party manufacturers we contract with to provide an adequate (in amount and quality) supply of product to support the market demand for IBSRELA;
- our ability to obtain and sustain an adequate level of coverage and reimbursement for IBSRELA by third-party payors;
- the effectiveness of IBSRELA as a treatment for adult patients with IBS-C;
- whether IBSRELA will be subject to price negotiations under the IRA, and the timing and impact of those price negotiations on the revenue from product sales of IBSRELA;
- the extent to which the actions of the current administration may result in downward pressure on the price that we receive for IBSRELA;
- the size of the treatable patient population;
- our ability to successfully expand the IBSRELA eligible patient population, including with respect to our ongoing efforts to evaluate and seek approval of tenapanor for the treatment of CIC;
- our ability to continue to increase the market share of IBSRELA;
- the effectiveness of our sales, market access and marketing efforts;
- whether physicians view IBSRELA as a safe and effective treatment for adult patients with IBS-C, which will impact the adoption of IBSRELA by physicians for the treatment of IBS-C;

- the availability, perceived advantages, relative cost, relative safety and relative efficacy of IBSRELA compared to alternative and competing treatments;
- the prevalence and severity of adverse side effects of IBSRELA;
- our potential involvement in lawsuits in connection with enforcing intellectual property rights in and to IBSRELA;
- our potential involvement in third-party interference, opposition, derivation or similar proceedings with respect to our patent rights directed to IBSRELA, and avoiding other challenges to our patent rights and patent infringement claims; and
- a continued acceptable safety and tolerability profile of IBSRELA following approval.

The amount of potential revenue we may achieve from the commercialization of IBSRELA is subject to these and other factors, and may be unpredictable from quarter-to-quarter. If the number of patients in the market for IBSRELA or the price that the market can bear is not as significant as we estimate, if we are not able to continue to secure and maintain physician and patient acceptance of IBSRELA or adequate coverage and reimbursement for IBSRELA, or if we are not successful in our efforts to develop and obtain regulatory approval for IBSRELA for CIC patients in the time frame we expect, or at all, we may not generate sufficient revenue from sales of IBSRELA to achieve our business goals. Any failure of IBSRELA to maintain market acceptance, continue to increase market share, obtain and maintain sufficient third-party coverage or reimbursement, or achieve commercial success would adversely affect our results of operations.

There is no guarantee that we will achieve sufficient market acceptance for XPHOZAH, or that we will be able to secure and maintain adequate coverage and reimbursement for XPHOZAH, or generate sufficient revenue from product sales of XPHOZAH. The inclusion of XPHOZAH in the ESRD PPS creates additional uncertainty as to the commercial opportunity for XPHOZAH.

We began selling XPHOZAH in the U.S. in November 2023. The overall commercial success of XPHOZAH will depend on a number of factors, including the following:

- the extent to which access to XPHOZAH is impacted by the elimination of Medicare Part D coverage for XPHOZAH, which occurred on January 1, 2025, and the extent to which this change will interfere with the shared decision-making between healthcare professionals and their patients, regardless of insurance coverage;
- the extent to which the elimination of separate payment for XPHOZAH for Medicare beneficiaries under Medicare Part D will influence the payment decisions of other payors and the extent to which payment for XPHOZAH will continue to be made as a pharmacy benefit for non-Medicare patients;
- the extent to which the actions of the current administration may result in downward pressure on the price that we receive for XPHOZAH;
- the ability of the third-party manufacturers we contract with to provide an adequate (in amount and quality) supply of product to support the market demand for XPHOZAH;
- whether or not the content and breadth of the label that has been approved by the FDA for XPHOZAH will materially and adversely impact our ability to commercialize the product for the approved indication;
- the prevalence and severity of adverse side effects of XPHOZAH;
- acceptance of XPHOZAH as safe, effective and well-tolerated by patients and the medical community;
- our ability to manage the commercialization of IBSRELA and XPHOZAH and the complex pricing and reimbursement negotiations that may arise with marketing products containing the same active ingredient at different doses for separate indications;
- the availability, perceived advantages, relative cost, relative safety and relative efficacy of XPHOZAH compared to alternative and competing treatments;
- obtaining and sustaining an adequate level of coverage and reimbursement for XPHOZAH by third-party payors;
- our potential involvement in lawsuits in connection with enforcing intellectual property rights in and to XPHOZAH;

- our potential involvement in third-party interference, opposition, derivation or similar proceedings with respect to our patent rights, and avoiding other challenges to our patent rights and patent infringement claims; and
- a continued acceptable safety and tolerability profile of XPHOZAH following approval.

There is no guarantee that we will achieve sufficient market acceptance for XPHOZAH, or that we will be able to secure and maintain adequate coverage and reimbursement for XPHOZAH, or generate sufficient revenue from product sales of XPHOZAH. The inclusion of XPHOZAH in the ESRD PPS creates additional uncertainty as to the commercial opportunity for XPHOZAH. See "*—XPHOZAH became part of the ESRD PPS on January 1, 2025, which means coverage for XPHOZAH for Medicare beneficiaries is no longer available under Medicare Part D; this resulted in a negative and material impact on our XPHOZAH revenue in 2025; and the continued lack of Medicare Part D coverage for XPHOZAH will result in a materially lower pace of revenue growth as compared to expectations before XPHOZAH became part of the ESRD PPS*" below.

XPHOZAH became part of the ESRD PPS on January 1, 2025, which means coverage for XPHOZAH for Medicare beneficiaries is no longer available under Medicare Part D; this resulted in a negative and material impact on our XPHOZAH revenue in 2025; and the continued lack of Medicare Part D coverage for XPHOZAH will result in a materially lower pace of revenue growth as compared to expectations before XPHOZAH became part of the ESRD PPS.

In January 2011, CMS, an agency within the United States Department of Health and Human Services responsible for administering the Medicare program, implemented the ESRD PPS, a new PPS for dialysis treatment. Under the ESRD PPS, CMS generally makes a single bundled payment to the dialysis facility for each dialysis treatment that covers all items and services routinely required for dialysis treatments furnished to Medicare beneficiaries in Medicare-certified ESRD facilities or at their home, including the cost of certain drugs defined by CMS to be part of the renal dialysis service. CMS included XPHOZAH in the ESRD PPS, effective January 1, 2025, eliminating coverage for XPHOZAH for Medicare beneficiaries under Medicare Part D. The change in Medicare reimbursement coverage had a negative and material impact on our XPHOZAH revenue in 2025. We anticipate the continued lack of Medicare Part D coverage for XPHOZAH will result in a materially lower pace of revenue growth as compared to expectations before XPHOZAH became part of the ESRD PPS.

The extent to which the inclusion of XPHOZAH in the ESRD PPS will continue to materially and adversely impact our XPHOZAH business is dependent on the following:

- the extent to which this change will interfere with the shared decision-making between healthcare professionals and their patients, regardless of insurance coverage; and
- the extent to which the elimination of separate payment for XPHOZAH for Medicare beneficiaries under Medicare Part D will influence the payment decisions of other payors and the extent to which payment for XPHOZAH will continue to be made as a pharmacy benefit for non-Medicare patients.

IBSRELA and/or XPHOZAH may cause undesirable side effects or have other properties that could limit the commercial success of the products.

Undesirable side effects caused by IBSRELA and/or XPHOZAH could cause us or regulatory authorities to interrupt, delay or halt the commercialization of the product. Despite marketing approval for IBSRELA and XPHOZAH, the prevalence and/or severity of side effects caused by IBSRELA and/or XPHOZAH could result in a number of potentially significant negative consequences, including:

- regulatory authorities may withdraw their approval of the product or seize the product;
- we or a collaboration partner may be required to recall the product;
- additional restrictions may be imposed on the marketing of the particular product or the manufacturing processes for the product or any component thereof, including the imposition of a REMS which could require creation of a Medication Guide or patient package insert outlining the risks of such side effects for distribution to patients, a communication plan to educate healthcare providers of the drugs' risks, as well as other elements to assure safe use of the product, such as a patient registry and training and certification of prescribers;
- we or a collaboration partner may be subject to fines, injunctions or the imposition of civil or criminal penalties;
- regulatory authorities may require the addition of new labeling statements, such as a "black box" warning or a contraindication;
- we could be sued and held liable for harm caused to patients;

- the product may become less competitive; and
- our reputation may suffer.

Any of the foregoing events could prevent us, or a collaboration partner, from achieving or maintaining market acceptance of IBSRELA and/or XPHOZAH, and could result in the loss of significant revenue to us, which would materially and adversely affect our results of operations and business.

Third-party payor coverage and reimbursement status of newly commercialized products are uncertain. Failure to obtain or maintain adequate coverage and reimbursement for IBSRELA and XPHOZAH could limit our ability to market those products and decrease our ability to generate revenue.

The pricing, coverage and reimbursement of IBSRELA and XPHOZAH must be adequate to support a commercial infrastructure. The availability and adequacy of coverage and reimbursement by governmental and private payors are essential for most patients to be able to afford treatments. Sales of IBSRELA and XPHOZAH will depend substantially, both domestically and abroad, on the extent to which the costs of the product will be paid for by health maintenance, managed care, pharmacy benefit, and similar healthcare management organizations, or reimbursed by government authorities, private health insurers, and other third-party payors. If coverage and reimbursement are not available, or are available only to limited levels, we, or our collaboration partners, may not be able to successfully commercialize IBSRELA or XPHOZAH. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow us to establish or maintain pricing sufficient to realize a return on our investment.

In the U.S., CMS decides whether and to what extent a new drug will be covered and reimbursed under Medicare. Private payors tend to follow the coverage reimbursement policies established by CMS to a substantial degree. On January 1, 2025, XPHOZAH, along with other oral drugs for ESRD patients on dialysis without injectable or intravenous equivalents, became part of the ESRD PPS and coverage for XPHOZAH and these other oral drugs under Medicare Part D was eliminated. See "*—XPHOZAH became part of the ESRD PPS on January 1, 2025, which means coverage for XPHOZAH for Medicare beneficiaries is no longer available under Medicare Part D; this resulted in a negative and material impact on our XPHOZAH revenue in 2025; and the continued lack of Medicare Part D coverage for XPHOZAH will result in a materially lower pace of revenue growth as compared to expectations before XPHOZAH became part of the ESRD PPS*" above.

Outside the U.S., international operations are generally subject to extensive governmental price controls and other market regulations, and we believe the increasing emphasis on cost-containment initiatives in Europe, Canada, Japan, China and other countries has and will continue to put pressure on the pricing and usage of IBSRELA and XPHOZAH, even if regulatory approval is received in such countries. In many countries, the prices of medical products are subject to varying price control mechanisms as part of national health systems. Other countries allow companies to fix their own prices for medicinal products, but monitor and control company profits. Additional foreign price controls or other changes in pricing regulation could restrict the amount that we are able to charge for our products. Accordingly, in markets outside the U.S., the reimbursement for our products may be reduced compared with the U.S. and may be insufficient to generate commercially reasonable revenue and profits.

Moreover, increasing efforts by governmental and third-party payors in the U.S. and abroad to cap or reduce healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, these caps may not cover or provide adequate payment for our product candidates. We expect to experience pricing pressures in connection with the sale of IBSRELA and XPHOZAH, 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 and surgical procedures and other treatments, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products.

We rely completely on third parties, including certain single-source suppliers, to manufacture IBSRELA and XPHOZAH. If they are unable to comply with applicable regulatory requirements, unable to source sufficient raw materials, experience manufacturing or distribution difficulties or are otherwise unable to manufacture sufficient quantities to meet demand, our commercialization of IBSRELA and XPHOZAH may be materially harmed.

We do not currently have, nor do we plan to acquire, the infrastructure or capability internally to manufacture IBSRELA or XPHOZAH on a commercial scale, or to manufacture our drug supplies for use in the conduct of our nonclinical and clinical studies. Our success depends upon our ability to enter into new supplier agreements and maintain our relationships with suppliers who are critical and necessary to the production of our drug supply.

The facilities used by our CMOs to manufacture our drug supply are subject to inspection by the FDA. Our ability to control the manufacturing process of our product candidates is limited to the contractual requirements and obligations we

impose on our CMOs. Although they are contractually required to do so, we are completely dependent on our CMOs for compliance with the regulatory requirements, known as cGMP requirements, for manufacture of both active drug substances and finished drug products.

The manufacture of pharmaceutical products requires significant expertise and capital investment. Manufacturers of pharmaceutical products often encounter difficulties in commercial production. These problems may include difficulties with production costs and yields, quality control, including stability of the product and quality assurance testing, and shortages of qualified personnel, as well as compliance with federal, state and foreign regulations and the challenges associated with complex supply chain management. Even if our CMOs do not experience problems and commercial manufacturing is achieved, their maximum or available manufacturing capacities may be insufficient to meet commercial demand. Finding alternative manufacturers or adding additional manufacturers requires a significant amount of time and involves significant expense. New manufacturers would need to develop and implement the necessary production techniques and processes, which along with their facilities, would need to be inspected and approved by the regulatory authorities in each applicable territory. In addition, the raw materials necessary to make API for our products are acquired from a limited number of sources. Any delay or disruption in the availability of these raw materials could result in production disruptions, delays or higher costs with consequent adverse effects on us.

If our CMOs fail to adhere to applicable cGMP or other regulatory requirements, experience delays or disruptions in the availability of raw materials or experience manufacturing or distribution problems, we may suffer significant consequences, including the inability to meet our product requirements for our clinical development programs, and such events could result in product seizures or recalls, loss of product approval, fines and sanctions, reputational damage, shipment delays, inventory shortages, inventory write-offs and other product-related charges and increased manufacturing costs. As a result, or if maximum or available manufacturing capacities are insufficient to meet demand, our development or our commercialization efforts for IBSRELA and/or XPHOZAH may be materially harmed.

We may rely on foreign CROs and CMOs, which may be subject to U.S. legislation, sanctions, trade restrictions and other foreign regulatory requirements which could increase the cost or reduce the supply of material available to us, delay the procurement or supply of such material or have an adverse effect on our ability to secure significant commitments from governments to purchase our potential therapies. For example, the U.S. BIOSECURE Act, which was enacted in December 2025, prohibits federal agencies from procuring or using any biotechnology equipment or services from "biotechnology companies of concern", or entering into, extending, or renewing any contracts with entities that use such biotechnology equipment or services from "biotechnology companies of concern". Congress has interpreted a "biotechnology company of concern" as an entity that is under the control of a foreign adversary and that poses a risk to national security based on its research or multiomic data collection (e.g., collection of genomic information). While the U.S. BIOSECURE Act has a grandfathering period of five years for existing contracts, and has carveouts for manufacture of drugs for supply under Medicaid and Medicare Part B, subject to the Secretary of Veterans Affairs' discretion, the impact of the U.S. BIOSECURE Act on the biotechnology industry is uncertain. If the foreign CROs and CMOs we rely on become subject to trade restrictions, sanctions, increased tariffs or other regulatory requirements by the U.S. government (including designation as a "biotechnology company of concern" under the U.S. BIOSECURE Act), or if the U.S. or Chinese government take retaliatory actions due to recent or increased tensions between the U.S. and China, it may have the potential to severely restrict the ability of U.S. biopharmaceutical companies like us to purchase services or products from, or otherwise collaborate with, certain "biotechnology companies of concern" without losing the ability to contract with, or otherwise receive funding from, the U.S. government.

Our future business prospects may depend on our ability, alone or through our current or future collaborations, to successfully develop, gain regulatory approval of and commercialize our current and future product candidates.

Before obtaining marketing approval from regulatory authorities for the sale of our product candidates, including new uses for currently approved products, we must conduct extensive clinical studies to demonstrate the safety and efficacy of the product candidates in humans. The drug development process, including obtaining regulatory approval for a product, is a long, expensive and uncertain process, involving a high degree of risk. We cannot be certain that we will be able to complete ongoing clinical trials or to announce results of such trials with respect to any of our product candidates, on the timelines we expect or at all, or that the results of our clinical trials or other activities under our development programs will be positive. We cannot be certain that we will be able to advance such product candidates into additional trials or to successfully develop, obtain regulatory approval for, or successfully commercialize any of our product candidates, if approved.

For example, in October 2025, we announced the initiation of a development program for RDX10531, a next-generation NHE3 inhibitor with potential application across multiple therapeutic areas. In January 2026, we initiated ACCEL (ten-03-301), a Phase 3 clinical trial designed to assess the safety and efficacy of tenapanor for the treatment of CIC. Enrollment in ACCEL is expected throughout 2026, with topline data read out in the second half of 2027. We may not be able to demonstrate the

efficacy and safety of these or any future product candidates, or we may encounter other issues with any clinical trials or non-clinical studies required for regulatory submissions of our product candidates. The results of clinical trials or non-clinical studies of our product candidates at any stage may not support further development or may not be sufficient to file for and obtain regulatory approval on the timelines we expect or at all. The FDA or other regulatory authorities may not agree with our interpretation of the results of clinical trials or non-clinical studies. Other decisions or actions of the FDA or other regulatory authorities may affect our plans, progress, results, timing or next steps, including whether to proceed with further development. Some or all of our current or future non-clinical studies or clinical trials may fail to meet their primary or key secondary endpoints, raise safety issues or generate mixed results, resulting in delays to or discontinuation of certain development efforts and/or additional expense.

In the conduct of clinical trials, we could encounter delays in our development if any clinical trials are suspended or terminated by us, by the IRBs of the institutions in which the trial is being conducted, or by the FDA or other regulatory authorities. Such authorities may suspend or terminate a clinical trial due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the 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 drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial.

Our ongoing and planned development activities may be negatively impacted by a number of factors. Widespread healthcare and vendor staffing shortages and increased competition for patients and clinical sites may make it difficult to enroll patients in our non-clinical studies and/or clinical trials and/or identify and activate participating clinical sites for our trials, may cause other delays at clinical trial sites and/or vendors, and may increase the rates of patients withdrawing from our clinical trials following enrollment. Some clinical sites may decline or delay participation in our trials due to capacity and resource constraints. These or other factors may substantially slow clinical site identification and activation and enrollment in our clinical trials, or cause us to pause trials, which may, in each case, significantly impact our ability to meet our expected timelines, budgets, or other plans.

Identifying and qualifying patients to participate in any clinical trials is critical to the success of the clinical trials. The timing of any future clinical trials that we may determine to conduct will depend, in part, on the speed at which we can recruit patients to participate in testing our product candidates. Patients may be unwilling to participate in our clinical studies because of concerns about adverse events observed with the current standard of care, competitor products and/or other investigational agents, in each case for the same indications and/or similar patient populations. In addition, patients currently receiving treatment with the current standard of care or a competitor product may be reluctant to participate in a clinical trial with an investigational drug, or our inclusion and exclusion criteria for our clinical trials may present challenges in identifying acceptable patients. As a result, the timeline for recruiting patients and conducting clinical trials may be delayed. These delays could result in increased costs, delays in advancing our development of the program or termination of the clinical studies altogether. Any of these occurrences may significantly harm our business, financial condition and prospects.

In addition, limitations or modifications to study procedures, study visits or data collection, restrictions on key clinical trial activities such as monitoring or auditing, or other restrictions that may affect data analysis activities may require additional assessment and evaluation from IRBs, negatively impact the integrity or completeness of our trial data, the powering of a trial, the integrity or relevance of clinical study endpoints, or impact the timing of availability of results. Any of these factors could delay or increase the expense of our ongoing or future development programs.

The drug development process can take many years and may include post-marketing studies and surveillance, which will require the expenditure of substantial resources. Of the large number of drugs in development in the U.S., only a small percentage will successfully complete the FDA regulatory approval process and will be commercialized. Accordingly, even if we have the requisite financial resources, when needed, to continue to fund our development efforts, our current or future product candidates may never be successfully developed or commercialized. Even if we conduct the trials required by the FDA, the FDA may ultimately decide that the design, number and type of trials, number of patients studied or results, even if positive, are not sufficient to file for or gain regulatory approval of any of our product candidates in the indications we study, or do not support the safety or efficacy or our intended profile for the product. Any of these negative outcomes could materially impact our ongoing or future development programs and adversely affect our business, results of operations, financial condition and prospects and could lead us to make significant further changes to the scope and nature of our development efforts.

Our future results depend on CMOs, many of whom are our single source manufacturers.

Many of our CMOs are currently single source manufacturers. While we try to obtain multiple sources whenever possible, similar to other commercial pharmaceutical companies, three stages of our manufacturing process are currently completed by a

single source, which exposes us to a number of risks related to our supply chain, including delivery failure and drug shortages. To date, we have no qualified alternative sources for these single source CMOs.

Our manufacturing and commercial supply agreements with our CMOs, including our single source CMOs, contain or are likely to contain pricing provisions that are subject to adjustment based on factors outside of our control, including changes in market prices. Substantial increases in the prices for necessary materials and equipment, whether due to supply chain or logistics issues, tariffs or due to inflation, would increase our operating costs and could reduce our margins. Any attempts to increase the announced or expected prices of IBSRELA and/or XPHOZAH in response to increased costs could be viewed negatively by the public and could adversely affect our business, prospects, financial condition, and results of operations.

Further, we currently and may in the future rely on foreign CMOs and CROs. Such foreign CMOs and CROs may be subject to U.S. legislation, sanctions, trade restrictions and other foreign regulatory requirements which could increase the cost or reduce the supply of material available to us, delay the procurement or supply of such material or have an adverse effect on our ability to secure significant commitments from governments to purchase our potential therapies.

An inability to continue to source product from any of these CMOs, which could be due to regulatory actions or requirements affecting the supplier, adverse financial or other strategic developments experienced by a CMO, labor disputes or shortages, unexpected demands, or quality issues, could adversely affect our ability to satisfy demand for our products, which could adversely and materially affect our product sales and operating results, which could significantly harm our business. Furthermore, qualifying alternate suppliers or developing our own manufacturing capability for certain highly customized stages of our manufacturing process would be time consuming and costly. Furthermore, any new CMO would need to complete validation batches and be approved by regulatory authorities as our manufacturer, including passing any required inspections, before we would be able to utilize the drug product or drug substance they manufacture for commercial purposes, which could result in significant costs and delays in product availability. There can be no assurance that our business, financial condition and results of operations will not be materially and adversely affected by supply chain disruptions. Any disruption in the supply chain, whether or not from a single source CMO, could temporarily disrupt production of our drug supply until an alternative supplier is fully qualified by us or until such CMO is able to perform. There can be no assurance that we would be able to successfully retain an alternative CMO on a timely basis, on acceptable terms, or at all. Changes in business conditions, force majeure, governmental changes, and other factors beyond our control or which we do not presently anticipate, could also affect our CMOs' ability to deliver components to us on a timely basis. Any of the foregoing could materially and adversely affect our results of operations, financial condition and prospects.

Our operating activities may be restricted as a result of covenants related to the indebtedness under our loan and security agreement with SLR, as amended, and we may be required to repay the outstanding indebtedness in an event of default, which could have a materially adverse effect on our business.

On February 23, 2022, we entered into a loan and security agreement (the 2022 Loan Agreement) with SLR as collateral agent and the lenders listed in the 2022 Loan Agreement (collectively, the 2022 Lenders). The 2022 Loan Agreement was subsequently amended in August 2022 (the First Amendment), February 2023 (the Second Amendment), October 2023 (the Third Amendment), October 2024 (Fourth Amendment), and June 2025 (Fifth Amendment). The loan was funded in the amount of $27.5 million on February 23, 2022 and additional amounts of $22.5 million, $50.0 million, $50.0 million and $50.0 million were drawn on October 19, 2023, March 1, 2024, October 29, 2024 and June 30, 2025, respectively. In addition, we have the option to draw up to an additional $100.0 million, consisting of two separate term loans, each in a principal amount of $50.0 million: (a) the first of which is available at the Company's election through June 30, 2026 and (b) the second of which is available at the Company's election through December 20, 2026. Until we have repaid all funded indebtedness, the 2022 Loan Agreement subjects us to various customary covenants, including requirements as to financial reporting and insurance and restrictions on our ability to dispose of our business or property, to change our line of business, to liquidate or dissolve, to enter into any change in control transaction, to merge or consolidate with any other entity or to acquire all or substantially all the capital stock or property of another entity, to incur additional indebtedness, to incur liens on our property, to pay any dividends or other distributions on capital stock other than dividends payable solely in capital stock, to redeem capital stock, to enter into licensing agreements, to engage in transactions with affiliates, and to encumber our intellectual property. Our business may be adversely affected by these restrictions on our ability to operate our business.

In addition, we may be required to repay the outstanding indebtedness under the loan facility if an event of default occurs under the 2022 Loan Agreement. An event of default will occur if, among other things, we fail to make payments under the 2022 Loan Agreement; we breach any of our covenants under the 2022 Loan Agreement, subject to specified cure periods with respect to certain breaches; the Lender determines that a material adverse change has occurred; we or our assets become subject to certain legal proceedings, such as bankruptcy proceedings; we are unable to pay our debts as they become due; or we default on contracts with third parties which would permit the Lender to accelerate the maturity of such indebtedness or that could have a material adverse change on us. We may not have enough available cash or be able to raise additional funds through equity or debt financings to repay such indebtedness at the time any such event of default occurs. In this case, we may be required to limit or reduce our activities necessary to commercialize IBSRELA and/or XPHOZAH, or delay or limit clinical trials for tenapanor or other product candidates. The Lenders could also exercise its rights as collateral agent to take possession of and to dispose of the collateral securing the term loans, which collateral includes substantially all of our property (excluding intellectual property, which is subject to a negative pledge). Our business, financial condition and results of operations could be materially adversely affected as a result of any of these events.

Additional Risks Related to Our Business and Industry

We face substantial competition, and our competitors may discover, develop or commercialize products faster or more successfully than us.

The biotechnology and pharmaceutical industries are highly competitive, and we face significant competition from companies in the biotechnology, pharmaceutical and other related markets that are researching and marketing products designed to address diseases that we are currently developing products to treat.

Competition for IBSRELA largely comes from three prescription products marketed for certain patients with IBS-C that we are aware of, including Linzess (linaclotide), Amitiza (lubiprostone) and Trulance (plecanatide). Generic lubiprostone is also available in the U.S. Additionally, over-the-counter products not indicated for IBS-C are commonly used to treat the constipation component of IBS-C, alone and in combination with the IBS-C-indicated prescription therapies. In addition, if successfully developed and approved for the treatment of CIC, we believe IBSRELA will also face competition from branded products Linzess (linaclotide) and Trulance (plecanatide) as well as generic lubiprostone and prucalopride.

XPHOZAH is indicated to reduce serum phosphorus in adults with CKD on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy. The various types of phosphate binders commercialized in the U.S. include the following: Calcium acetate (several prescription brands including PhosLo and Phoslyra); Lanthanum carbonate (Fosrenol); Sevelamer hydrochloride (Renagel); Sevelamer carbonate (Renvela); Sucroferric oxyhydroxide (Velphoro) and Ferric citrate (Auryxia). All of the listed phosphate binders are available as generics in the U.S., with the exception of Velphoro and Auryxia. Additionally, over-the-counter calcium carbonate, such as Tums and Caltrate, is also used to bind phosphorus.

In addition to the currently available phosphate binders, we are aware of at least four phosphate binders in development, including AP-301, developed by Alebund Pharmaceutical (Hong Kong) Limited and currently in Phase 3; VS-505, developed by Vidasym and currently in clinical development; TS-172, developed by Taisho Pharmaceutical and currently in Phase 3; and OLC, developed by Unicycive Therapeutics, which has resubmitted its NDA to the FDA for approval via the 505(b)(2) pathway. Additionally, Alebund is developing AP-306, an inhibitor of phosphate transporters NaPi-2b, PiT-1, and PiT-2, thus far studied in a Phase 2 clinical trial.

It is possible that our competitors' drugs may be less expensive and more effective than our product candidates, or may render our product candidates obsolete. It is also possible that our competitors will commercialize competing drugs or treatments before we or our collaboration partners can launch any products developed from our product candidates. We also may face increased competition in the future as new companies enter into our target markets.

Many of our competitors have materially greater name recognition and financial, manufacturing, marketing, research and drug development resources than we do. Additional mergers and acquisitions in the biotechnology and pharmaceutical industries may result in even more resources being concentrated in our competitors. Large pharmaceutical companies in particular have extensive expertise in preclinical and clinical testing and in obtaining regulatory approvals for drugs. In addition, academic institutions, government agencies and other public and private organizations conducting research may seek patent protection with respect to potentially competitive products or technologies. These organizations may also establish exclusive collaboration partnerships or licensing relationships with our competitors.

We may experience difficulties in managing our current activities and growth given our level of managerial, operational, financial and other resources.

While we have continued to work to optimize our management composition, personnel and systems to support our current activities for future growth, these resources may not be adequate for this purpose. Our need to effectively execute our business strategy requires that we:

- manage our commercialization activities effectively;
- manage our clinical trials effectively;
- manage our internal development efforts effectively while carrying out our contractual obligations to licensors, contractors, collaborators, government agencies and other third parties;
- continue to improve our operational, financial and management controls, reporting systems and procedures; and
- retain and motivate our remaining employees and potentially identify, recruit and integrate additional employees.

If we are unable to maintain or expand our managerial, operational, financial and other resources to the extent required to manage our development and commercialization activities, our business will be materially adversely affected.

We may engage in strategic transactions that could impact our liquidity, increase our expenses and present significant distractions to our management.

We may consider strategic transactions, such as acquisitions of companies, asset purchases, and/or in-licensing of products, product candidates or technologies. In addition, if we are unable to access capital on a timely basis and on terms that are acceptable to us, we may be forced to further restructure certain aspects of our business or identify and complete one or more strategic collaborations or other transactions in order to fund the commercialization of IBSRELA and XPHOZAH, and/or the development of discovery and developmental assets through the use of alternative structures. Additional potential transactions that we may consider include a variety of different business arrangements, including spin-offs, spin outs, collaboration partnerships, joint ventures, restructurings, divestitures, business combinations and investments. Any such transaction may require us to incur non-recurring or other charges, may increase our near- and long-term expenditures and may pose significant integration challenges or disrupt our management or business, which could adversely affect our operations and financial results. For example, these transactions may entail numerous operational and financial risks, including:

- up-front, milestone and royalty payments, equity investments and financial support of new research and development candidates including increase of personnel, all of which may be substantial;
- exposure to unknown liabilities;
- disruption of our business and diversion of our management’s time and attention in order to develop acquired products, product candidates or technologies;
- incurrence of substantial debt or dilutive issuances of equity securities;
- higher-than-expected acquisition and integration costs;
- write-downs of assets or goodwill or impairment charges;
- increased amortization expenses;
- difficulty and cost in combining the operations and personnel of any acquired businesses with our operations and personnel;
- impairment of relationships with key suppliers or customers of any acquired businesses due to changes in management and ownership; and
- inability to retain key employees of any acquired businesses.

Accordingly, although there can be no assurance that we will undertake or successfully complete any transactions of the nature described above, any transactions that we do complete may be subject to the foregoing or other risks and could have a material adverse effect on our business, results of operations, financial condition and prospects.

If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit commercialization of IBSRELA and/or XPHOZAH.

We face an inherent risk of product liability as a result of the clinical testing of our product candidates and our commercialization of IBSRELA and XPHOZAH. For example, we may be sued if any product we develop and/or commercialize allegedly causes injury or is found to be otherwise unsuitable during product testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability and a breach of warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our product candidates. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for the product;
- injury to our reputation;
- withdrawal of clinical trial participants;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients;
- regulatory investigations, product recalls or withdrawals, or labeling, marketing or promotional restrictions;
- loss of revenue; and
- the inability to commercialize or co-promote IBSRELA and/or XPHOZAH.

Our inability to obtain and maintain sufficient product liability insurance at an acceptable cost and scope of coverage to protect against potential product liability claims could prevent or inhibit the commercialization of any products we develop. Although we maintain product liability insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or that is in excess of the limits of our insurance coverage. Our insurance policies also have various exclusions and deductibles, and we may be subject to a product liability claim for which we have no coverage. We will have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts. Moreover, 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.

If we fail to attract, retain and motivate our executives, senior management and key personnel, our business will suffer.

Recruiting and retaining qualified scientific, sales and marketing, clinical, medical, business development, manufacturing, finance and administrative personnel is critical to our success. We are highly dependent on our executives, senior management and certain other key employees. The loss of the services of our executives, senior management or other key employees could impede the achievement of our development and commercial objectives and seriously harm our ability to successfully implement our business strategy. Furthermore, replacing executives, senior management and other key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain marketing approval of and commercialize products. We may be unable to hire, train or motivate these key personnel on acceptable terms given the intense competition among numerous biopharmaceutical companies for similar personnel, particularly in our geographic regions. If we are unable to continue to attract and retain high quality personnel, our ability to grow and pursue our business strategy will be limited.

Actual or perceived failures to comply with applicable data protection, privacy and security laws, regulations, standards and other requirements could adversely affect our business, results of operations, and financial condition.

The global data protection landscape is rapidly evolving, and we are or may become subject to numerous state, federal and foreign laws, requirements and regulations governing the collection, use, disclosure, retention, and security of personal data, such as information that we may collect in connection with clinical trials in the U.S. and abroad. Implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet determine the impact future laws, regulations, standards or perception of their requirements may have on our business. This evolution may create uncertainty in our business; affect our ability to operate in certain jurisdictions, or to collect, store, transfer use and share personal information; necessitate the acceptance of more onerous obligations in our contracts; result in liability or impose additional costs on us. The cost of compliance with these laws, regulations and standards is high and is likely to increase in the future. Any failure or perceived failure by us to comply with federal, state or foreign laws or regulation, our internal policies and procedures or our contracts governing our processing of personal information could result in negative publicity, government investigations and enforcement actions, claims by third parties and damage to our reputation, any of which could have a material adverse effect on our operations, financial performance and business.

As our operations and business grow, we may become subject to or affected by new or additional data protection laws and regulations and face increased scrutiny or attention from regulatory authorities. In the U.S., HIPAA imposes, among other things, certain standards relating to the privacy, security, transmission, and breach reporting of individually identifiable health information. We may obtain health information from third parties (including research institutions from which we obtain clinical trial data) that are subject to privacy and security requirements under HIPAA. Depending on the facts and circumstances, we could be subject to significant penalties if we violate HIPAA.

A number of states have also adopted comparable privacy and security laws and regulations, some of which may be more stringent than HIPAA. Such laws and regulations will be subject to interpretation by various courts and other governmental authorities, thus creating potentially complex compliance issues for us and our future customers and strategic partners. For example, the CCPA requires covered businesses that process the personal information of California residents to, among other things: (i) provide certain disclosures to California residents regarding the business's collection, use, and disclosure of their personal information; (ii) receive and respond to requests from California residents to access, delete, and correct their personal information, or to opt out of certain disclosures of their personal information; and (iii) enter into specific contractual provisions with service providers that process California resident personal information on the business's behalf. Additional compliance investment and potential business process changes may also be required. Similar laws have passed in other states, reflecting a trend toward more stringent privacy legislation in the U.S. The enactment of such laws could have potentially conflicting requirements that would make compliance challenging. In the event that we are subject to or affected by HIPAA, the CCPA, or other domestic privacy and data protection laws, any liability from failure to comply with the requirements of these laws could adversely affect our financial condition.

Furthermore, the FTC also has authority to initiate enforcement actions against entities that mislead customers about HIPAA compliance, make deceptive statements about privacy and data sharing in privacy policies, fail to limit third-party use of personal health information, fail to implement policies to protect personal health information or engage in other unfair practices that harm customers or that may violate Section 5(a) of the FTC Act. According to the FTC, failing to take appropriate steps to keep consumers' personal information secure can constitute unfair acts or practices in or affecting commerce in violation of Section 5(a) of the FTC Act. The FTC and many state Attorneys General continue to enforce federal and state consumer protection laws against companies for online collection, use, dissemination and security practices that appear to be unfair or deceptive, including on websites, to regulate the presentation of website content. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities.

We are also or may become subject to rapidly evolving data protection laws, rules and regulations in foreign jurisdictions. For example, in Europe, we may be subject to the European Union General Data Protection Regulation (EU GDPR) and to the United Kingdom General Data Protection Regulation and Data Protection Act 2018 (collectively, the UK GDPR) (the EU GDPR and UK GDPR together referred to as the GDPR). The GDPR imposes strict requirements for processing the personal data of individuals within the EEA and UK. Companies that must comply with the GDPR face increased compliance obligations and risk, including more robust regulatory enforcement of data protection requirements and potential fines for noncompliance of up to €20 million/£17.5 million or four percent of the annual global revenues of the noncompliant company, whichever is greater. Among other requirements, the GDPR regulates transfers of personal data subject to the GDPR to third countries that have not been found to provide adequate protection to such personal data, including the U.S. and the efficacy and longevity of current transfer mechanisms between the EEA, and the United States remains uncertain. Case law from the Court of Justice of the European Union states that reliance on the standard contractual clauses - a standard form of contract approved by the European Commission as an adequate personal data transfer mechanism - alone may not necessarily be sufficient in all

circumstances and that transfers must be assessed on a case-by-case basis. We expect the existing legal complexity and uncertainty regarding international personal data transfers to continue, and international transfers to the United States and to other jurisdictions more generally to continue to be subject to enhanced scrutiny by regulators. As the regulatory guidance and enforcement landscape in relation to data transfers continue to develop, we could suffer additional costs, complaints and/or regulatory investigations or fines, and/or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we operate our business, the geographical location or segregation of our relevant systems and operations, and could adversely affect our financial results.

In addition, we use AI Technologies in our business. The regulatory framework for AI Technologies is rapidly evolving as many federal, state, and foreign government bodies and agencies have introduced or are currently considering additional laws and regulations. Additionally, existing laws and regulations may be interpreted in ways that would affect the operation of AI Technologies. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet determine the impact future laws, regulations, standards, or market perception of their requirements may have on our business and may not always be able to anticipate how to respond to these laws or regulations.

It is possible that new laws and regulations will be adopted in the United States and in other non-U.S. jurisdictions, or that existing laws and regulations, including competition and antitrust laws, may be interpreted in ways that would limit our ability to use AI Technologies for our business, or require us to change the way we use AI Technologies in a manner that negatively affects the performance of our products, services, and business and the way in which we use AI Technologies. We may need to expand resources to adjust our products or services in certain jurisdictions if the laws, regulations, or decisions are not consistent across jurisdictions. Further, the cost to comply with such laws, regulations, or decisions and/or guidance interpreting existing laws, could be significant and would increase our operating expenses (such as by imposing additional reporting obligations regarding our use of AI Technologies). Such an increase in operating expenses, as well as any actual or perceived failure to comply with such laws and regulations, could adversely affect our business, financial condition and results of operations.

Although we work to comply with applicable laws, regulations and standards, our contractual obligations and other legal obligations, these requirements are evolving and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another or other legal obligations with which we must comply. Any failure or perceived failure by us or our employees, representatives, contractors, consultants, CROs, collaborators, or other third parties to comply with such requirements or adequately address privacy and security concerns, even if unfounded, could result in additional cost and liability to us, damage our reputation, and adversely affect our business and results of operations.

We and our collaborators, CROs and other contractors and consultants depend on information technology systems, and any failure of these systems could harm our business. Security breaches, loss of data, and other disruptions could compromise sensitive information related to our business or prevent us from accessing critical information and expose us to liability, which could adversely affect our business, results of operations and financial condition.

We and our collaborators, CROs, and other contractors and consultants collect and maintain information in digital form that is necessary to conduct our business, and we are increasingly dependent on information technology systems and infrastructure to operate our business. In the ordinary course of our business, we and our collaborators, CROs and other contractors and consultants collect, store and transmit large amounts of confidential information, including intellectual property, proprietary business information, clinical trial data and personal information (collectively, Confidential Information). It is critical that we and our collaborators, CROs and other contractors and consultants do so in a secure manner to maintain the confidentiality and integrity of such Confidential Information. We have established physical, electronic and organizational measures designed to safeguard and secure our systems to prevent a data compromise, and rely on commercially available systems, software, tools, and monitoring to provide security for our information technology systems and the processing, transmission and storage of Confidential Information. We have also outsourced elements of our information technology infrastructure, and as a result, a number of third-party vendors may or could have access to our Confidential Information.

Our information technology systems and infrastructure, and those of our current and any future collaborators, CROs, contractors and consultants and other third parties on which we rely, are vulnerable to attack, damage and interruption from diverse threat vectors, such as computer viruses, malware (e.g., ransomware), natural disasters, terrorism, war, telecommunication and electrical failures, cyber-attacks or cyber-intrusions over the Internet, phishing attacks and other social engineering schemes, attachments to emails, human error, fraud, denial or degradation of service attacks, sophisticated nation-state and nation-state-supported actors or unauthorized access or use by persons inside our organization, or persons with access to systems inside our organization.

We and certain of our service providers are from time to time subject to cyberattacks and security incidents. The risk of a security breach or disruption or data loss, particularly through cyberattacks or cyber intrusion, including by computer hackers,

foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. In addition, the prevalent use of mobile devices that access Confidential Information increases the risk of data security breaches, which could lead to the loss of Confidential Information or other intellectual property. We may also face increased cybersecurity risks due to our reliance on internet technology and the number of our employees who are working remotely, which may create additional opportunities for cybercriminals to exploit vulnerabilities. Furthermore, because the techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. We may also experience security breaches that may remain undetected for an extended period. Even if identified, we may be unable to adequately investigate or remediate incidents or breaches due to attackers increasingly using tools and techniques, including artificial intelligence, that are designed to circumvent controls, to avoid detection, and to remove or obfuscate forensic evidence. The costs to us to mitigate network security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be significant, and while we have implemented security measures to protect our data security and information technology systems, our efforts to address these problems may not be successful, and these problems could result in unexpected interruptions, delays, cessation of service and other harm to our business and our competitive position. Additionally, any integration of artificial intelligence in our or any third party's operations, products or services is expected to pose new or unknown cybersecurity risks and challenges. There can also be no assurance that our and our collaborators', CROs', CMOs, contractors', consultants' and other service providers' cybersecurity risk management program and processes, including policies, controls or procedures, will be fully implemented, complied with or effective in protecting our systems, networks and Confidential Information.

We and certain of our service providers are from time to time subject to cyberattacks and security incidents. We do not believe that we have experienced any significant system failure, accident or security breach to date, but if such an event were to occur and cause interruptions in our operations, it could result in a material disruption to our business. In addition, such a breach may require notification to governmental agencies, the media or individuals pursuant to various federal and state privacy and security laws, if applicable. Moreover, if a computer security breach affects our systems or those of our collaborators, CROs or other contractors, or results in the unauthorized release of personally identifiable information, our reputation could be materially damaged. Any adverse impact to the availability, integrity or confidentiality of our or third-party systems or Confidential Information can result in legal claims or proceedings (such as class actions), regulatory investigations and enforcement actions, fines and penalties, negative reputational impacts that cause us to lose existing or future customers, and/or significant incident response, system restoration or remediation and future compliance costs, which could materially adversely affect our business, results of operations and financial condition. We cannot guarantee that any costs and liabilities incurred in relation to an attack or incident will be covered by our existing insurance policies or that applicable insurance will be available to us in the future on economically reasonable terms or at all.

If we fail to maintain proper and effective internal controls, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, our ability to operate our business and investors' views of us and could have a material adverse effect on the price of our common stock.

Our failure to implement and maintain effective internal controls over financial reporting could result in errors in our financial statements that could result in a restatement of our financial statements and cause us to fail to meet our reporting obligations. If we cannot in the future favorably assess the effectiveness of our internal controls over financial reporting, investor confidence in the reliability of our financial reports may be adversely affected, which could have a material adverse effect on the trading price of our common stock.

We have formed in the past, and may form in the future, collaboration partnerships, joint ventures and/or licensing arrangements, and we may not realize the benefits of such collaborations.

We have current collaboration partnerships for the commercialization of tenapanor in certain foreign countries, and we may form additional collaboration partnerships, create joint ventures or enter into additional licensing arrangements with third parties in the U.S. and abroad that we believe will complement or augment our existing business. In particular, we have formed collaboration partnerships with Kyowa Kirin for commercialization of tenapanor for hyperphosphatemia in Japan; with Fosun Pharma for commercialization of tenapanor for hyperphosphatemia and IBS-C in China and related territories; in Canada with Knight for commercialization of tenapanor for IBS-C and hyperphosphatemia; and with METiS for the development and commercialization of a portfolio of TGR5 agonist compounds for all therapeutic areas. While we may pursue future collaborations, we face significant competition in seeking appropriate collaboration partners, and the process to identify an appropriate partner and negotiate appropriate terms is time-consuming and complex. Delays in identifying suitable additional collaboration partners and entering into agreements to commercialize our products in ex-U.S. territories and/or develop our product candidates will delay commercialization thereof, which may reduce their competitiveness even if they reach the market. In addition, current or future collaborations or partnerships with ex-U.S. parties and the expected benefits therefrom could be materially and adversely impacted by current or future healthcare reform legislation and initiatives (including evolving "most

favored nation" pricing proposals) that may require U.S. pricing for our products to be tied to, or otherwise impacted by, ex-U.S. prices obtained by collaborators or partners. There is no guarantee that our current collaboration partnerships or any such arrangements we enter into in the future will be successful, or that any collaboration partner will commit sufficient resources to the development, regulatory approval, and commercialization effort for such products, or that such alliances will result in us achieving revenues that justify such transactions.

We will rely on third parties to conduct all of our nonclinical studies and clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, we may be unable to obtain regulatory approval for additional products or commercialize our product candidates.

We do not have the ability to independently conduct nonclinical studies or clinical trials. We rely on medical institutions, clinical investigators, contract laboratories, and other third parties, such as CROs, to conduct clinical trials on our product candidates. The third parties with whom we contract for execution of the clinical trials play a significant role in the conduct of these trials and the subsequent collection and analysis of data. However, these third parties are not our employees, and except for contractual duties and obligations, we control only certain aspects of their activities and have limited ability to control the amount or timing of resources that they devote to our programs. Although we rely, and will continue to rely, on these third parties to conduct our nonclinical studies and our clinical trials, we remain responsible for ensuring that each of our studies and clinical trials is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards and our reliance on third parties does not relieve us of our regulatory responsibilities. We, and these third parties are required to comply with current GLPs for nonclinical studies and GCPs for clinical studies. GLPs and GCPs are regulations and guidelines enforced by the FDA, the Competent Authorities of the Member States of the EEA and comparable foreign regulatory authorities for all of our products in nonclinical and clinical development, respectively. Regulatory authorities enforce GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of our third-party contractors fail to comply with applicable regulatory requirements, including GCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA, the European Medicines Agency or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. There can be no assurance that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with GCP regulations. In addition, our clinical trials must be conducted with product produced under cGMP regulations. Our failure to comply with these regulations may require us to repeat clinical trials, which could add additional costs and could delay the regulatory approval process.

Our CMOs manufacture tenapanor API outside of the U.S. Our collaboration partners outside of the U.S. have sought and obtained and may continue to seek and obtain approval to commercialize tenapanor outside of the U.S., and as a result, a variety of risks associated with international operations could materially adversely affect our business.

Our collaboration partners have sought and obtained and may continue to seek and obtain marketing approval for tenapanor outside the U.S. Furthermore, we may seek and obtain marketing approval for IBSRELA or XPHOZAH in other territories outside of the U.S. Additionally, we have contractual agreements with CMOs involving the manufacture of tenapanor API outside of the U.S., and may otherwise engage in business outside of the U.S., including entering into additional contractual agreements with third parties. We are subject to additional risks related to entering these international business markets and relationships, including:

- different regulatory requirements for drug approvals in foreign countries;
- differing U.S. and foreign drug import and export rules;
- reduced protection for intellectual property rights in foreign countries;
- changes in laws or policies governing the terms of foreign trade, and in particular, increased trade restrictions, tariffs or taxes on imports or exports from or to countries where we manufacture or sell, or our partners sell, our products to may affect the prices of and demand for our products;
- different reimbursement systems, and different competitive drugs;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenues, and other obligations incident to doing business in another country;

- workforce uncertainty in countries where labor unrest is more common than in the U.S.;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad;
- potential liability resulting from development work conducted by these distributors; and
- business interruptions resulting from geopolitical actions, including war and terrorism, or natural disasters.

Changes in U.S. and international trade policies may adversely impact our business and operating results.

We currently rely on both U.S. and foreign third-party manufacturers. The U.S. government and persons involved in the current administration have made statements and taken certain actions that may lead to potential changes to U.S. and international trade policies. The extent and duration of any tariffs and the resulting impact on general economic conditions and on our business are uncertain and depend on various factors, such as negotiations between the United States and other countries, the response of such countries, exemptions or exclusions that may be granted, and the availability and cost of alternative sources of supply of materials we purchase from companies in other countries targeted with tariffs.

Any unfavorable government policies on international trade, such as export controls, capital controls or tariffs, may increase the cost of manufacturing our product candidates and platform materials, affect the demand for IBSRELA and XPHOZAH, and import or export of API and finished product. If any new tariffs, export controls, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated or, in particular, if the U.S. government takes retaliatory trade actions due to the recent trade tension, such changes could have an adverse effect on our business, financial condition and results of operations.

Our business involves the use of hazardous materials and we and third parties with whom we contract must comply with environmental laws and regulations, which can be expensive and restrict how we do business.

We and manufacturers and suppliers with whom we may contract are subject to laws and regulations governing the use, manufacture, storage, handling, and disposal of hazardous materials, including the components of our tenapanor and our product candidates. In some cases, these hazardous materials and various wastes resulting from their use are stored at our and our manufacturers' facilities pending their use and disposal. We cannot eliminate the risk of contamination, which could cause an interruption of our commercialization efforts, and business operations, and could result in environmental damage requiring costly clean-up and resulting in liabilities under applicable laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. We cannot guarantee that the safety procedures utilized by third-party manufacturers and suppliers with whom we may contract will comply with the standards prescribed by laws and regulations or will eliminate the risk of accidental contamination or injury from these materials. In such an event, we may be held liable for any resulting damages and such liability could exceed our resources and state or federal or other applicable authorities may curtail our use of certain materials and/or interrupt our business operations. Furthermore, environmental laws and regulations are complex, change frequently and have tended to become more stringent. We cannot predict the impact of such changes and cannot be certain of our future compliance. We do not currently carry biological or hazardous waste insurance coverage.

We or the third parties upon whom we depend may be adversely affected by natural disasters, severe weather, public health emergencies and other catastrophic events, and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.

Events outside of our control, including natural disasters, severe or inclement weather (such as extreme snow and ice, extreme heat, tornados and flooding), public health emergencies, power outages, cyber or telecommunications disruptions, transportation incidents or other catastrophic events, could severely disrupt our operations and have a material adverse effect on our business, operating results, prospects or financial condition. Such events could disrupt our sales efforts, ongoing clinical trials and/or other operations by damaging or limiting access to critical infrastructure and facilities, including those operated by third parties on whom we rely, such as contract research organizations, contract manufacturing organizations, suppliers, specialty pharmacies and logistics and distribution providers, or by restricting travel, staffing availability or site access. If any such event prevents or materially impairs our ability, or the ability of these third parties, to manufacture or ship product or product candidates, conduct clinical trial activities, perform quality testing and release, or otherwise operate in the ordinary course, it may be difficult or, in certain cases, impossible for us to continue our business as currently planned.

In addition, the shipment of product and product candidates, active pharmaceutical ingredients and other materials may be delayed, diverted or disrupted by severe weather or other events in any location where our third-party service providers operate or through which shipments must travel, including as a result of extreme snow or ice, extreme heat, tornados, flooding, transportation accidents or carrier interruptions. These disruptions could result in missed or delayed patient deliveries, delayed site resupply, inventory constraints, product loss or spoilage (including due to temperature excursions), increased shipping and

handling costs, and delays in manufacturing, release or crucial business timelines, any of which could materially impact our sales, financial results, patient fulfillment efforts and reputation.

The disaster recovery and business continuity plans we have in place may prove inadequate in the event of a serious disaster or similar event, including because we may not have sufficient redundancies, alternative suppliers, alternative distribution channels, backup manufacturing capacity or additional inventory to mitigate the impact of such disruptions. We may incur substantial expenses in connection with responding to and recovering from these events, and any of the foregoing could have a material adverse effect on our business, operating results, prospects or financial condition.

Risks Related to Government Regulation

Current and future healthcare reform legislation, regulation or action by the current administration may increase the difficulty and cost for us to commercialize our approved products and may adversely affect the prices we, or they, may obtain and may have a negative impact on our business and results of operations.

In the U.S. and some foreign jurisdictions, there have been, and continue to be, a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could, among other things, restrict or regulate post approval activities with respect to our approved products and affect our ability to profitably sell our products.

In the U.S., the ACA was enacted in 2010 with a goal of reducing the cost of healthcare and substantially changing the way healthcare is financed by both government and private insurers. The ACA, among other things, increased the minimum Medicaid rebates owed by manufacturers under the MDRP, extended manufacturer rebate liability from fee-for-service Medicaid utilization to include the utilization of Medicaid managed care organizations and established annual fees and taxes on manufacturers of certain branded prescription drugs. Since its enactment, certain provisions of the ACA have been subject to judicial, executive, and legislative challenges. For example, on June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA. There have also been ongoing changes to the implementation of the ACA since its adoption. For example, the availability of enhanced premium tax credits and other subsidies under the ACA expired as of December 31, 2025, and absent legislative action to reinstate or replace them, many individuals may experience higher out-of-pocket premium costs. These changes could result in an increase in uninsured or underinsured patients, which could negatively affect patients' ability or willingness to start or continue treatment with our products or future product candidates, if successfully developed and approved, or may otherwise increase prescription abandonment rates or place greater downward pressure on drug pricing generally.

Moreover, on January 1, 2025, XPHOZAH, along with other oral drugs for ESRD patients on dialysis without injectable or intravenous equivalents, became part of the ESRD PPS and coverage under Medicare Part D was eliminated. See "*—XPHOZAH became part of the ESRD PPS on January 1, 2025, which means coverage for XPHOZAH for Medicare beneficiaries is no longer available under Medicare Part D; this resulted in a negative and material impact on our XPHOZAH revenue in 2025; and the continued lack of Medicare Part D coverage for XPHOZAH will result in a materially lower pace of revenue growth as compared to expectations before XPHOZAH became part of the ESRD PPS*" above.

Other legislative changes have been proposed and adopted in the U.S. since the ACA was enacted. These laws, among other things, included aggregate reductions of Medicare payments to providers that will remain in effect through 2032, unless additional action is taken by Congress, additional specific reductions in Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and an increase in the statute of limitations period for the government to recover overpayments to providers from three to five years. The American Rescue Plan Act of 2021 eliminated the statutory Medicaid drug rebate cap beginning January 1, 2024. The rebate was previously capped at 100% of a drug's AMP.

There has also been heightened governmental scrutiny over the manner in which drug manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries and proposed bills designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products. In 2022, the IRA was signed into law in August 2022. This statute marks the most significant action by Congress with respect to the pharmaceutical industry since adoption of the ACA in 2010. Among other things, the IRA requires manufacturers of certain drugs to engage in price negotiations with Medicare, with prices that can be negotiated subject to a cap; imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation (first due in 2023); redesigns the Medicare Part D benefit (beginning in 2024); and replaces the Part D coverage gap discount program with a new manufacturer discount program (beginning in 2025). CMS has published the negotiated prices for the initial ten drugs, which went into effect in January 2026, and the subsequent 15 drugs, which will first be effective in 2027. The IRA permits the Secretary of HHS to implement many of these provisions through guidance, as opposed to regulation, for the initial years. HHS has and will continue to issue and update guidance as these programs are implemented, although the Medicare drug price negotiation program is currently subject to legal challenges. While the impact of the IRA on us and the pharmaceutical industry cannot yet be fully determined, it is likely to be significant.

The One Big Beautiful Bill Act, which was enacted in July 2025, imposes significant reductions in the funding of the Medicaid program. Such reductions are expected to decrease the number of persons enrolled in Medicaid and reduce the services covered by Medicaid, which could adversely affect our sales of our partner's products or of any product candidate that we commercialize.

The current administration is pursuing a two-fold strategy to reduce drug costs in the U.S. While it is unclear whether and how these proposals will be implemented, the current administration's policies are likely to have a negative impact on the pharmaceutical industry and on our ability to receive adequate revenues for IBSRELA and XPHOZAH. On the one hand, President Trump has threatened to impose significant tariffs on pharmaceutical manufacturers that do not adopt pricing policies such as most favored nation pricing, which would tie the price for drugs in the U.S. to the lowest price in a group of other countries. In response, multiple manufacturers have reportedly entered into confidential pricing agreements with the federal government. On the other hand, the current administration is pursuing traditional regulatory pathways to impose drug pricing policies and published two proposed regulations in December 2025, referred to as GLOBE and GUARD. If finalized, these regulations would implement mandatory payment models under which manufacturers of eligible drugs would be required to pay rebates to the federal government on a portion of the units of their drugs that are reimbursed by Medicare, with the rebate amount based on most favored nation pricing. Imposing a rebate in the U.S. that is based on drug prices outside the U.S. would mark a drastic and unprecedented shift in the U.S. pharmaceutical market, and while the impact of the GLOBE and GUARD proposed regulations, if finalized, cannot yet be determined, it is likely to be significant. Even regulatory proposals or executive actions that are ultimately deemed unlawful could negatively impact the U.S. pharmaceutical sector and our business. In addition, pharmaceutical pricing and marketing has long been the subject of considerable discussion in Congress and among policymakers, and it is possible that Congress could enact additional laws that negatively affect the pharmaceutical industry.

Additionally, individual states have become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access, and to encourage importation from other countries and bulk purchasing. Some states have enacted legislation creating so-called prescription drug affordability boards, which ultimately may attempt to impose price limits on certain drugs in these states, and at least one state board is imposing an upper payment limit. States are also seeking to implement general, across the board price caps for pharmaceuticals, or are seeking to regulate drug distribution.

We cannot predict the reform initiatives that may be adopted in the future or whether initiatives that have been adopted will be repealed or modified. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare may adversely affect the demand for any drug products for which we may obtain regulatory approval, our ability to set a price that we believe is fair for our products, our ability to obtain coverage and reimbursement approval for a product, our ability to generate revenues and achieve or maintain profitability, and the level of taxes that we are required to pay.

Despite having received regulatory approval for IBSRELA and XPHOZAH, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense. Additionally, IBSRELA and XPHOZAH could be subject to other restrictions and market withdrawal, and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our products.

Even after a drug is approved by the FDA or foreign regulatory authorities, the manufacturing processes, labeling, packaging, distribution, pharmacovigilance, storage, advertising, promotion and recordkeeping for the product will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMPs and GCP regulations for any clinical trials that we conduct post-approval. As such, we and our third-party CMOs will be subject to continual review and periodic inspections to assess compliance with regulatory requirements. Accordingly, we and others with whom we work must continue to expend time, money, and effort in all areas of regulatory compliance, including manufacturing, production, and quality control. Regulatory authorities may also impose significant restrictions on a product's indicated uses or marketing or impose ongoing requirements for potentially costly post-marketing studies. Furthermore, any new legislation addressing drug safety issues could result in delays or increased costs to assure compliance.

We will also be required to report certain adverse reactions and production problems, if any, to the FDA, and to comply with requirements concerning advertising and promotion for our products. Promotional communications with respect to prescription drugs are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the product's approved label. As such, we may not promote our products for indications or uses for which they do not have FDA approval.

Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory, agency or other requirements, may result in, among other things:

- warning or untitled letters or fines;
- restrictions on the marketing or manufacturing of the product, withdrawal of the product from the market or voluntary or mandatory product recalls;
- injunctions or the imposition of civil or criminal penalties;
- suspension or revocation of existing regulatory approvals;
- suspension of any of our ongoing clinical trials;
- refusal to approve pending applications or supplements to approved applications submitted by us;
- restrictions on our or our CMOs' operations; or
- product seizure or detention, or refusal to permit the import or export of products.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to commercialize IBSRELA and XPHOZAH. If regulatory sanctions are applied or if regulatory approval is withdrawn, the value of our company and our operating results will be adversely affected.

In addition, the FDA's policies may change, and additional government regulations may be enacted. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, which would adversely affect our business, prospects and ability to achieve or sustain profitability.

We also cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative or executive action, either in the U.S. or abroad.

Disruptions at the FDA and other government agencies caused by funding shortages or global health concerns could hinder their ability to hire and retain key leadership and other personnel, or otherwise review and process regulatory submissions in a timely manner, which could negatively impact our business.

The ability of the FDA to review and process regulatory submissions can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, policy changes, and other events that may otherwise affect the FDA's ability to perform routine functions. For example, over the last several years, the U.S. government has shut down several times, including the most recent U.S. government shutdown which began on October 1, 2025 and ended on November 12, 2025, and certain regulatory agencies, such as the FDA, have had to furlough FDA employees and suspend certain activities.

Disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. If a prolonged government shutdown occurs or continues, or if global health concerns prevent the FDA or other regulatory authorities from conducting their regular inspections, reviews, or other regulatory activities, it could significantly impact the ability of the FDA or other regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

We and our CMOs are subject to significant regulation with respect to manufacturing IBSRELA and XPHOZAH. The manufacturing facilities on which we rely may not continue to meet regulatory requirements or may not be able to meet supply demands.

All entities involved in the preparation of product for commercial sale, or product candidates for clinical trials, including our existing CMOs, are subject to extensive regulation. Components of a finished therapeutic product approved for commercial sale or used in late-stage clinical studies must be manufactured in accordance with cGMP regulations. These regulations govern manufacturing processes and procedures (including record keeping) and the implementation and operation of quality systems to control and assure the quality of investigational products and products approved for sale. Poor control of production processes can lead to the introduction of contaminants or to inadvertent changes in the properties or stability of our products or product candidates that may not be detectable in final product testing. We or our CMOs must supply all necessary documentation in support of an NDA or comparable regulatory filing on a timely basis and must adhere to cGMP regulations enforced by the FDA and other regulatory agencies through their facilities inspection programs. In addition, before approving an NDA, the facilities and quality systems of some, or all, of the relevant CMOs must pass a pre-approval inspection for compliance with the applicable regulations as a condition of regulatory approval of our product candidates. The FDA will not approve a product candidate unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and are adequate to assure consistent production of the product within required specifications. In addition, the regulatory authorities may, at any time, audit or inspect a manufacturing facility involved with the manufacture of our product or the associated quality systems for compliance with the regulations applicable to the activities being conducted. We enter into quality agreements with our CMOs, pursuant to which we expect our CMOs to comply with cGMPs and applicable regulatory requirements. Although we oversee the CMOs, we cannot control the manufacturing process of, and are completely dependent on, our CMOs for compliance with the regulatory requirements. If these facilities do not pass a pre-approval plant inspection, regulatory approval of the products may not be granted or may be substantially delayed until any violations are corrected to the satisfaction of the regulatory authority, if ever. In addition, we have no direct control over the ability of our CMOs to maintain adequate quality control, quality assurance and qualified personnel. If our CMOs cannot successfully manufacture material that conforms to our specifications and the strict requirements of relevant regulatory authorities, and pass regulatory inspections, on the timelines we expect or at all, they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities with respect to our products, which could materially impact our ability to supply product and harm our business.

The regulatory authorities also may, at any time following approval of a product for sale, audit the manufacturing facilities of our CMOs. If any such inspection or audit identifies a failure to comply with applicable regulations or if a violation of our product specifications or applicable regulations occurs independent of such an inspection or audit, we or the relevant regulatory authority may require remedial measures that may be costly and/or time consuming for us or a third party to implement, and that may include the temporary or permanent suspension of a clinical study or commercial sales or the temporary or permanent suspension of production or closure of a facility. Any such remedial measures imposed upon us or third parties with whom we contract could materially harm our business.

If we or any of our third-party manufacturers fail to maintain regulatory compliance, the FDA or other applicable regulatory authority can impose regulatory sanctions including, among other things, refusal to approve a pending application for a new drug product, withdrawal of an approval, or suspension of production. As a result, our business, financial condition, and results of operations may be materially harmed.

Additionally, if supply from one approved manufacturer is interrupted, an alternative manufacturer would need to be qualified through an NDA, a supplemental NDA or equivalent foreign regulatory filing, which could result in further delay. The regulatory agencies may also require additional studies if a new manufacturer is relied upon for commercial production. Switching manufacturers may involve substantial costs and may result in delays to our desired clinical and commercial timelines.

These factors could cause us to incur higher costs and could cause the delay or termination of clinical studies, regulatory submissions, required approvals, or commercialization of our product candidates. Furthermore, if our suppliers fail to meet contractual requirements and we are unable to secure one or more replacement suppliers capable of production at a substantially equivalent cost, our clinical studies may be delayed, or we could lose potential revenue.

If we fail to comply or are found to have failed to comply with FDA and other regulations related to the promotion of our products for unapproved uses, other sales practices, as well as the design and implementation of our patient assistance programs, we could be subject to criminal penalties, substantial fines or other sanctions and damage awards.

The regulations relating to the promotion of products for unapproved uses and the design and implementation of patient assistance programs are complex and subject to substantial interpretation by the FDA and other government agencies. With respect to the commercialization of IBSRELA and/or XPHOZAH, we are restricted from marketing the product outside of its approved labeling, also referred to as off-label promotion. However, physicians may nevertheless prescribe an approved product to their patients in a manner that is inconsistent with the approved label, which is an off-label use. We have implemented compliance and training programs designed to ensure that our sales and marketing practices comply with applicable regulations regarding off-label promotion. Notwithstanding these programs, the FDA or other government agencies may allege or find that our practices constitute prohibited promotion of our product candidates for unapproved uses. We also cannot be sure that our employees will comply with company policies and applicable regulations regarding the promotion of products for unapproved uses.

Over the past several years, a significant number of pharmaceutical and biotechnology companies have been the target of inquiries and investigations by various federal and state regulatory, investigative, prosecutorial and administrative entities in connection with the promotion of products for unapproved uses, other sales practices, as well as the design and implementation of patient assistance programs, including the Department of Justice and various U.S. Attorneys' Offices, the Office of Inspector General of the Department of Health and Human Services, the FDA, the FTC and various state Attorneys General offices. These investigations have alleged violations of various federal and state laws and regulations, including claims asserting antitrust violations, violations of the FFDCA, the False Claims Act, the Prescription Drug Marketing Act, anti-kickback laws, and other alleged violations in connection with the promotion of products for unapproved uses, pricing and Medicare and/or Medicaid reimbursement. Many of these investigations originate as "qui tam" actions under the False Claims Act. Under the False Claims Act, any individual can bring a claim on behalf of the government alleging that a person or entity has presented a false claim, or caused a false claim to be submitted, to the government for payment. The person bringing a qui tam suit is entitled to a share of any recovery or settlement. Qui tam suits, also commonly referred to as "whistleblower suits," are often brought by current or former employees. In a qui tam suit, the government must decide whether to intervene and prosecute the case. If it declines, the individual may pursue the case alone.

If the FDA or any other governmental agency initiates an enforcement action against us or if we are the subject of a qui tam suit and it is determined that we violated FDA or other regulations relating to the promotion of our products and/or the design and implementation of our patient assistance programs, we could be subject to substantial civil or criminal fines or damage awards and other sanctions such as consent decrees and corporate integrity agreements pursuant to which our activities would be subject to ongoing scrutiny and monitoring to ensure compliance with applicable laws and regulations. Any such fines, awards or other sanctions would have an adverse effect on our revenue, business, financial prospects and reputation.

IBSRELA and/or XPHOZAH may cause or contribute to adverse medical events that we are required to report to regulatory agencies and if we fail to do so we could be subject to sanctions that would materially harm our business.

We are required to report certain information about adverse medical events if our products may have caused or contributed to those adverse events. The timing of our obligation to report is triggered by the date we become aware of the adverse event as well as the nature of the event. We may fail to report adverse events we become aware of within the prescribed timeframe. We may also fail to appreciate that we have become aware of a reportable adverse event, especially if it is not reported to us as an adverse event or if it is an adverse event that is unexpected or removed in time from the use of our products. If we fail to comply with our reporting obligations, the FDA or a foreign regulatory agency could take action, including criminal prosecution, the imposition of civil monetary penalties, seizure of our products or delay in approval or clearance of future products.

Our employees, independent contractors, principal investigators, CROs, collaboration partners, consultants, CMOs and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk that our employees, independent contractors, principal investigators, CROs, collaboration partners, consultants, CMOs and vendors may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or unauthorized activities that violate any of the following: FDA regulations, including those laws that require the reporting of true, complete and accurate financial and other information to the FDA; manufacturing standards; or federal and state healthcare fraud and abuse laws and regulations. Specifically, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. These activities also include the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with such laws or regulations. Additionally, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant civil, criminal and administrative penalties, damages, monetary fines, disgorgements, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, individual imprisonment, other sanctions, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

Failure to obtain regulatory approvals in foreign jurisdictions would prevent us from marketing our products internationally.

In order to market any product in the EEA (which is composed of the 27 Member States of the European Union plus Norway, Iceland and Liechtenstein), and many other foreign jurisdictions, separate regulatory approvals are required. In the EEA, medicinal products can only be commercialized after obtaining a Marketing Authorization. Before the Marketing Authorization is granted, the European Medicines Agency or the competent authorities of the Member States of the EEA make an assessment of the risk-benefit balance of the product on the basis of scientific criteria concerning its quality, safety and efficacy.

The approval procedures vary among countries and can involve additional clinical testing, and the time required to obtain approval may differ from that required to obtain FDA approval. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries. Approval by the FDA does not ensure approval by regulatory authorities in other countries, and approval by one or more foreign regulatory authorities does not ensure approval by regulatory authorities in other foreign countries or by the FDA. However, a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory process in others. The foreign regulatory approval process may include all of the risks associated with obtaining FDA approval. We may not be able to file for regulatory approvals or to do so on a timely basis, and even if we do file, we may not receive necessary approvals to commercialize our products in any market.

We and our collaboration partners are subject to healthcare laws, regulation and enforcement; our failure or the failure of any such collaboration partners to comply with these laws could have a material adverse effect on our results of operations and financial conditions.

We and our collaboration partners are subject to additional healthcare statutory and regulatory requirements and enforcement by the federal government and the states and foreign governments in which we conduct our business. The laws that may affect our ability to operate as a commercial organization include:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons from knowingly and willfully soliciting, receiving, offering or paying remuneration, directly or indirectly, 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. A person or entity does not need to have actual knowledge of this statute or specific intent to violate it in order to have committed a violation;

- federal false claims laws, including the False Claims Act, 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. In addition, the government may assert that a claim including items or

services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act;

- the federal Civil Monetary Penalties law, which prohibits, among other things, offering or transferring remuneration to a federal healthcare beneficiary that a person knows or should know is likely to influence the beneficiary's decision to order or receive items or services reimbursable by the government from a particular provider or supplier;
- federal criminal laws that prohibit executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of these statutes or specific intent to violate them in order to have committed a violation;
- the federal Physician Payments Sunshine Act requirements under the ACA, which requires manufacturers of drugs, devices, biologics, and medical supplies to report annually to CMS information related to payments and other transfers of value to physicians, (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, anesthesiologist assistants and certified nurse midwives), and teaching hospitals, and ownership and investment interests held by physicians (as defined by the statute) and their immediate family members;
- state 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 applicable 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 pricing information and marketing expenditures; and
- European and other foreign law equivalents of each of the laws, including reporting requirements detailing interactions with and payments to healthcare providers.

Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. The risk of our being found in violation of these laws is increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that apply to us, we may be subject to penalties, including civil and criminal penalties, damages, fines, the curtailment or restructuring of our operations, the exclusion from participation in federal and state healthcare programs and imprisonment, any of which could adversely affect our ability to market our products and adversely impact our financial results.

Legislative or regulatory healthcare reforms in the U.S. 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 in Congress 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, FDA regulations and guidance are often revised or reinterpreted by the 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:

- additional clinical trials to be conducted prior to obtaining approval;
- changes to manufacturing methods;
- recall, replacement, or discontinuance of one or more of our products; and
- additional record keeping.

Each of these would likely entail substantial time and cost and could materially harm our business and our financial results. In addition, delays in receipt of or failure to receive regulatory clearances or approvals for any future products would harm our business, financial condition and results of operations.

If we fail to comply with our reporting and payment obligations under the MDRP or other governmental pricing programs in the U.S., we could be subject to additional reimbursement requirements, penalties, sanctions and fines, which could have a material adverse effect on our business, results of operations and financial condition.

We participate in the MDRP and other federal and state government pricing programs in the U.S., and we may participate in additional government pricing programs in the future. These programs generally require manufacturers to pay rebates or otherwise provide discounts to government payors in connection with drugs that are dispensed to beneficiaries of these programs. Medicaid drug rebates are based on pricing data that we are obligated to report on a monthly and quarterly basis to CMS, the federal agency that administers the MDRP and Medicare programs. For the MDRP, these data include the AMP and the best price for each drug. If we become aware that our MDRP price reporting submission for a prior period was incorrect or has changed as a result of recalculation of the pricing data, we must resubmit the corrected data for up to three years after those data originally were due. In addition, there is increased focus by the Office of Inspector General within HHS on the methodologies used by manufacturers to calculate AMP and best price, to assess manufacturer compliance with MDRP reporting requirements. If we fail to provide information timely or are found to have knowingly submitted false information to the government, we may be subject to civil monetary penalties and other sanctions, including termination from the MDRP, which would result in payment not being available for our covered drugs under Medicaid and Medicare Part B. Failure to make necessary disclosures and/or to identify overpayments could result in allegations against us under the Federal False Claims Act and other laws and regulations.

The IRA imposes rebates under Medicare Part B and Medicare Part D that are triggered by price increases that outpace inflation (first due in 2023), as described under "—*Current and future healthcare reform legislation, regulation or action by the current administration may increase the difficulty and cost for us to commercialize our approved products and may adversely affect the prices we, or they, may obtain and may have a negative impact on our business and results of operations*." The Medicare Part D rebate, if applicable, will be calculated on the basis of the AMP figures we report pursuant to the MDRP.

Federal law requires that a manufacturer that participates in the MDRP also participate in the 340B program in order for federal funds to be available for the manufacturer's covered outpatient drugs under Medicaid and Medicare Part B. We participate in the 340B program, which is administered by HRSA, and requires us to charge statutorily defined covered entities no more than the 340B "ceiling price" for our covered outpatient drugs. These 340B covered entities include a variety of community health clinics and other entities that receive health services grants from the Public Health Service, as well as hospitals that serve a disproportionate share of low-income patients. The 340B ceiling price is calculated using a statutory formula, which is based on the AMP and rebate amount for the covered outpatient drug as calculated under the MDRP. In general, products subject to Medicaid price reporting and rebate liability are also subject to the 340B ceiling price calculation and discount requirement. We are obligated to report 340B ceiling prices to HRSA on a quarterly basis, and HRSA publishes them to 340B covered entities. HRSA has finalized regulations regarding the calculation of the 340B ceiling price and the imposition of civil monetary penalties on manufacturers that knowingly and intentionally overcharge covered entities for 340B-eligible drugs. HRSA has also finalized an administrative dispute resolution process through which 340B covered entities may pursue claims against participating manufacturers for overcharges, and through which manufacturers may pursue claims against 340B covered entities for engaging in unlawful diversion or duplicate discounting of 340B drugs.

In order to be eligible to have drug products paid for with federal funds under Medicaid and Medicare Part B and purchased by certain federal agencies and grantees, we also participate in the U.S. VA/FSS pricing program. Under the VA/FSS program, we are obligated to report the Non-FAMP for our covered drugs to the VA and charge certain federal agencies no more than the Federal Ceiling Price (FCP), which is calculated based on Non-FAMP using a statutory formula. These four agencies are the VA, the U.S. Department of Defense, the U.S. Coast Guard and the U.S. Public Health Service (including the Indian Health Service).

We also participate in the Tricare Retail Pharmacy program, under which we are required to pay quarterly rebates on utilization of innovator products that are dispensed through the Tricare Retail Pharmacy network to Tricare beneficiaries. The rebates are calculated as the difference between the annual Non-FAMP and FCP. We are required to list our innovator products on a Tricare Agreement in order for them to be eligible for DOD formulary inclusion. If we overcharge the government in connection with our FSS contract or Tricare Agreement, whether due to a misstated FCP or otherwise, we are required to refund the difference to the government. Failure to make necessary disclosures and/or to identify contract overcharges could result in allegations against us under the False Claims Act and other laws and regulations. If we fail to provide timely information or are found to have knowingly submitted false information, we may be subject to civil monetary penalties.

Individual states continue to consider and have enacted legislation to limit the growth of healthcare costs, including the cost of prescription drugs and combination products. A number of states have either implemented or are considering implementation of drug price transparency legislation that may prevent or limit our ability to take price increases at certain rates or frequencies. Requirements under such laws include advance notice of planned price increases, reporting price increase amounts and factors considered in taking such increases, wholesale acquisition cost information disclosure to prescribers, purchasers, and state agencies, and new product notice and reporting. Such legislation could limit the price or payment for IBSRELA and, if launched, XPHOZAH, and a number of states are authorized to impose civil monetary penalties or pursue other enforcement mechanisms against manufacturers who fail to comply with drug price transparency requirements, including the untimely, inaccurate, or incomplete reporting of drug pricing information. If we are found to have violated state law requirements, we may become subject to penalties or other enforcement mechanisms, which could have a material adverse effect on our business.

Pricing and rebate calculations are complex, vary among products and programs, and are often subject to interpretation by us, governmental or regulatory agencies, and the courts. The terms, scope and complexity of these government pricing programs change frequently, as do interpretations of applicable requirements for pricing and rebate calculations. Responding to current and future changes may increase our costs and the complexity of compliance will be time consuming. Any required refunds to the U.S. government or responding to a government investigation or enforcement action would be expensive and time consuming and could have a material adverse effect on our business, results of operations and financial condition. Price recalculations under the MDRP also may affect the ceiling price at which we are required to offer products under the 340B program. Civil monetary penalties can be applied if we are found to have knowingly submitted any false price or product information to the government, if we fail to submit the required price data on a timely basis, or if we are found to have charged 340B covered entities more than the statutorily mandated ceiling price. In the event that CMS were to terminate our Medicaid rebate agreement, no federal payments would be available under Medicaid or Medicare for IBSRELA or, if launched, XPHOZAH. We cannot offer any assurances that our submissions will not be found to be incomplete or incorrect.

Risks Related to Intellectual Property

Our success will depend on our ability to obtain, maintain and protect our intellectual property rights.

Our success and ability to compete depend in part on our ability to obtain, maintain and enforce issued patents, trademarks and other intellectual property rights and proprietary technology in the U.S. and elsewhere. If we cannot adequately obtain, maintain and enforce our intellectual property rights and proprietary technology, competitors may be able to use our technologies or the goodwill we have acquired in the marketplace and erode or negate any competitive advantage we may have and our ability to compete, which could harm our business and ability to achieve profitability and/or cause us to incur significant expenses.

We rely on a combination of contractual provisions, confidentiality procedures and patent, trademark, copyright, trade secret and other intellectual property laws to protect the proprietary aspects of our products, product candidates, brands, technologies, trade secrets, know-how and data. These legal measures afford only limited protection, and competitors or others may gain access to or use our intellectual property rights and proprietary information. Our success will depend, in part, on preserving our trade secrets, maintaining the security of our data and know-how and obtaining, maintaining and enforcing other intellectual property rights. We may not be able to obtain, maintain and/or enforce our intellectual property or other proprietary rights necessary to our business or in a form that provides us with a competitive advantage.

Failure to obtain, maintain and/or enforce intellectual property rights necessary to our business and failure to protect, monitor and control the use of our intellectual property rights could negatively impact our ability to compete and cause us to incur significant expenses. The intellectual property laws and other statutory and contractual arrangements in the U.S. and other jurisdictions we depend upon may not provide sufficient protection in the future to prevent the infringement, use, violation, or misappropriation of our patents, trademarks, data, technology, and other intellectual property rights and products by others, and may not provide an adequate remedy if our intellectual property rights are infringed, misappropriated, or otherwise violated by others.

We rely in part on our portfolio of issued and pending patent applications in the U.S. and other countries to protect our intellectual property and competitive position. However, it is also possible that we may fail to identify patentable aspects of inventions made in the course of our development, manufacture and commercialization activities before it is too late to obtain patent protection on them. If we fail to timely file for patent protection in any jurisdiction, we may be precluded from doing so at a later date. Although we enter into non-disclosure and confidentiality agreements with parties who have access to patentable aspects of our research and development output, such as our employees, corporate collaborators, outside scientific collaborators, suppliers, consultants, advisors, and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection. Furthermore, publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the U.S.

and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in any of our patents or pending patent applications, or that we were the first to file for patent protection of such inventions. Moreover, should we become a licensee of a third party's patents or patent applications, depending on the terms of any future in-licenses to which we may become a party, we may not have the right to control the preparation, filing and prosecution of patent applications, or to maintain or enforce the patents, covering technology in-licensed from third parties. Therefore, these patents and patent applications may not be prosecuted, maintained and/or enforced in a manner consistent with the best interests of our business. Any of these outcomes could impair our ability to prevent competition from third parties, which may have an adverse impact on our business.

The patent positions of companies, including our patent position, may involve complex legal and factual questions that have been the subject of much litigation in recent years, and, therefore, the scope of any patent claims that we have or may obtain cannot be predicted with certainty. Accordingly, we cannot provide any assurances about which of our patent applications will issue, the breadth of any resulting patent, whether any of the issued patents will be found to be infringed, invalid or unenforceable or will be threatened or challenged by third parties, that any of our issued patents have, or that any of our currently pending or future patent applications that mature into issued patents will include, claims with a scope sufficient to protect our products and services. Our pending and future patent applications may not result in the issuance of patents or, if issued, may not issue in a form that will be advantageous to us. The coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. We cannot offer any assurances that the breadth of our granted patents will be sufficient to stop a competitor from developing, manufacturing and commercializing a product or technologies in a non-infringing manner that would be competitive with one or more of our products or technologies, or otherwise provide us with any competitive advantage. Furthermore, any successful challenge to these patents or any other patents owned by or licensed to us after patent issuance could deprive us of rights necessary for our commercial success. Further, there can be no assurance that we will have adequate resources to enforce our patents.

Patents have a limited lifespan. In the U.S., the natural expiration of a utility patent is generally 20 years from the earliest effective non-provisional filing date. Though an issued patent is presumed valid and enforceable, its issuance is not conclusive as to its validity or its enforceability and it may not provide us with adequate proprietary protection or competitive advantages against competitors with similar products or services. Patents, if issued, may be challenged, deemed unenforceable, invalidated, narrowed or circumvented. Proceedings challenging our patents or patent applications could result in either loss of the patent, or denial of the patent application or loss or reduction in the scope of one or more of the claims of the patent or patent application. Any successful challenge to our patents and patent applications could deprive us of exclusive rights necessary for our commercial success. In addition, defending such challenges in such proceedings may be costly. Thus, any patents that we may own may not provide the anticipated level of, or any, protection against competitors. Furthermore, an adverse decision may result in a third party receiving a patent right sought by us, which in turn could affect our ability to develop, manufacture or commercialize our products or technologies.

Some of our patents and patent applications may in the future be co-owned with third parties. If we are unable to obtain an exclusive license to any such third-party co-owners' interest in such patents or patent applications, such co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products, services and technology. In addition, we may need the cooperation of any such co-owners of our patents in order to enforce such patents against third parties, and such cooperation may not be provided to us.

In addition, the U.S. federal government retains certain rights in inventions produced with its financial assistance under the Patent and Trademark Law Amendments Act (Bayh-Dole Act). The federal government retains a "nonexclusive, nontransferable, irrevocable, paid-up license" for its own benefit. The Bayh-Dole Act also provides federal agencies with "march-in rights." March-in rights allow the government, in specified circumstances, to require the contractor or successors in title to the patent to grant a "nonexclusive, partially exclusive, or exclusive license" to a "responsible applicant or applicants." If the patent owner refuses to do so, the government may grant the license itself. If we choose to collaborate with academic institutions to accelerate our preclinical research or development, we cannot be sure that any co-developed intellectual property will be free from government rights pursuant to the Bayh-Dole Act. If, in the future, we co-own or license in technology which is critical to our business that is developed in whole or in part with federal funds subject to the Bayh-Dole Act, our ability to enforce or otherwise exploit patents covering such technology may be adversely affected.

The degree of future protection for our proprietary rights is uncertain, and we cannot ensure that:

- Any of our patents, or any of our pending patent applications, if issued, will include claims having a scope sufficient to protect our products or product candidates;
- Any of our pending patent applications will issue as patents;
- We were the first to make the inventions covered by each of our patents and pending patent applications;

- We were the first to file patent applications for these inventions;
- Others will not develop, manufacture and/or commercialize similar or alternative products or technologies that do not infringe our patents;
- Any of our challenged patents will ultimately be found to be valid and enforceable;
- Any patents issued to us will provide a basis for an exclusive market for our commercially viable products or technologies will provide us with any competitive advantages or will not be challenged by third parties;
- We will develop additional proprietary technologies or products that are separately patentable; or
- Our commercial activities or products will not infringe upon the patents of others.

We may become subject to third-party claims alleging infringement, misappropriation or violation of such third parties' patents or other intellectual property rights and/or third-party claims seeking to invalidate our patents, which would be costly, time consuming and, if successfully asserted against us, delay or prevent the development, manufacture or commercialization of our products or product candidates.

Our commercial success depends, in part, on our ability to develop, manufacture or commercialize our products and product candidates without infringing, misappropriating or otherwise violating the intellectual property rights of third parties. There have been many lawsuits and other proceedings asserting infringement or misappropriation of patents and other intellectual property rights in the pharmaceutical and biotechnology industries, and companies in the industry have used intellectual property litigation to gain a competitive advantage. While we take steps to ensure that we do not infringe upon, misappropriate or otherwise violate the intellectual property rights of others, there can be no assurances that we will not be subject to claims alleging that the manufacture, use or sale of IBSRELA or XPHOZAH or of any other product candidates infringes existing or future third-party patents, or that such claims, if any, will not be successful. Because patent applications can take many years to issue and may be confidential for 18 months or more after filing, and because pending patent claims can be revised before issuance, there may be applications now pending which may later result in issued patents that may be infringed by the manufacture, use or sale of IBSRELA or XPHOZAH or other product candidates. Moreover, we may face patent infringement claims from non-practicing entities that have no relevant product revenue and against whom our own patent portfolio may thus have no deterrent effect. We may be unaware of one or more issued patents that would be infringed by the manufacture, sale or use of IBSRELA or XPHOZAH or our other product candidates.

Third parties may initiate legal proceedings alleging that we are infringing, misappropriating or otherwise violating their intellectual property rights. These proceedings could cause us to pay substantial damages, including treble damages and attorney's fees if we are found to be willfully infringing a third party's patents. We may be required to indemnify future collaboration partners against such claims. We are not aware of any threatened or pending claims related to these matters, but in the future, litigation may be necessary to defend against such claims. If a patent infringement suit were brought against us, we could be forced to stop or delay development, manufacturing or sales of the product or product candidate that is the subject of the suit. As a result of patent infringement claims, or in order to avoid potential claims, we may choose to seek, or be required to seek, a license from the third party and would most likely be required to pay license fees or royalties or both. These licenses may not be available on acceptable terms, or at all. Even if we were able to obtain a license, we may be unable to maintain such licenses and the rights may be nonexclusive, which would give our competitors access to the same intellectual property. Ultimately, we could be prevented from commercializing a product, or forced to redesign it if, as a result of actual or threatened patent infringement claims, we are unable to enter into licenses on acceptable terms, or unable to maintain such licenses when granted. Even if we are successful in defending against such claims, such litigation can be expensive and time consuming to litigate and would divert management's attention from our core business. Any of these events could harm our business significantly.

We also could be ordered to pay substantial damages, including treble damages and attorney's fees if we are found to be willfully infringing a third party's patents or other intellectual property right. Even if we believe such claims are without merit, a court of competent jurisdiction could hold that these third-party patents are valid and enforceable, and infringed by the use of our products and/or technologies, which could have a negative impact on the commercial success of our current and any future products or technologies. If we were to challenge the validity of any such third-party U.S. patent in federal court, we would need to overcome a presumption of validity. As this burden is a high one requiring us to present clear and convincing evidence as to the invalidity of any such U.S. patent claim, there is no assurance that a court of competent jurisdiction would invalidate the claims of any such U.S. patent. We will have similar burdens to overcome in foreign courts in order to successfully challenge a third-party claim of patent infringement. Even if we are successful in defending against such claims, such litigation can be expensive and time consuming to litigate and would divert management's attention from our core business. Any of these events could harm our business significantly.

In addition to infringement claims against us, third parties may also raise similar claims before administrative bodies in the U.S. or abroad. Such mechanisms include reexamination, post grant review, inter partes review, derivation or opposition proceedings before the USPTO or other jurisdictional body relating to our intellectual property rights or the intellectual property rights of others. If third parties prepare and file patent applications in the U.S. that also claim technology similar or identical to ours, we may have to participate in interference or derivation proceedings in the USPTO to determine which party is entitled to a patent on the disputed invention. We may also become involved in similar opposition proceedings in the European Patent Office or similar offices in other jurisdictions regarding our intellectual property rights with respect to our products and technology. Since patent applications are confidential for a period of time after filing, we cannot be certain that we were the first to file any patent application related to our product candidates. Such administrative proceedings could result in revocation of or amendment to our patents in such a way that they no longer cover our products or product candidates. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we, our patent counsel, and the patent examiner were unaware during prosecution. If a third party were to prevail on a legal assertion of invalidity and/or unenforceability, we may lose at least part, and perhaps all, of the patent protection on our products or technologies. Such a loss of patent protection would have a material adverse impact on our business, financial condition, results of operations and prospects.

If we are not able to successfully enforce our intellectual property rights, the commercial value of IBSRELA and XPHOZAH or other product candidates may be adversely affected and we may not be able to compete effectively in our market.

The enforceability of patents in the biotechnology and pharmaceutical field involves complex legal and scientific questions, the answers to which can be uncertain. The patent applications that we own or license may fail to result in issued patents in the U.S. or in foreign countries. Additionally, our research and development efforts may result in product candidates for which patent protection is limited or not available. Even if patents do issue, third parties may challenge the validity, enforceability, scope or infringement thereof, which may result in such patents being narrowed, invalidated, held unenforceable or not infringed. For example, U.S. patents can be challenged by any person before the new USPTO Patent Trial and Appeal Board at any time before one year after that person is served an infringement complaint based on the patents. Patents granted by the European Patent Office may be similarly opposed by any person within nine months from the publication of the grant. Similar proceedings are available in other jurisdictions, and in the U.S., Europe and other jurisdictions, third parties can raise questions of validity with a patent office even before a patent has granted. Furthermore, even if unchallenged, our patents and patent applications may not prevent others from designing around our patent claims. For example, a third party may develop a competitive product that provides therapeutic benefits similar to one or more of our product candidates but has a sufficiently different composition to fall outside the scope of our patent protection. If the breadth or strength of protection provided by the patents and patent applications we hold or pursue with respect to IBSRELA and XPHOZAH or any future product candidates is successfully challenged, then our ability to commercialize such product could be negatively affected, and we may face unexpected competition that could have a material adverse impact on our business.

Even where laws provide intellectual property and/or regulatory protection, costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and the outcome of such litigation would be uncertain. If we or one of our collaboration partners were to initiate legal proceedings against a third party to enforce a patent covering a product or product candidate, the defendant could counterclaim that our patent is invalid, unenforceable and/or not infringed. In patent litigation in the U.S. and other jurisdictions, defendant counterclaims alleging invalidity, unenforceability and/or noninfringement are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including novelty, nonobviousness and enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. The outcome following legal assertions of invalidity, unenforceability and noninfringement is unpredictable. With respect to validity, for example, we cannot be certain that there is no invalidating prior art, of which we and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity, unenforceability or non-infringement of our intellectual property related to a product or a product candidate, we could lose part, and possibly all, of the patent protection on such product or product candidate. Such a loss of patent protection could have a material adverse impact on our business. Moreover, our competitors could counterclaim that we infringe their intellectual property and may attempt to prevent us from commercializing a product.

Although the composition and use of IBSRELA and XPHOZAH are currently claimed by seven issued patents each that are listed in the FDA's Orange Book, we cannot assure that we will be successful in defending against third parties asserting that any of our patents are invalid, unenforceable or not infringed by the third parties' products, or in competing against third parties seeking to introduce generic versions of IBSRELA, XPHOZAH or any of our future products.

In the U.S., the Hatch-Waxman Act provides non-patent regulatory exclusivity for five years from the date of the first FDA approval of a drug containing an NCE. The FDA is prohibited during those five years from approving an ANDA or 505(b)(2)

NDA that references the NDA that has been granted NCE exclusivity. However, if any patents are listed in the FDA Orange Book for such NCE-containing drug, a follow-on product manufacturer may file an ANDA or 505(b)(2) NDA that references an NDA product with granted NCE exclusivity after four years from the first NDA approval date provided it is accompanied by a Paragraph IV certification asserting that each Orange Book listed patent is invalid, unenforceable, or that the generic product does not infringe the Orange Book listed patents. The Hatch-Waxman Act does not prevent a third party from filing, or the FDA from approving, another full 505(b)(1) NDA for an already-approved drug where the third party has conducted its own pre-clinical and clinical trials to independently demonstrate safety and effectiveness without reliance on the original NDA data.

In cases where NCE exclusivity has been granted for an NDA, as in the case of IBSRELA and XPHOZAH, if an ANDA or 505(b)(2) sponsor has provided a Paragraph IV certification to the FDA when filing its application, the sponsor must also send a notice thereof to the NCE NDA owner. The NCE NDA owner may then initiate a patent infringement lawsuit in response to the Paragraph IV certification. The filing of a patent infringement lawsuit within 45 days after the NCE NDA owner's receipt of a notice of the Paragraph IV certification automatically prevents the FDA from approving the ANDA or 505(b)(2) NDA until the earlier of 30 months after the NCE NDA owner's receipt of the Paragraph IV certification notice, a final decision in the infringement case in favor of the ANDA or 505(b)(2) sponsor, or another date established by the court. There can be no assurances that an ANDA or 505(b)(2) NDA that references our IBSRELA or XPHOZAH NDAs and includes a Paragraph IV certification will not be filed, or that we will be successful in enforcing our Orange Book listed patents against such follow-on product sponsor.

We also rely on trade secret protection and confidentiality agreements to protect proprietary know-how that may not be patentable, processes for which patents may be difficult to obtain and/or enforce and any other elements of our drug discovery and development processes that involve proprietary know-how, information or technology that is not covered by patents. Although we require all of our employees, consultants, advisors and any third parties who have access to our proprietary know-how, information or technology, to assign their inventions to us, and endeavor to execute confidentiality agreements with all such parties, we cannot be certain that we have executed such agreements with all parties who may have helped to develop our intellectual property or who had access to our proprietary information, nor can we be certain that our agreements will not be breached by such consultants, advisors or third parties, or by our former employees. The breach of such agreements by individuals or entities who were actively involved in the discovery and design of our products or potential drug candidates, or in the development of our discovery and design platform could require us to pursue legal action to protect our trade secrets and confidential information, which could be expensive, and the outcome of which would be unpredictable. If we are not successful in prohibiting the continued breach of such agreements, our business could be negatively impacted. 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.

Further, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the U.S. As a result, we may encounter significant problems in protecting and defending our intellectual property both in the U.S. and abroad. If we are unable to prevent material disclosure of the intellectual property related to our technologies to third parties, we will 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.

Although we have obtained patent term extension in the U.S. under the Hatch-Waxman Act, extending the term of exclusivity for tenapanor, if we do not obtain patent term extension in foreign countries under similar legislation, our business may be materially harmed. Furthermore, we have obtained patent term adjustment in the U.S. under the American Inventors Protection Act extending the patent term for certain patents covering tenapanor.

U.S. Patent No. 8,541,448 covering tenapanor was subject to patent term adjustment under the American Inventors Protection Act for delays by the USPTO in granting the patent. Additionally, following the approval by the FDA for our NDA to market tenapanor for IBS-C, this patent was granted patent term extension under the Hatch-Waxman Act and together with patent term adjustment provides us with exclusivity for tenapanor and uses thereof until August 1, 2033. The Hatch-Waxman Act allows a maximum of one patent to be extended per FDA approved product. Extension and/or adjustment of patent term (collectively, Patent Restoration) also may be available in certain foreign countries upon regulatory approval of our product candidates. Despite seeking Patent Restoration for tenapanor in all countries where it is available, it may not be granted in any foreign country because of, for example, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents or otherwise failing to satisfy applicable requirements. Moreover, the term of patent protection subject to Patent Restoration, as well as the scope of patent protection during any such Patent Restoration, afforded by the governmental authority could be less than we request or could change due to changes to applicable Patent Restoration laws or regulations or interpretations thereof.

If we are unable to obtain Patent Term Restoration in any particular country, or the term of any such extension is less than we request, or is changed due to changes in applicable laws or regulations or interpretations thereof, the period during which we will have exclusive rights to our product in such country could be shortened and our competitors may obtain approval of competing products following our non-extended/adjusted patent expiration, and our revenue could be reduced, possibly materially.

The USPTO and various foreign patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions to maintain patent applications and issued patents. Noncompliance with these requirements can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. There could also be delays at the USPTO caused by staffing cuts and other U.S. government actions as a result of the U.S. Department of Government Efficiency or other executive actions to reduce the size of the U.S. government. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case.

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

The laws of some foreign countries do not protect intellectual property rights to the same extent as the laws of the U.S. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of some countries, particularly developing countries, do not favor the enforcement of patents and other intellectual property protection, especially those relating to life sciences. This could make it difficult for us to stop the infringement of our patents or the misappropriation of our other intellectual property rights. For example, many foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties.

Europe's new Unified Patent Court may, in particular, present uncertainties for our ability to protect and enforce our patent rights against competitors in Europe. In 2012, the EU Patent Package regulations were passed with the goal of providing a single pan-European Unitary Patent and a new UPC, for litigation involving European patents. Implementation of the EU Patent Package entered into force on June 1, 2023. Under the UPC, all European patents, including those issued prior to ratification of the EU Patent Package, will by default automatically fall under the jurisdiction of the UPC. The UPC will provide our competitors with a new forum to centrally revoke our European patents and allow for the possibility of a competitor to obtain pan-European injunctions. It will be several years before we will understand the scope of patent rights that will be recognized and the strength of patent remedies that will be provided by the UPC. Under the EU Patent Package as currently proposed, we will have the right to opt our patents out of the UPC over the first seven years of the court's existence, but doing so may preclude us from realizing the benefits of the new unified court.

In addition, geo-political actions in the United States and in foreign countries could increase the uncertainties and costs surrounding the prosecution or maintenance of our patent applications or those of any current or future licensors and the maintenance, enforcement or defense of our issued patents or those of any current or future licensors. For example, the United States and foreign government actions related to Russia's conflict in Ukraine may limit or prevent filing, prosecution, and maintenance of patent applications in Russia. Government actions may also prevent maintenance of issued patents in Russia. These actions could result in abandonment or lapse of our patents or patent applications, resulting in partial or complete loss of patent rights in Russia. In addition, a decree was adopted by the Russian government in March 2022, allowing Russian companies and individuals to exploit inventions owned by patentees from the United States without consent or compensation. Consequently, we would not be able to prevent third parties from practicing our inventions in Russia or from selling or importing products made using our inventions in and into Russia. Accordingly, our competitive position may be impaired, and our business, financial condition, results of operations and prospects may be adversely affected.

Proceedings to enforce our patent rights in foreign jurisdictions, whether or not successful, could result in substantial costs and divert our efforts and attention from other aspects of our business. Furthermore, while we intend to protect our intellectual property rights in our expected significant markets, we cannot ensure that we will be able to initiate or maintain similar efforts in all jurisdictions in which we may wish to market our products. Accordingly, our efforts to protect our intellectual property rights in such countries may be inadequate. In addition, changes in the law and legal decisions by courts in the U.S. and foreign countries may affect our ability to obtain and enforce adequate intellectual property protection for our technology.

If we are unable to protect the confidentiality of our trade secrets, the value of our technology could be materially adversely affected and our business would be harmed.

We consider proprietary trade secrets, confidential know-how and unpatented know-how to be important to our business. We seek to protect our confidential proprietary information, in part, by entering into confidentiality agreements and invention assignment agreements with parties who have access to them, including our employees, consultants, scientific advisors, contractors, CROs, contract manufacturers, collaborators and other third parties, that are designed to protect our proprietary information. However, we cannot be certain that such agreements have been entered into with all relevant parties that may have or have had access to our trade secrets or proprietary technology, and we cannot be certain 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 and other confidential proprietary technology, or independently develop substantially equivalent information and techniques. For example, any of these parties with whom we have entered into such confidentiality or invention assignment agreements may breach the agreements and disclose our proprietary information, including trade secrets, and we may not be able to obtain adequate remedies for such breaches. We also seek to preserve the integrity and confidentiality of our confidential proprietary information by maintaining physical security of our premises and physical and electronic security of our information technology systems, but it is possible that these security measures could be breached. Monitoring unauthorized uses and disclosures of our intellectual property is difficult, and we do not know whether the steps we have taken to protect our intellectual property will be effective.

Unauthorized parties may also attempt to copy or reverse engineer certain aspects of our products that we consider proprietary. We may not be able to obtain adequate remedies in the event of such unauthorized use. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. Trade secrets will also over time be disseminated within the industry through independent development, the publication of journal articles and the movement of personnel skilled in the art from company to company or academic institutions to industry scientific positions. Though our agreements with third parties typically restrict the ability of our advisors, employees, collaborators, licensors, suppliers, third-party contractors and consultants to publish data potentially relating to our trade secrets and proprietary information, our agreements may contain certain limited publication rights. In addition, if any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent such competitor from using that technology or information to compete with us, which could harm our competitive position. Despite employing the contractual and other security precautions described above, the need to share trade secrets increases the risk that such trade secrets become known by our competitors, are incorporated (inadvertently or not) into the technology of others, or are disclosed or used in violation of these agreements. We may need to share our proprietary information, including trade secrets, with our current and future business partners, collaborators, contractors and others located in countries at heightened risk of theft of trade secrets, including through direct intrusion by private parties or foreign actors, and those affiliated with or controlled by state actors. If any of these events occurs or if we otherwise lose protection for our trade secrets, the value of such information may be greatly reduced and our competitive position, business, financial condition, results of operations and prospects would be harmed.

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

Our current or future registered or unregistered trademarks or trade names may be challenged, infringed, circumvented or declared generic or descriptive, cancelled or determined to be infringing on other marks. We may not be able to protect or preserve our rights to these trademarks and trade names or may be forced to stop using those names, which we need to build name recognition among potential collaborators or customers in our markets of interest. At times, competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. If we assert trademark infringement claims, a court may determine that the marks we have asserted are invalid or unenforceable, or that the party against whom we have asserted trademark infringement has superior rights to the marks in question. In this case, we could ultimately be forced to cease use of such trademarks.

During trademark registration proceedings, we may receive rejections of our applications by the USPTO or in other foreign jurisdictions. Although we would be given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in the USPTO and in 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. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. We may license our trademarks and trade names to third parties, such as distributors. Although these license agreements may provide guidelines for how our trademarks and trade names may be used, a breach of these agreements or misuse of our trademarks and tradenames by our licensees may jeopardize our rights in or diminish the goodwill associated with our trademarks and trade names. Our efforts to enforce or protect our proprietary rights related to trademarks, trade names, trade secrets, domain names, copyrights or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely affect our competitive position, business, financial condition, results of operations and prospects.

Moreover, any name we have proposed to use with our product candidates in the United States must be approved by the FDA, regardless of whether we have registered it, or applied to register it, as a trademark. Similar requirements exist in Europe.

The FDA typically conducts a review of proposed product names, including an evaluation of potential for confusion with other product names. If the FDA (or an equivalent administrative body in a foreign jurisdiction) objects to any of our proposed proprietary product names, we may be required to expend significant additional resources in an effort to identify a suitable substitute name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA. Furthermore, in many countries, owning and maintaining a trademark registration may not provide an adequate defense against a subsequent infringement claim asserted by the owner of a senior trademark.

We may be subject to claims that we or our employees have misappropriated the intellectual property, including know-how or trade secrets, of a third party, or claiming ownership of what we regard as our own intellectual property.

Many of our employees, consultants and contractors were previously employed at or engaged by other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Some of these employees, consultants and contractors executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. Although we try to ensure that our employees, consultants and contractors do not use the intellectual property and other proprietary information or know-how or trade secrets of others in their work for us, and do not perform work for us that is in conflict with their obligations to another employer or any other entity, we may be subject to claims that we or these employees, consultants and contractors have used or disclosed such intellectual property, including know-how, trade secrets or other proprietary information. In addition, an employee, advisor or consultant who performs work for us may have obligations to a third party that are in conflict with their obligations to us, and as a result, such third party may claim an ownership interest in the intellectual property arising out of work performed for us. We are not aware of any threatened or pending claims related to these matters, but in the future, litigation may be necessary to defend against such claims. If we fail to defend any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel, or access to consultants and contractors. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

In addition, while we typically require our employees, consultants and contractors who may be involved in the 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 develops intellectual property that we regard as our own, which may result in claims by or against us related to the ownership of such intellectual property. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to our management and scientific personnel.

Risks Related to Our Common Stock

Our stock price may continue to be volatile and our stockholders may not be able to resell shares of our common stock at or above the price they paid.

The trading price of our common stock is highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control. These factors include those discussed in this “Risk Factors” section and others such as:

- the success or lack of success with regards to our commercialization of IBSRELA and XPHOZAH;
- results of regulatory inspections of our facilities or those of our CMOs, or specific label restrictions or patient populations for XPHOZAH’s use, or changes or delays in the regulatory review process;

- announcements regarding coverage and reimbursement for XPHOZAH alone or with other oral ESRD-related drugs without injectable or intravenous equivalents;
- announcements regarding the results of clinical trials we may run evaluating tenapanor for CIC; RDX10531 or any other product candidates;
- announcements relating to our current or future collaboration partnerships;
- announcements of therapeutic innovations or new products or strategic transactions by us or our competitors;
- adverse actions taken by regulatory agencies with respect to our product label, our clinical trials, manufacturing supply chain or sales and marketing activities;
- changes or developments in laws or regulations applicable to our approved products or our product candidates;
- failure to meet any of our projected timelines or goals with regard to the commercialization of IBSRELA and XPHOZAH, or the clinical development and commercialization of any of our product candidates;
- the success of our efforts to acquire or license or discover additional product candidates;
- any intellectual property infringement actions in which we may become involved;
- the success of our efforts to obtain adequate intellectual property protection for our products and product candidates;
- announcements concerning our competitors or the pharmaceutical industry in general;
- achievement of expected product sales and profitability;
- manufacture, supply or distribution shortages;
- actual or anticipated fluctuations in our operating results;
- FDA or other U.S. or foreign regulatory actions affecting us or our industry or other healthcare reform measures in the U.S.;
- changes in financial estimates or recommendations by securities analysts;
- trading volume of our common stock;
- sales of our common stock by us, our executive officers and directors or our stockholders in the future;
- sales of debt securities and sales or licensing of assets;
- general economic and market conditions and overall fluctuations in the U.S. equity markets; and
- the loss of any of our key scientific or management personnel.

In addition, the stock markets in general, and the markets for pharmaceutical, biopharmaceutical and biotechnology stocks in particular, have experienced extreme volatility that may have been unrelated to the operating performance of the issuer. These broad market fluctuations may adversely affect the trading price or liquidity of our common stock. In the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the issuer. If any of our stockholders were to bring such a lawsuit against us, we could incur substantial costs defending the lawsuit and the attention of our management would be diverted from the operation of our business, which could seriously harm our financial position. Any adverse determination in litigation could also subject us to significant liabilities.

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

We may from time to time issue additional shares of common stock at a discount from the current trading price of our common stock. As a result, our stockholders would experience immediate dilution upon the purchase of any shares of our common stock sold at such discount. In addition, as opportunities present themselves, we may enter into financing or similar arrangements in the future, including the issuance of debt securities, preferred stock or common stock. If we issue common stock or securities convertible into common stock, our common stockholders will experience additional dilution and, as a result, our stock price may decline.

General Risk Factors

We incur significant costs as a result of operating as a public company, and our management devotes substantial time to new compliance initiatives. We may fail to comply with the rules that apply to public companies, including Section 404 of the Sarbanes-Oxley Act of 2002, which could result in sanctions or other penalties that would harm our business.

We incur significant legal, accounting and other expenses as a public company, including costs resulting from public company reporting obligations under the Exchange Act and regulations regarding corporate governance practices. The listing requirements of The Nasdaq Global Market require that we satisfy certain corporate governance requirements relating to director independence, distributing annual and interim reports, stockholder meetings, approvals and voting, soliciting proxies, conflicts of interest and a code of conduct. Our management and other personnel need to devote a substantial amount of time to ensure that we comply with all of these requirements. Any changes we make to comply with these obligations may not be sufficient to allow us to satisfy our obligations as a public company on a timely basis, or at all. These reporting requirements, rules and regulations, coupled with the increase in potential litigation exposure associated with being a public company, could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors or board committees or to serve as executive officers, or to obtain certain types of insurance, including directors' and officers' insurance, on acceptable terms.

We are subject to Section 404 of The Sarbanes-Oxley Act of 2002 (Section 404) and the related rules of the SEC, which generally require, among other things, our management and independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting. Our compliance with Section 404 requires that we incur substantial expense and expend significant management efforts.

During the course of our review and testing of our internal controls, we may identify deficiencies and be unable to remediate them before we must provide the required reports. Furthermore, if we have a material weakness in our internal controls over financial reporting, we may not detect errors on a timely basis and our financial statements may be materially misstated. We or our independent registered public accounting firm may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting, which could harm our operating results, cause investors to lose confidence in our reported financial information and cause the trading price of our stock to fall. In addition, as a public company we are required to file accurate and timely quarterly and annual reports with the SEC under the Exchange Act. Any failure to report our financial results on an accurate and timely basis could result in sanctions, lawsuits, delisting of our shares from The Nasdaq Global Market or other adverse consequences that would materially harm our business.

We may be adversely affected by the global economic environment.

Our ability to attract and retain collaboration partners or customers, invest in and grow our business and meet our financial obligations depends on our operating and financial performance, which, in turn, is subject to numerous factors, including the prevailing economic conditions and financial, business and other factors beyond our control, such as the rate of unemployment, the number of uninsured persons in the U.S., presidential elections, other political influences and inflationary pressures. Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets, including the current inflationary environment and rising interest rates. Adverse developments that affect financial institutions, transactional counterparties, or other third parties, or concerns or rumors about these events, have in the past and may in the future lead to market-wide liquidity problems. We currently have no borrowing or deposit exposure to directly impacted institutions and have not experienced an adverse impact to our liquidity or to our business operations, financial condition, or results of operations as a result of these recent events. However, uncertainty may remain over liquidity concerns in the broader financial services industry, and there may be unpredictable impacts to our business and our industry. We cannot anticipate all the ways in which the global economic climate and global financial market conditions could adversely impact our business in the future.

We are exposed to risks associated with reduced profitability and the potential financial instability of our collaboration partners or customers, many of which may be adversely affected by volatile conditions in the financial markets. For example, unemployment and underemployment, and the resultant loss of insurance, may decrease the demand for healthcare services and pharmaceuticals. If fewer patients are seeking medical care because they do not have insurance coverage, our collaboration partners or customers may experience reductions in revenues, profitability and/or cash flow that could lead them to reduce their support of our programs or financing activities. If collaboration partners or customers are not successful in generating sufficient revenue or are precluded from securing financing, they may not be able to pay, or may delay payment of, accounts receivable that are owed to us. In addition, volatility in the financial markets could cause significant fluctuations in the interest rate and currency markets. We currently do not hedge for these risks. The foregoing events, in turn, could adversely affect our financial condition and liquidity. In addition, if economic challenges in the U.S. result in widespread and prolonged unemployment, either regionally or on a national basis, or if certain provisions of the Patient Protection and ACA, as amended by the Health

Care and Education Reconciliation Act, collectively known as the ACA, are repealed, a substantial number of people may become uninsured or underinsured. To the extent economic challenges result in fewer individuals pursuing or being able to afford our product candidates once commercialized, our business, results of operations, financial condition and cash flows could be adversely affected.

Provisions in our charter documents and under Delaware law could discourage a takeover that stockholders may consider favorable and may lead to entrenchment of management.

Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that could significantly reduce the value of our shares to a potential acquirer or delay or prevent changes in control or changes in our management without the consent of our board of directors. The provisions in our charter documents include the following:

- a classified board of directors with three-year staggered terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors to elect a director to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- the required approval of at least two-thirds of the shares entitled to vote to remove a director for cause, and the prohibition on removal of directors without cause;
- the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the ability of our board of directors to alter our bylaws without obtaining stockholder approval;
- the required approval of at least two-thirds of the shares entitled to vote at an election of directors to adopt, amend or repeal our bylaws or repeal the provisions of our amended and restated certificate of incorporation regarding the election and removal of directors;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- the requirement that a special meeting of stockholders may be called only by the chairman of the board of directors, the chief executive officer, the president or the board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; and
- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

In addition, these provisions would apply even if we were to receive an offer that some stockholders may consider beneficial.

We are also subject to the anti-takeover provisions contained in Section 203 of the Delaware General Corporation Law. Under Section 203, a corporation may not, in general, engage in a business combination with any holder of 15% or more of its capital stock unless the holder has held the stock for three years or, among other exceptions, the board of directors has approved the transaction.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation and amended and restated bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law.

In addition, as permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws and our indemnification agreements that we have entered into with our directors and officers provide that:

- We will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such a person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful.
- We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law.
- We are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification.
- We will not be obligated pursuant to our amended and restated bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnities, except with respect to proceedings authorized by our board of directors or brought to enforce a right to indemnification.
- The rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons.
- We may not retroactively amend our amended and restated bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents.

We do not currently intend to pay dividends on our common stock, and, consequently, our stockholders' ability to achieve a return on their investment will depend on appreciation in the price of our common stock.

We do not currently intend to pay any cash dividends on our common stock for the foreseeable future. We currently intend to invest our future earnings, if any, to fund our future business opportunities. Additionally, the terms of our 2022 Loan Agreement could restrict our ability to pay dividends. Therefore, our stockholders are not likely to receive any dividends on our common stock for the foreseeable future. Since we do not intend to pay dividends, our stockholders' ability to receive a return on their investment will depend on any future appreciation in the market value of our common stock. There is no guarantee that our common stock will appreciate or even maintain the price at which our holders have purchased it.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Cybersecurity Risk Management and Strategy

We maintain a comprehensive cybersecurity risk management program designed to protect the confidentiality, integrity and availability of our systems and information.

We design, assess and benchmark our program based on the National Institute of Standards and Technology (NIST) Cybersecurity Framework. This does not imply that we meet any particular technical standards, specifications or requirements, only that we use NIST as a guide to help us identify, assess and manage cybersecurity risks relevant to our business.

Our cybersecurity risk management program is integrated into our overall risk management program, and shares common methodologies, reporting channels and governance processes that apply across the risk management program, in areas such as legal, compliance, strategic, operational and financial risk.

Key elements of our cybersecurity program include but are not limited to the following:

- risk assessments designed to help identify material risks from cybersecurity threats to our critical systems and information;
- a security team principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls and (3) our response to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security processes;
- cybersecurity awareness training of our employees, including incident response personnel and senior management;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for key service providers based on our assessment of their criticality to our operations and respective risk profile, suppliers and vendors that have access to our critical systems and information based on our assessment of their criticality to our operations and respective risk profile.

We have not experienced any cybersecurity incidents that have materially affected our operations, business strategy, financial condition or results of operations. We face risks from cybersecurity threats that, if realized are reasonably likely to materially affect us, including our operations, business strategy, results of operations or financial condition. For more information, see the section titled "Risk Factors— *We and our collaborators, CROs and other contractors and consultants depend on information technology systems, and any failure of these systems could harm our business. Security breaches, loss of data, and other disruptions could compromise sensitive information related to our business or prevent us from accessing critical information and expose us to liability, which could adversely affect our business, results of operations and financial condition*."

Cybersecurity Governance

Our board of directors considers cybersecurity risk as part of its risk oversight function and has delegated to the Audit and Compliance Committee (Audit Committee) oversight of cybersecurity risks, including oversight of management's implementation of our cybersecurity risk management program, maintains a strategic role in coordinating cyber risk initiatives and policies, and confirming their efficacy.

The Audit Committee receives annual reports from management on our cybersecurity posture. In addition, management updates the Committee where it deems appropriate regarding any cybersecurity incidents it considers to be significant or potentially significant.

The Audit Committee reports to the full board of directors regarding its activities, including those related to cybersecurity. The board of directors also receives periodic briefings from management on our cybersecurity program. The board members receive presentations on cybersecurity topics from our Chief Information Officer, internal security personnel or external experts as part of the board of directors' continuing education on topics that impact public companies.

Our cybersecurity risk management program operates through a structured governance framework with oversight at multiple organizational levels. The IT Steering Committee, comprised of our Chief Information Officer, Chief Financial Officer and other members of management, meets quarterly to provide strategic oversight on technology investments, risk management and cybersecurity initiatives. The Audit Committee maintains independent oversight through quarterly reviews of security maturity, incidents and strategic investments. Ongoing governance includes monthly executive dashboards, Sarbanes-Oxley IT controls monitoring and annual security tabletop exercises. Our Chief Information Officer leads the program day-to-day, supervising internal cybersecurity personnel and external consultants, supported by cross-functional leadership with decades of combined experience in cybersecurity and risk management across commercial biotechnology organizations. Our Chief Information Officer has over 25 years of experience in overseeing cybersecurity and risk management.

Our management team takes steps to stay informed about and monitor efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include briefings from internal security personnel, threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us and alerts and reports produced by security tools deployed in our IT environment.

ITEM 2. PROPERTIES

We do not own any real estate or other physical properties materially important to our operations. Our Waltham, Massachusetts headquarters is leased for four suites, all of which expire in July 2029. In addition, we have lease agreements to lease office spaces in Milwaukee, Wisconsin and Newark, California which expire in February 2029 and May 2028, respectively.

ITEM 3. LEGAL PROCEEDINGS

See information under the "Legal Proceedings and Claims" caption in *Note 19. Commitments and Contingencies* which we incorporated here by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market and Stockholder Information

Our common stock trades on The Nasdaq Global Market under the symbol "ARDX." As of December 31, 2025, there were 23 holders of record of our common stock.

Dividends

We have never declared or paid cash dividends on our capital stock. We currently intend to retain any future earnings to finance the growth and development of our business.

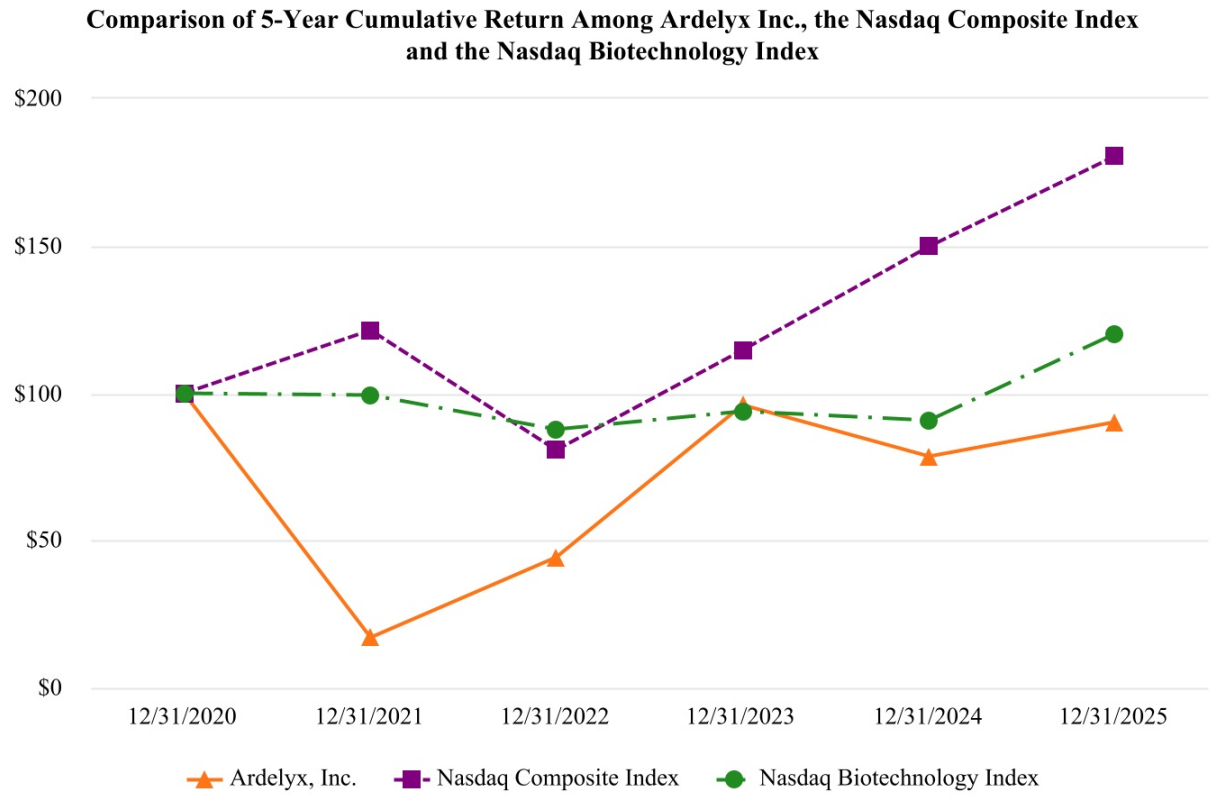
Issuer Purchases of Equity Securities

Not applicable.

Stock Performance Graph

The following performance graph shall not be deemed "soliciting material" or to be "filed" with the SEC for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any of our future filings under the Securities Act of 1933, as amended, or the Securities Act, or the Exchange Act, except to the extent that we specifically incorporate it by reference into such filing.

The graph below compares the cumulative total stockholder return on our common stock from December 31, 2020 to the end of fiscal year 2025 with the cumulative total return of (i) the Nasdaq Composite Index and (ii) the Nasdaq Biotechnology Index. The graph assumes an initial investment value of $100 on December 31, 2020 and reinvestment of dividends.



Value of $100 invested on December 31, 2020 in stock or index, including reinvestment of dividends, for fiscal years ended December 31:

	2020	2021	2022	2023	2024	2025
Ardelyx, Inc.	$ 100.00	$ 17.00	$ 44.05	$ 95.83	$ 78.36	$ 90.11
Nasdaq Composite Index	$ 100.00	$ 121.39	$ 81.21	$ 116.47	$ 149.83	$ 180.33
Nasdaq Biotechnology Index	$ 100.00	$ 99.37	$ 88.53	$ 91.84	$ 90.58	$ 119.92

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our financial statements and related notes included elsewhere in this report. This discussion and other parts of this report contain forward-looking statements that involve risk and uncertainties, such as statements of our plans, objectives, expectations and intentions. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the section of this report titled "Risk Factors." These forward-looking statements speak only as of the date hereof. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason. Unless the context requires otherwise, the terms "Ardelyx," "Company," "we," "us" and "our" refer to Ardelyx, Inc.

EXECUTIVE SUMMARY AND FINANCIAL HIGHLIGHTS

We are a commercial-stage biopharmaceutical company focused on the development and commercialization of innovative medicines that meet significant unmet medical needs. We currently market two therapies from the active ingredient tenapanor, an NHE3 inhibitor that was discovered and developed by Ardelyx. NHE3 is an antiporter expressed on the apical surface of the small and large intestines. Tenapanor is a minimally absorbed, first-in-class, oral, small molecule therapy.

Tenapanor, branded as IBSRELA®, is approved in the U.S. for the treatment of adults with irritable bowel syndrome with constipation. We believe that IBSRELA can bring meaningful benefit to the approximately 13 million Americans who suffer from the symptoms of IBS-C, many of whom continue to experience symptoms despite intervention with other therapies. We are seeking to further expand the IBSRELA eligible patient population to include patients with CIC, and have initiated a Phase 3 clinical trial evaluating tenapanor in adult CIC patients.

Tenapanor, branded as XPHOZAH®, is approved in the U.S. to reduce serum phosphorus in adults with chronic kidney disease on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy. We believe XPHOZAH can bring meaningful relief to adult chronic kidney disease patients on dialysis, the vast majority of whom have elevated levels of serum phosphorus and are unable to achieve target serum phosphorus levels with phosphate binders alone. Continually elevated levels of serum phosphorus can result in severe cardiovascular health complications.

In addition to commercializing IBSRELA and XPHOZAH, we are also developing a next-generation NHE3 inhibitor that we believe can have application across multiple therapeutic areas.

Refer to the *Summary of Abbreviated Terms* at the end of this Annual Report on Form 10-K for definitions of terms used throughout the document.

We are committed to our mission of developing and commercializing innovative medicines that address unmet patient needs. Our principal strategy is to continue our commercial momentum with our current products while advancing and expanding a portfolio of important medicines for patients with unmet medical needs.

Our priorities include (i) driving significant IBSRELA growth, (ii) maintaining XPHOZAH commercial momentum, (iii) further advancing our pipeline and portfolio and (iv) maintaining a solid financial foundation to support our future growth.

In February 2025, we announced the NDA approval by China's Center for Drug Evaluation of the NMPA for tenapanor in the control of serum phosphorus in adult patients with CKD on hemodialysis. This approval triggered a $5.0 million milestone to us under the terms of the Fosun Agreement, which was recorded as licensing revenue on our statements of operations and comprehensive loss when earned during the 2025 first quarter and was received in April 2025.

As of the end of the 2025 second quarter, we had fully recognized the maximum $75.0 million royalty obligation, which had been fully remitted as of the end of the 2025 third quarter under the AstraZeneca Termination Agreement.

On June 30, 2025, we entered into an amendment to our 2022 Loan Agreement (the Fifth Amendment), by and among the Company, as borrower, SLR, as collateral agent and the lenders party thereto. The Fifth Amendment, among other things, (i) provided for the immediate draw of $50.0 million of the Term E Loan on the closing date of the Fifth Amendment; and (ii) provides us with the option to draw an additional $100.0 million of committed senior secured term loans, consisting of the Term F Loan and the Term G Loan, each in the amount of $50.0 million. The Term F Loan and the Term G Loan may be drawn at the Company's election by June 30, 2026 and December 20, 2026, respectively.

In September 2025, we submitted an IND application to the FDA for IBSRELA to expand the IBSRELA eligible patient population to include patients with CIC. In January 2026, we initiated ACCEL (ten-03-301), a Phase 3 clinical trial designed to assess the safety and efficacy of tenapanor for the treatment of CIC. Enrollment in ACCEL is expected throughout 2026, with topline data read out in the second half of 2027. CIC is characterized by difficult, infrequent or incomplete bowel movements, and is associated with significantly impaired quality of life, disrupted productivity and high healthcare-related costs. CIC is estimated to affect more than 34 million Americans. Pending the outcome of the Phase 3 clinical trial, if successful, we intend to submit a supplemental NDA to the FDA for tenapanor for the CIC indication.

In October 2025, we announced a development program for RDX10531. We believe RDX10531 is a next-generation NHE3 inhibitor with potential application across multiple therapeutic areas. We are currently conducting activities to support an IND submission to the FDA for RDX10531 in the second half of 2026.

The 2023 Open Market Sales Agreement with Jefferies with respect to an "at-the-market offering" program which was established under the Company's prior shelf registration statement on Form S-3 expired in January 2026. In November 2025, we filed an automatic shelf registration statement on Form S-3ASR, along with a prospectus supplement relating to the offering and sale of up to $100.0 million of our common stock pursuant to the 2025 Open Market Sales Agreement with Jefferies, deemed to be "at-the-market offerings." During the year ended December 31, 2025, we did not sell any shares under the 2023 or 2025 Open Market Sales Agreements.

On January 22, 2026, we received an Issue Notification from the USPTO indicating the issuance of U.S. Patent No. 12,539,299. The patent relates to the formulation of tenapanor and covers the commercial formulations of IBSRELA and XPHOZAH and has an expiration date of November 26, 2042.

Below is a summary of our product sales, net by product for the years ended December 31 and total cash, cash equivalents and short-term investments as of December 31:

(in thousands)	**2025**	**2024**
IBSRELA product sales, net	$ 274,207	$ 158,286
XPHOZAH product sales, net	103,601	160,910
Total product sales, net	$ 377,808	$ 319,196
Cash, cash equivalents and short-term investments	$ 264,689	$ 250,100

RECENT ACCOUNTING PRONOUNCEMENTS

A summary of recent accounting pronouncements that we have adopted or expect to adopt is included in *Note 2. Summary of Significant Accounting Policies* in the notes to our financial statements, included in Part II, Item 8, of this Annual Report on Form 10-K.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

A detailed discussion of our significant accounting policies can be found in *Note 2. Summary of Significant Accounting Policies*, in the notes to our financial statements, included in Part II, Item 8, of this Annual Report on Form 10-K. The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses. Our critical accounting policies are those that significantly affect

our financial condition and results of operations and require the most difficult, subjective or complex judgments, often because of the need to make estimates about the effect of matters that are inherently uncertain.

While we believe that our estimates, assumptions and judgments are reasonable, they are based on information presently available. Actual results may differ significantly from these estimates due to changes in judgments, assumptions or conditions as a result of unforeseen events or otherwise, which could have a material impact on our financial position and results of operations.

Revenue Recognition

The application of ASC 606 *Revenue from Contracts with Customers* substantially impacts our reported results, particularly product sales, net, which requires certain estimates in determining the transaction price. Total revenues are recognized following a five-step model: (i) identify the customer contract, (ii) identify the contract's performance obligations, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations and (v) recognize revenue when or as a performance obligation is satisfied.

Product Sales, Net

Product revenue is recognized when Customers take control of the product, which typically occurs upon delivery to the Customers. The transaction price for product sales is reduced for estimates of variable consideration related to (i) discounts and chargebacks, (ii) rebates, wholesaler and GPO fees, and (iii) copay assistance and returns (collectively, gross-to-net adjustments or GTN adjustments). Except for certain wholesaler and GPO fees and discounts, which are based on contracts, our estimates of GTN adjustments involve assumptions and judgments. Our estimates of GTN adjustments for rebates, copay assistance and chargebacks require significant assumptions and judgments, considering factors such as legal interpretations of applicable laws and regulations, historical experience, payor mix (e.g., Medicare or Medicaid), current contract prices under applicable programs, unbilled claims, processing time lags and inventory levels in the distribution channel. Estimates are assessed each period and adjusted as required to revise information or actual experience.

Discounts and Chargebacks

Our U.S. business participates in programs with government entities, the most significant of which are the U.S. Department of Defense, the U.S. VA, and other parties, including covered entities under the 340B program, whereby pricing on products is extended below wholesale acquisition cost (lower program price) for qualified government providers when products are purchased through wholesalers. The chargeback represents the difference between the wholesale acquisition cost and this lower program price that the wholesalers charge us. In such sales, accounts receivable is reduced for the estimated amount of unprocessed chargeback claims (typically within a two- to four-week time lag).

Our Customers may receive prompt pay discounts for payment within a specified period, generally approximating two percent of the invoiced sales price. Our payment terms are generally 30 to 60 days. We expect discounts to be earned when offered and therefore deduct the full amount of these discounts from product sales when revenue is recognized. Accordingly, accounts receivable is reduced for the estimated amount of these discounts.

Rebates, Wholesaler and GPO Fees

Our U.S. business participates in state government Medicaid and Medicare programs and other qualifying federal and state government programs requiring discounts and rebates to participating federal, state and local government entities. For Medicaid and Medicare programs, we estimate the portion of sales attributed to such programs' patients as rebates to be paid to the respective participating entities, which requires significant judgment.

The IRA, among other things, imposes financial penalties for price increases that outpace inflation (first due in 2023) and replaces the Medicare Part D coverage gap discount program with a new discounting program (which began in 2025). The standard Part D benefit now comprises three phases: the deductible phase, the initial coverage phase and the catastrophic coverage phase. Applicable dispensed drugs will be subject to manufacturer discounts of 10% during the initial coverage phase and 20% during the catastrophic coverage phase. Beginning in 2025, we estimate the percentage of products sold to patients in the initial coverage and catastrophic coverage phases and adjust the transaction price for such discount at the time of sale. Under the redesigned Medicare Part D, we are a specified manufacturer whose applicable drugs for Low Income Subsidy-eligible beneficiaries under section 1860D-14(a) of the Social Security Act are subject to lower applicable discounts during the phase-in period. Prior to 2025, we paid a 70% discount to CMS when the Medicare Part D beneficiaries were in the coverage gap.

All unpaid or unbilled discounts and rebates provided through these programs are recorded in accrued expenses and other current liabilities on the balance sheets. Settlement of these accruals can lag for multiple quarters due to extensive time delays

between recording an accrual and subsequent receipt of an invoice. Due to this lag, adjustments can incorporate revision of several prior quarters.

We pay wholesaler and GPO fees for distribution and related services, which are a significant portion of our GTN adjustments; however, since they are based on contracts, they require inherently less estimation.

Copay Assistance and Returns

We offer financial assistance to qualified commercially-insured patients for the portion of their prescription cost that is not covered by payors. We estimate the amount of copay assistance provided to qualified patients based on the terms of the program and redemption information provided by third-party claims processing organizations. We also estimate the amount of copay assistance that we will provide associated with product we have sold but has not yet been dispensed to patients, which requires significant assumption and judgment. Our estimates are recorded in accrued expenses and other current liabilities on the balance sheets.

We primarily rely on our products' actual returns history and other factors, including levels of our inventory in the distribution channel and estimated shelf life, to estimate our products' returns. We also consider historical sales returns of similar products, such as those within the same product line, similar therapeutic area, similar distribution model, estimated levels of inventory in the distribution channel and projected demand. Our estimates of products' returns reduce accounts receivable.

Use of Information from External Sources

Information from external sources is used to estimate GTN adjustments. Our estimate of inventory at the wholesalers is based on historical inventory experience, as well as our analysis of third-party information, including written and oral information obtained from certain wholesalers with respect to their inventory levels and sell-through to customers and our internal information. The inventory information received from wholesalers is a product of their recordkeeping process and excludes inventory held by intermediaries to whom they sell, such as retailers and hospitals. We also use information from external sources to identify prescription trends, patient demand and average selling prices. Our estimates are subject to inherent limitations of relying on third-party information, as certain third-party information is itself in the form of estimates and reflects other limitations, including lags between the date third-party information is generated and the date we receive it.

RESULTS OF OPERATIONS

Revenues

Our revenue to date has been generated through a combination of product sales and payments in connection with our current collaboration partnerships with various external partners. In the future, we may generate revenue from a combination of our own product sales and payments in connection with our current or future collaboration partnerships, including license fees, other upfront payments, milestone payments, royalties and payments for drug product and/or drug substance. We expect that any revenue we generate will fluctuate in future periods as a result of many factors as described in Part I, Item 1A, "Risk Factors," of this Annual Report on Form 10-K.

Below is a summary of our total revenues:

	Year Ended December 31,			Change 2025 vs. 2024		Change 2024 vs. 2023	
($ in thousands)	2025	2024	2023	$	%	$	%
Product sales, net	$ 377,808	$ 319,196	$ 82,526	$ 58,612	18 %	$ 236,670	287 %
Product supply revenue	15,879	11,649	6,121	4,230	36 %	5,528	90 %
Licensing revenue	5,088	78	35,809	5,010	(a)	(35,731)	(100)%
Non-cash royalty revenue related to the sale of future royalties	8,545	2,692	—	5,853	217 %	2,692	(a)
Total revenues	$ 407,320	$ 333,615	$ 124,456	$ 73,705	22 %	$ 209,159	168 %

(a) Percent change is not meaningful.

Below is a summary of our product sales, net by product:

($ in thousands)	Year Ended December 31, 2025	2024	2023	Change 2025 vs. 2024 $	%	Change 2024 vs. 2023 $	%
Product sales, net							
IBSRELA	$ 274,207	$ 158,286	$ 80,062	$ 115,921	73 %	$ 78,224	98 %
XPHOZAH	103,601	160,910	2,464	(57,309)	(36)%	158,446	(a)
Total product sales, net	$ 377,808	$ 319,196	$ 82,526	$ 58,612	18 %	$ 236,670	287 %

(a) Percent change is not meaningful.

Product sales, net:

The increase in IBSRELA product sales, net in 2025 and 2024 primarily reflected higher demand, driven by continued increase in awareness and prescriber experience. To a lesser extent, the increase in 2025 also reflected higher net price.

The decrease in XPHOZAH product sales, net in 2025 primarily reflected lower demand and lower net price, both driven by the loss of XPHOZAH Medicare Part D reimbursement. On January 1, 2025, CMS officially transitioned oral only therapies for ESRD patients on dialysis, including XPHOZAH, into the ESRD Prospective Payment System. This decrease was partially offset by continued growth in other channels.

The increase in XPHOZAH product sales, net in 2024 primarily reflected higher demand since its commercial launch in November 2023.

Product supply revenue:

Product supply revenue is primarily impacted by the timing of product supply shipments to our collaboration partners under our product supply agreements in support of the development and commercialization of our products ex-U.S. by our collaboration partners. The product supply revenue was primarily attributable to Kyowa Kirin for all years presented.

Licensing revenue:

Licensing revenue is primarily impacted by the timing of regulatory and commercialization milestone achievements from our collaboration partners, as well as sales-based royalties received from Knight.

The licensing revenue in 2025 was primarily attributable to a $5.0 million milestone earned during the 2025 first quarter under the terms of the Fosun Agreement, following the NDA approval by China's Center for Drug Evaluation of the NMPA for tenapanor in the control of serum phosphorus in adult patients with CKD on hemodialysis.

The licensing revenue in 2023 was primarily attributable to $30.0 million in payments received under the Kyowa Kirin Agreement, following Kyowa Kirin's submission to the Japanese MHLW for the NDA for tenapanor in the improvement of hyperphosphatemia in adult patients with CKD on dialysis; and a $5.0 million milestone payment under the Fosun Agreement, following the NDA acceptance by China's Center for Drug Evaluation of the NMPA for tenapanor in the control of serum phosphorus in adult patients with CKD on hemodialysis and the FDA approval of XPHOZAH to reduce serum phosphorus in adults with CKD on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy.

Non-cash royalty revenue:

Non-cash royalty revenue reflects royalties and commercialization milestones from Kyowa Kirin for sales of PHOZEVEL in Japan, which was launched in February 2024.

Non-cash royalty revenue in 2025 included approximately $3.4 million related to a commercialization milestone earned during the 2025 third quarter under the terms of the Kyowa Kirin Agreement. The payment was remitted to HCR upon receipt in accordance with the HCR Agreement.

GTN Adjustments

We recognize product sales net of GTN adjustments, as further described in *Note 6. Revenue* and the "Critical Accounting Policies and Estimates" caption in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations." Reconciliation of gross product sales to product sales, net is as follows:

	Year Ended December 31,			Change 2025 vs. 2024		Change 2024 vs. 2023	
($ in thousands)	**2025**	**2024**	**2023**	**$**	**%**	**$**	**%**
Gross product sales	$ 541,378	$ 429,053	$ 113,861	$ 112,325	26 %	$ 315,192	277 %
GTN adjustments	(163,570)	(109,857)	(31,335)	(53,713)	49 %	(78,522)	251 %
Product sales, net	$ 377,808	$ 319,196	$ 82,526	$ 58,612	18 %	$ 236,670	287 %
GTN adjustment percentage	30.2 %	25.6 %	27.5 %				

GTN adjustments are primarily a function of sales volume, payor mix, contractual or legislative discounts and rebates.

The increase in GTN adjustment percentage in 2025 reflected the unfavorable payor mix shifts, primarily associated with loss of XPHOZAH Medicare Part D reimbursement.

The decrease in GTN adjustment percentage in 2024 was primarily due to a more favorable payor mix and lower sales subjected to copay assistance.

The activities and ending reserve balances for each significant category of GTN adjustments on product sales, net, which constitute variable consideration, were as follows:

(in thousands)	Discounts and Chargebacks	Rebates, Wholesaler and GPO Fees	Copay Assistance and Returns	Total
Balance as of December 31, 2023	$ 478	$ 4,234	$ 3,916	$ 8,628
Provisions	15,099	65,833	28,925	109,857
Credits/payments	(13,934)	(55,592)	(21,671)	(91,197)
Balance as of December 31, 2024	1,643	14,475	11,170	27,288
Provisions[1]	23,356	108,547	31,667	163,570
Credits/payments	(23,306)	(88,566)	(33,563)	(145,435)
Balance as of December 31, 2025	$ 1,693	$ 34,456	$ 9,274	$ 45,423

(1) Provisions included approximately $4.4 million of net favorable adjustment resulting from changes in prior periods' estimates.

Costs and Expenses

Below is a summary of our costs and operating expenses, interest expense, non-cash interest expense related to the sale of future royalties and other income, net:

	Year Ended December 31,			Change 2025 vs. 2024		Change 2024 vs. 2023	
($ in thousands)	2025	2024	2023	$	%	$	%
Cost of sales	$ 39,537	$ 50,556	$ 17,795	$ (11,019)	(22)%	$ 32,761	184 %
Research and development	71,527	52,317	35,536	19,210	37 %	16,781	47 %
Selling, general and administrative	337,233	258,692	134,401	78,541	30 %	124,291	92 %
Total costs and operating expenses	$ 448,297	$ 361,565	$ 187,732	$ 86,732	24 %	$ 173,833	93 %
Interest expense	$ (20,102)	$ (13,006)	$ (4,950)	$ (7,096)	55 %	$ (8,056)	163 %
Non-cash interest expense related to the sale of future royalties	$ (8,296)	$ (7,088)	$ (3,924)	$ (1,208)	17 %	$ (3,164)	81 %
Other income, net	$ 8,745	$ 9,174	$ 6,630	$ (429)	(5)%	$ 2,544	38 %

Cost of Sales

Cost of sales consists of (i) cost of product sales and (ii) other cost of revenue. Cost of product sales includes the cost of commercial goods sold to our Customers, such as the cost of materials, third-party contract manufacturing, third-party packaging services, freight, labor costs for personnel involved in the manufacturing process and indirect overhead costs. Other cost of revenue includes the cost of materials sold to our collaboration partners under product supply agreements, certain costs related to capacity expansion at current and future CMOs, as well as payments due to AstraZeneca based on sales of tenapanor, as discussed further under the "AstraZeneca" caption in *Note 7. Collaboration and Licensing Agreements*.

Below is a summary of our costs of sales:

	Year Ended December 31,			Change 2025 vs. 2024		Change 2024 vs. 2023	
($ in thousands)	2025	2024	2023	$	%	$	%
Cost of product sales	$ 11,185	$ 6,851	$ 2,323	$ 4,334	63 %	$ 4,528	195 %
Other cost of revenue	28,352	43,705	15,472	(15,353)	(35)%	28,233	182 %
Cost of sales	$ 39,537	$ 50,556	$ 17,795	$ (11,019)	(22)%	$ 32,761	184 %

The increase in cost of product sales in 2025 and 2024 reflected higher product sales. A portion of the costs of IBSRELA and XPHOZAH units recognized as revenue during 2025 and 2024 was expensed as research and development expense in periods prior to the commencement of capitalization of inventory costs for each respective product as discussed in *Note 2. Summary of Significant Accounting Policies.* The cost associated with inventory sold but previously expensed as research and development was $3.2 million, $6.3 million and $4.4 million in 2025, 2024 and 2023, respectively. The value of inventory on hand as of December 31, 2025 and 2024 that was previously expensed as research and development was approximately $10.9 million and $15.6 million, respectively.

The decrease in other cost of revenue in 2025 primarily reflected the full recognition of the maximum $75.0 million royalty obligation under the AstraZeneca Termination Agreement as of the end of the 2025 second quarter, partially offset by higher costs associated with product supply revenue.

The increase in other cost of revenue in 2024 primarily reflected higher AstraZeneca royalties, driven by higher product sales, net of tenapanor, as well as higher costs associated with product supply revenue.

Other cost of revenue related to the AstraZeneca Termination Agreement was $12.7 million, $34.7 million and $12.4 million in 2025, 2024 and 2023, respectively. As of the end of the 2025 second quarter, the maximum $75.0 million royalty obligation under the AstraZeneca Termination Agreement had been fully recognized.

Research and Development

Research and development activities include research and early discovery, preclinical and clinical development, drug formulation and medical support to marketed products. External R&D and other expenses include research and development expenses incurred under agreements with outside consultants, third-party CROs and investigative sites where a substantial portion of our clinical studies are conducted, and with CMOs where our clinical supplies are produced. Employee-related expenses include salaries, bonuses, benefits, travel and stock-based compensation. Facilities, equipment, depreciation and other expenses include supplies and materials consumed in connection with our research operations, direct and allocated expenses for rent and maintenance of facilities, depreciation and amortization expense, information technology expense and other supplies.

Below is a summary of our research and development expenses:

	Year Ended December 31,			Change 2025 vs. 2024		Change 2024 vs. 2023	
($ in thousands)	**2025**	**2024**	**2023**	**$**	**%**	**$**	**%**
External R&D and other expenses	$ 31,747	$ 20,723	$ 15,213	$ 11,024	53 %	$ 5,510	36 %
Employee-related expenses	35,250	27,541	17,391	7,709	28 %	10,150	58 %
Facilities, equipment, depreciation and other expenses	4,530	4,053	2,932	477	12 %	1,121	38 %
Total research and development expenses	$ 71,527	$ 52,317	$ 35,536	$ 19,210	37 %	$ 16,781	47 %

The increase in R&D expenses in 2025 reflected higher external R&D and other expenses primarily associated with clinical trial activities. The increase in R&D expenses was also due to increased employee-related expenses primarily driven by higher headcount to support clinical trial activities and medical engagement with scientific communities in the areas of gastroenterology and nephrology related to our marketed products.

The increase in R&D expenses in 2024 reflected increased employee-related expenses primarily driven by higher headcount to support medical engagement with scientific communities in the areas of gastroenterology and nephrology related to our marketed products and higher external R&D and other expenses attributable to clinical trial and pharmacovigilance activities.

The increases in employee-related expenses in 2025 and 2024 included incremental stock-based compensation expenses of $0.7 million and $6.0 million, respectively.

Selling, General and Administrative

Selling, general and administrative expenses relate to sales and marketing, finance, human resources, legal and other administrative activities, including information technology. Selling, general and administrative expenses consist primarily of personnel costs, outside professional services, marketing, advertising and legal expenses, facilities costs not otherwise allocated to research and development and other general and administrative costs.

The increase in selling, general and administrative expenses in 2025 and 2024 primarily reflected increased commercialization and administrative costs to support net sales growth of IBSRELA and XPHOZAH. The increases consisted of external spending for disease awareness initiatives, patient affordability, access support and related patient awareness, as well as increased commercial infrastructure. In addition, these increases were attributable to increases in headcount and related personnel costs, including incremental stock-based compensation expenses of $10.9 million and $17.8 million in 2025 and 2024, respectively.

Interest Expense

Interest expense represents the interest associated with our 2022 Loan Agreement.

The increase in interest expense in 2025 and 2024 primarily reflected a higher outstanding loan balance resulting from the term loan draws in each respective year: $50.0 million for the Term E Loan in June 2025, $50.0 million for the Term D Loan in October 2024 and $50.0 million for the Term C Loan in March 2024.

Non-Cash Interest Expense Related to the Sale of Future Royalties

Non-cash interest expense consists of imputed interest on the carrying value of our deferred royalty obligation, which is impacted by the imputed interest rate derived from estimated amounts and timing of future royalties and commercialization payments to be received by HCR. The carrying value of the deferred royalty obligation increases from proceeds received from

HCR and recorded non-cash interest expense, and decreases as royalties and commercialization milestone payments received from Kyowa Kirin from sales of tenapanor in Japan are remitted to HCR. Refer to *Note 8. Deferred Royalty Obligation Related to the Sale of Future Royalties* for further detail.

The increase in non-cash interest expense related to the sale of future royalties in 2025 and 2024 primarily reflected the imputed interest accrued on the increasing carrying value of the deferred royalty obligation, partially offset by royalties and commercialization milestones received from Kyowa Kirin related to the sale of PHOZEVEL, which were remitted to HCR.

Other Income, Net

Other income, net consists of interest income earned on our cash, cash equivalents and short-term investments, the periodic revaluation of previously outstanding exit fees, as well as currency exchange gains and losses.

The decrease in other income, net in 2025 primarily reflected lower income on our investments resulting from lower interest rates throughout the period, partially offset by larger investment balances and higher currency exchange gains.

The increase in other income, net in 2024 primarily reflected higher income on our investments resulting from both higher interest rates and larger investment balances throughout the period. In 2024 and 2023, other income, net included the periodic revaluations of our previously outstanding 2022 Exit Fee and 2018 Exit Fee, as discussed in *Note 10. Derivative Liabilities,* which were settled in October 2024 and October 2023, respectively.

Provision for Income Taxes

Our provision for income taxes includes current and deferred tax, including foreign withholding taxes paid on payments received from certain collaboration partners. Deferred income tax balances reflect the effects of temporary differences between the carrying amounts of assets and liabilities and their income tax bases, as well as from net operating loss and tax credit carryforwards. Our deferred tax assets continue to be fully offset by a valuation allowance, including deferred tax assets related to our net operating loss and tax credit carryforwards, which may be subject to annual limitations as a result of ownership changes that may have occurred or could occur in the future.

Refer to *Note 2. Summary of Significant Accounting Policies* for further discussion of our significant accounting policies.

LIQUIDITY AND CAPITAL RESOURCES

Below is a summary of our cash, cash equivalents and short-term investments:

	December 31,		Change 2025 vs. 2024	
($ in thousands)	**2025**	**2024**	**$**	**%**
Cash and cash equivalents	$ 67,999	$ 64,932	$ 3,067	5 %
Short-term investments	196,690	185,168	11,522	6 %
Total liquid funds	$ 264,689	$ 250,100	$ 14,589	6 %

We regularly assess our cash position and our working capital needs to execute our strategy. We have historically funded our operations primarily from product sales, sales of our common stock, funds from our loan agreements with SLR, funds from our collaboration partnerships, as well as the sale of future royalties and commercialization milestones to HCR. We expect that we will increasingly rely on cash generated from our commercial operations to fund our operating plan while maintaining financial flexibility to source cash from future equity sales and debt financing.

Sources of Liquidity

In January 2023, we entered into the 2023 Open Market Sales Agreement with Jefferies with respect to an “at-the-market offering” program, which was established under the Company’s shelf registration statement on Form S-3 and expired in January 2026. Under the 2023 Open Market Sales Agreement, we sold a total of 16.8 million shares of our common stock and received gross proceeds of $70.0 million at a weighted average sales price of approximately $4.17. During the year ended December 31, 2025, we did not sell any shares under the 2023 Open Market Sales Agreement.

In November 2025, we filed an automatic shelf registration statement on Form S-3ASR, which became effective upon filing, containing (i) a base prospectus, which covers the offering, issuance and sale from time to time in one or more offerings of our common stock, preferred stock, debt securities, warrants and/or units; and (ii) a prospectus supplement for the offering, issuance and sale of up to a maximum aggregate offering price of $100.0 million of our common stock that may be issued and sold from time to time, under the 2025 Open Market Sales Agreement, deemed to be “at-the-market offerings.” Pursuant to the

2025 Open Market Sales Agreement, Jefferies, as sales agent, may receive a commission of up to three percent of the gross sales price for shares of our common stock sold under the 2025 Open Market Sales Agreement. As of December 31, 2025, there have been no sales of our common stock under the 2025 Open Market Sales Agreement.

We have a loan and security agreement (as amended, the 2022 Loan Agreement) with SLR. The 2022 Loan Agreement provides a total of $300.0 million, of which $200.0 million has been drawn and is outstanding as of December 31, 2025, including $50.0 million of the Term E Loan drawn during the 2025 second quarter. The additional available borrowings of $100.0 million consist of the Term F Loan and the Term G Loan, each in the amount of $50.0 million. The Term F Loan and the Term G Loan may be drawn at the Company's election by June 30, 2026 and December 20, 2026, respectively. See *Note 9. Borrowing* for further discussion.

Cash Flow Activities

The following table summarizes our cash flows activities:

	Year Ended December 31,		Change 2025 vs. 2024	
($ in thousands)	**2025**	**2024**	**$**	**%**
Net cash used in operating activities	$ (42,483)	$ (44,809)	$ 2,326	(5)%
Net cash used in investing activities	(8,959)	(18,318)	9,359	(51)%
Net cash provided by financing activities	54,509	106,589	(52,080)	(49)%
Net increase in cash and cash equivalents	$ 3,067	$ 43,462	$ (40,395)	(93)%

Cash Flows from Operating Activities

Cash flows from operating activities represent the cash receipts and payments related to all of our activities other than investing and financing activities. Net operating cash flow is derived by adjusting our net loss for non-cash operating items and changes in operating assets and liabilities resulting from timing differences between the cash receipts and payments and when the transactions are recognized in our result of operations. As a result, changes in net operating cash flow reflect, among other things, the timing of (i) cash collections from our Customers and (ii) payments made in the normal course of business such as payments to suppliers, including our CMOs, CROs and government agencies.

Net cash used in operating activities in 2025 was materially unchanged compared to 2024, primarily due to the increased cash inflows generated from our product sales and timing of cash collections from our Customers exceeded the increased payments made in the normal course of business to support our commercial growth and research and development activities.

Cash Flows from Investing Activities

Cash flows from investing activities include cash used for capital expenditures and purchases of short-term investments as well as net proceeds from asset dispositions and maturities of short-term investments.

Net cash used in investing activities in 2025 primarily reflected our short-term investment maturities and purchases.

Cash Flows from Financing Activities

Cash flows from financing activities include net proceeds associated with our loan agreements, sales of our common stock with respect to the "at-the-market offering" programs and issuances of our common stock under our equity incentive plans.

Net cash provided by financing activities in 2025 included $48.7 million received from the Term E Loan, net of costs and $5.8 million received from the issuance of our common stock under our equity incentive plans, which was lower than $99.5 million received from the Term C Loan and Term D Loan, net of costs and $8.1 million received from the issuance of our common stock under our equity incentive plans in 2024.

Funding Requirements

Based on our current operating model, we believe our available cash, cash equivalents and short-term investments as of December 31, 2025 will be sufficient to fund our planned operations for at least a period of one year from the issuance of these financial statements. We have based this estimate on assumptions that may prove to be wrong and we could utilize our available capital resources sooner than we currently expect. In particular, our operating plan may change and we may require significant additional capital to fund our operations. There are no assurances that our efforts to meet our operating cash flow requirements will be successful. If our current cash, cash equivalents and short-term investments as well as our plans to meet our operating cash flow requirements are not sufficient to fund necessary expenditures and meet our obligations following the issuance of these financial statements, our liquidity, financial condition and business prospects will be materially affected.

Our future funding requirements will depend on many factors as described in Part I, Item 1A, "Risk Factors," of this Annual Report on Form 10-K.

Contract Obligations and Commitments

As of December 31, 2025, our total future payment obligation related to the outstanding balance of the term loans, excluding interest payments, was $209.9 million, which is due on July 1, 2028. See *Note 9. Borrowing* for further information on our long-term debt.

We have entered into various operating leases for our offices. As of December 31, 2025, our total undiscounted obligation for operating leases was $5.6 million, with maturities ranging up through July 2029. See *Note 11. Leases* for further information on our operating leases.

We enter into a variety of contracts in the normal course of business. These contracts generally allow us to terminate on notice, reschedule or adjust our requirements based on our business needs prior to the delivery of goods or performance of services.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We are subject to market risks, including interest rate fluctuation exposure through our investments, in the ordinary course of our business. The goals of our investment policy are the preservation of capital, fulfillment of liquidity needs and fiduciary control of cash. To achieve our goal of maximizing income without assuming significant market risk, we maintain our excess cash and cash equivalents in money market funds and short-term debt securities. Because of the short-term maturities of our cash equivalents, we do not believe that a decrease in interest rates would have any material negative impact on the fair value of our cash equivalents.

As of December 31, 2025, we had cash, cash equivalents and short-term investments of $264.7 million, which consisted of bank deposits and money market funds, as well as high quality fixed income instruments, including commercial paper, U.S. government-sponsored agency bonds, U.S. treasury securities, corporate bonds, Yankee bonds and asset-backed securities. The credit rating of our short-term investments must be rated A-1/P-1, or better by Standard and Poor's and Moody's Investors Service. Asset-backed securities must be rated AAA/Aaa. Money market funds must be rated AAA/Aaa. Such interest-earning instruments carry a degree of interest rate risk. However, because our investments are high quality and short-term in duration, we believe that our exposure to interest rate risk is not significant and that a 10% movement in market interest rates would not have a significant impact on the total value of our portfolio, as noted above. We do not enter into investments for trading or speculative purposes.

The principal outstanding under our 2022 Loan Agreement is subject to a variable interest rate, which fluctuates with changes in one-month CME Term SOFR reference rate as published by the CME Term SOFR Administrator on the CME Term SOFR Administrator's Website. A hypothetical increase in one-month CME Term SOFR of 100 basis points above the current one-month CME Term SOFR rate would have increased our interest expense by approximately $1.8 million for the year ended December 31, 2025. As of December 31, 2025, we had an aggregate principal amount of $200.0 million outstanding pursuant to our 2022 Loan Agreement.

Foreign Currency Risk

The majority of our transactions are denominated in U.S. dollars. However, we do have certain transactions that are denominated in currencies other than the U.S. dollar, primarily Swiss francs, Japanese yen and the Euro, and we therefore are subject to foreign exchange risk. The fluctuation in the value of the U.S. dollar against other currencies affects the reported

amounts of expenses, non-cash royalty revenue related to the sale of future royalties, assets and liabilities associated with a limited number of manufacturing activities.

We do not use derivative financial instruments for speculative trading purposes, nor do we hedge foreign currency exchange rate exposure in a manner that entirely offsets the earnings effects of changes in foreign currency exchange rates. As of December 31, 2025, we had no open forward foreign currency exchange contracts.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

ARDELYX, INC.
INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Ardelyx, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Ardelyx, Inc. (the "Company") as of December 31, 2025 and 2024, the related statements of operations and comprehensive loss, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2025, 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 at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have 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, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 19, 2026 expressed an unqualified opinion thereon.

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 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 the critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Description of the Matter	***Estimates of Reserves for Variable Consideration Impacted by Estimated Payor Mix*** As described in Note 2 and 6 to the financial statements, the transaction price for product sales, net is reduced for estimates of variable consideration related to gross-to-net ("GTN") adjustments for discounts and chargebacks, rebates, wholesaler and group purchasing organization ("GPO") fees, copay assistance and returns. Except for certain wholesaler and GPO fees and discounts, which are based on contracts, these adjustments involve estimation and judgment. The GTN adjustments for rebates, copay assistance and chargebacks are impacted by the Company's estimate of payor mix, which requires significant judgment. The Company's total estimate of reserves for variable consideration was $45.4 million as of December 31, 2025. During 2025, the Company recorded $163.6 million in total reductions to gross product sales for variable consideration. Auditing the Company's estimates of reserves for variable consideration relating to rebates, copay assistance and chargebacks was especially challenging as it involved evaluation of management's subjective judgments with respect to payor mix that considers various data sources. The Company has a limited history upon which to base its assumptions, and changes in these assumptions could have a material impact on the reserves recorded for variable consideration.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over the Company's process to determine the reserves for variable consideration that are impacted by the payor mix. For example, we tested controls over management's review of the completeness and accuracy of the data used to determine the estimate. To test the Company's estimates of reserves for variable consideration relating to rebates, copay assistance and chargebacks, our audit procedures included, among others, evaluating the methodologies and assumptions used and testing the accuracy and completeness of the underlying data used in the Company's payor mix analysis and the related reserves. We compared the assumptions used by management to third-party industry data and evaluated trends in the data. We also evaluated the reasonableness of changes in estimated reserves during the year and assessed the accuracy of the Company's estimates against actual results. We also performed sensitivity analyses to determine the effect of changes in management's payor mix assumptions on the reserves recorded for variable consideration impacted by the payor mix. Further, we evaluated the appropriateness of classification and disclosure of the Company's reserves for variable consideration in the financial statements.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2009.

Boston, Massachusetts

February 19, 2026

ARDELYX, INC.
BALANCE SHEETS
(in thousands, except share and per share amounts)

	December 31,	
	2025	**2024**
Assets		
Current assets		
Cash and cash equivalents	$ 67,999	$ 64,932
Short-term investments	196,690	185,168
Accounts receivable	71,848	57,705
Inventory	17,735	21,173
Prepaid commercial manufacturing	14,479	16,378
Prepaid expenses and other current assets	13,566	11,096
Total current assets	382,317	356,452
Property and equipment, net	2,184	1,495
Inventory, non-current	105,372	70,011
Right-of-use assets	4,795	2,380
Other assets	6,936	5,416
Total assets	$ 501,604	$ 435,754
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 19,235	$ 16,000
Accrued compensation and benefits	19,108	14,940
Current portion of operating lease liability	1,479	1,562
Deferred revenue	1,206	10,686
Accrued expenses and other current liabilities	47,577	34,642
Total current liabilities	88,605	77,830
Operating lease liability, net of current portion	3,641	1,023
Long-term debt	202,834	150,853
Deferred revenue, non-current	13,699	7,232
Deferred royalty obligation related to the sale of future royalties	25,876	25,527
Total liabilities	334,655	262,465
Commitments and contingencies (Note 19)		
Stockholders' equity		
Common stock, $0.0001 par value per share; 500,000,000 shares authorized; 244,351,501 and 238,015,825 shares issued and outstanding as of December 31, 2025 and December 31, 2024, respectively	24	24
Additional paid-in capital	1,113,666	1,058,548
Accumulated deficit	(946,939)	(885,340)
Accumulated other comprehensive income	198	57
Total stockholders' equity	166,949	173,289
Total liabilities and stockholders' equity	$ 501,604	$ 435,754

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

ARDELYX, INC.
STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)

	Year Ended December 31,		
	2025	**2024**	**2023**
Revenues			
Product sales, net	$ 377,808	$ 319,196	$ 82,526
Product supply revenue	15,879	11,649	6,121
Licensing revenue	5,088	78	35,809
Non-cash royalty revenue related to the sale of future royalties	8,545	2,692	—
Total revenues	407,320	333,615	124,456
Costs and operating expenses			
Cost of sales	39,537	50,556	17,795
Research and development	71,527	52,317	35,536
Selling, general and administrative	337,233	258,692	134,401
Total costs and operating expenses	448,297	361,565	187,732
Loss from operations	(40,977)	(27,950)	(63,276)
Interest expense	(20,102)	(13,006)	(4,950)
Non-cash interest expense related to the sale of future royalties	(8,296)	(7,088)	(3,924)
Other income, net	8,745	9,174	6,630
Loss before provision for income taxes	(60,630)	(38,870)	(65,520)
Provision for income taxes	969	266	547
Net loss	$ (61,599)	$ (39,136)	$ (66,067)
Net loss per share of common stock - basic and diluted	$ (0.26)	$ (0.17)	$ (0.30)
Shares used in computing net loss per share - basic and diluted	241,033,750	235,232,927	219,331,253
Comprehensive loss			
Net loss	$ (61,599)	$ (39,136)	$ (66,067)
Unrealized gains (losses) on available-for-sale securities	141	(167)	278
Comprehensive loss	$ (61,458)	$ (39,303)	$ (65,789)

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

ARDELYX, INC.
STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share amounts)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Stockholder' Equity
	Shares	Amount				
Balance as of December 31, 2022	198,575,016	$ 20	$ 878,500	$ (780,137)	$ (54)	$ 98,329
Issuance of common stock under employee stock purchase plan	435,708	—	808	—	—	808
Issuance of common stock for services	86,095	—	337	—	—	337
Issuance of common stock upon exercise of options	225,988	—	365	—	—	365
Issuance of common stock upon vesting of restricted stock units	855,642	—	—	—	—	—
Issuance of common stock in at-the-market offering	32,274,741	3	119,233	—	—	119,236
Stock-based compensation	—	—	13,530	—	—	13,530
Unrealized gains on available-for-sale securities	—	—	—	—	278	278
Net loss	—	—	—	(66,067)	—	(66,067)
Balance as of December 31, 2023	232,453,190	$ 23	$ 1,012,773	$ (846,204)	$ 224	$ 166,816
Issuance of common stock under employee stock purchase plan	479,609	—	2,227	—	—	2,227
Issuance of common stock for services	40,549	—	257	—	—	257
Issuance of common stock upon exercise of options	2,654,370	1	5,910	—	—	5,911
Issuance of common stock upon vesting of restricted stock units	2,388,107	—	—	—	—	—
Stock-based compensation	—	—	37,381	—	—	37,381
Unrealized losses on available-for-sale securities	—	—	—	—	(167)	(167)
Net loss	—	—	—	(39,136)	—	(39,136)
Balance as of December 31, 2024	238,015,825	$ 24	$ 1,058,548	$ (885,340)	$ 57	$ 173,289
Issuance of common stock under employee stock purchase plan	385,593	—	1,718	—	—	1,718
Issuance of common stock for services	87,256	—	315	—	—	315
Issuance of common stock upon exercise of options	1,880,472	—	4,123	—	—	4,123
Issuance of common stock upon vesting of restricted stock units	3,982,355	—	—	—	—	—
Stock-based compensation	—	—	48,962	—	—	48,962
Unrealized gains on available-for-sale securities	—	—	—	—	141	141
Net loss	—	—	—	(61,599)	—	(61,599)
Balance as of December 31, 2025	244,351,501	$ 24	$ 1,113,666	$ (946,939)	$ 198	$ 166,949

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

ARDELYX, INC.
STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2025	**2024**	**2023**
Operating activities			
Net loss	$ (61,599)	$ (39,136)	$ (66,067)
Adjustments to reconcile net loss to net cash used in operating activities			
Depreciation and amortization expense	3,059	2,063	1,292
Non-cash lease expense	1,947	4,008	3,624
Stock-based compensation	48,962	37,381	13,530
Non-cash interest expense	8,958	7,400	4,220
Non-cash royalty revenue related to the sale of future royalties	(8,545)	(2,692)	—
Other, net	(3,913)	(4,664)	(2,930)
Changes in operating assets and liabilities			
Accounts receivable	(14,143)	(35,674)	(14,298)
Inventory	(31,923)	(41,697)	(21,141)
Prepaid commercial manufacturing	1,899	6,782	(9,593)
Prepaid expenses and other assets	(4,293)	(4,543)	(6,035)
Accounts payable	3,235	4,862	279
Accrued compensation and benefits	4,168	2,343	5,049
Operating lease liabilities	(1,827)	(4,588)	(3,928)
Accrued and other liabilities	14,545	21,254	3,691
Deferred revenue	(3,013)	2,092	2,590
Net cash used in operating activities	(42,483)	(44,809)	(89,717)
Investing activities			
Proceeds from maturities and redemptions of investments	211,456	177,854	84,321
Purchases of investments	(218,923)	(195,161)	(215,225)
Purchases of property and equipment	(1,492)	(1,011)	(344)
Net cash used in investing activities	(8,959)	(18,318)	(131,248)
Financing activities			
Proceeds from issuance of common stock in at the market offering, net of issuance costs	—	—	119,236
Proceeds from 2022 Loan Agreement, net of costs	48,668	99,451	22,386
Proceeds from the sale of future royalties, net of issuance costs	—	—	5,000
Proceeds from issuance of common stock under equity incentive plans	5,841	8,138	1,173
Payments of the previously outstanding exit fees	—	(1,000)	(1,500)
Net cash provided by financing activities	54,509	106,589	146,295
Net increase (decrease) in cash and cash equivalents	3,067	43,462	(74,670)
Cash and cash equivalents at beginning of period	64,932	21,470	96,140
Cash and cash equivalents at end of period	$ 67,999	$ 64,932	$ 21,470
Supplementary disclosure of cash flow information			
Cash paid for interest	$ 15,717	$ 11,408	$ 4,240
Cash paid for income taxes	$ 485	$ 266	$ 51
Supplementary disclosure of non-cash activities			
Right-of-use assets obtained in exchange for lease obligations	$ 4,362	$ 1,010	$ 339
Issuance of common stock for services	$ 315	$ 257	$ 337

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

ARDELYX, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. NATURE OF OPERATIONS

We are a commercial-stage biopharmaceutical company focused on the development and commercialization of innovative medicines that meet significant unmet medical needs. We currently market two therapies from the active ingredient tenapanor, an NHE3 inhibitor that was discovered and developed by Ardelyx. NHE3 is an antiporter expressed on the apical surface of the small and large intestines. Tenapanor is a minimally absorbed, first-in-class, oral, small molecule therapy.

Tenapanor, branded as IBSRELA®, is approved in the U.S. for the treatment of adults with irritable bowel syndrome with constipation. We believe that IBSRELA can bring meaningful benefit to the approximately 13 million Americans who suffer from the symptoms of IBS-C, many of whom continue to experience symptoms despite intervention with other therapies. We are seeking to further expand the IBSRELA eligible patient population to include patients with CIC, and have initiated a Phase 3 clinical trial evaluating tenapanor in adult CIC patients.

Tenapanor, branded as XPHOZAH®, is approved in the U.S. to reduce serum phosphorus in adults with chronic kidney disease on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy. We believe XPHOZAH can bring meaningful relief to adult chronic kidney disease patients on dialysis, the vast majority of whom have elevated levels of serum phosphorus and are unable to achieve target serum phosphorus levels with phosphate binders alone. Continually elevated levels of serum phosphorus can result in severe cardiovascular health complications.

In addition to commercializing IBSRELA and XPHOZAH, we are also developing a next-generation NHE3 inhibitor that we believe can have application across multiple therapeutic areas.

We operate in one business segment, which is the development and commercialization of biopharmaceutical products. Refer to *Note 17. Segment Reporting* for further segment reporting information.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with U.S. GAAP. Certain prior year amounts have been reclassified to conform to the current year presentation on the statements of operations and comprehensive loss to include the “cost of product sales” and the “other cost of revenue” captions within the “cost of sales” caption. This reclassification had no effect on the previously reported results of operations. Prior to the end of the 2025 second quarter, the “other cost of revenue” caption was primarily comprised of royalty expenses recognized under the AstraZeneca Termination Agreement. As of the end of the 2025 second quarter, the maximum $75.0 million royalty obligation under this agreement had been fully recognized.

Refer to the *Summary of Abbreviated Terms* at the end of this Annual Report on Form 10-K for definitions of terms used throughout the document.

Use of Estimates

The preparation of financial statements requires management to make estimates, judgments and assumptions. Significant estimates include those used in our revenue gross-to-net adjustments and other estimates. Management bases its estimates on historical experience and on various relevant assumptions that management believes to be reasonable under the circumstances. Actual results could materially differ from those estimates.

Cash Equivalents

Cash equivalents consist of highly liquid investments purchased with an original maturity date of 90 days or less and are recognized at cost, which approximates fair value.

Short-Term Investments

Short-term investments consist of debt securities classified as available-for-sale and have maturities greater than 90 days, but less than one year, from the date of acquisition. Short-term investments are carried at fair value based upon quoted market prices or other observable market data. Unrealized gains (losses) on available-for-sale securities are included in accumulated other comprehensive income on our balance sheets. The cost of available-for-sale securities sold is based on the specific-identification method.

Marketable debt securities are reviewed for impairment by determining whether the decline in their market value below carrying value is other-than-temporary. This assessment considers the intent and ability to retain the investment for a period of time sufficient for an anticipated recovery in market value; the duration and extent that the market value has been below cost; and the investee's financial condition. Other-than-temporary impairments and credit losses are recorded in the statements of operations and comprehensive loss.

Concentration of Credit Risk

Financial instruments that potentially subject us to significant concentrations of credit risk consist primarily of cash, cash equivalents, short-term investments and accounts receivable. We are exposed to credit risks in the event of default by the counterparties to the extent of the amount recorded in our balance sheets. Cash, cash equivalents and short-term investments are invested through banks and other financial institutions in the U.S.

Foreign Currency

Our business is conducted in U.S. dollars; however, a portion of our expense and capital activities are transacted in foreign currencies which are subject to exchange rate fluctuations that can affect cash or earnings. Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. All gains and losses on these foreign currency transactions are recorded as other income, net on our statements of operations and comprehensive loss.

Property and Equipment

Expenditures for property and equipment are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets, ranging from three to five years for laboratory equipment and office equipment and furniture. Leasehold improvements are amortized over the lesser of the estimated useful lives or the related remaining lease term.

Impairment of Long-Lived Assets

The carrying values of long-lived assets, including property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the asset may not be recoverable. An impairment loss is recognized when the total of estimated future undiscounted cash flows, expected to result from the use of the asset and its eventual disposition, is less than the asset's carrying amount. Impairment, if any, would be assessed using discounted cash flows or other appropriate measures of fair value.

Income Taxes

The asset and liability method of accounting is used for income taxes. Deferred tax assets and liabilities are determined based on the differences between the financial reporting and the tax basis of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to be reversed. A valuation allowance is provided when it is more likely than not that a portion or all of a deferred tax asset will not be realized.

Accounts Receivable

Accounts receivable are stated at amortized cost less allowance for credit losses. An allowance for credit losses reflects our best estimate of future credit losses over the contractual life of outstanding accounts receivable under the assumption that the current conditions as of the balance sheet date do not change for the remaining life of the asset. An allowance for credit losses is determined based on various factors, such as historical experience, specific allowances for known troubled accounts, customers' financial condition and both current and forecasted economic conditions. To date, we have determined that an allowance for doubtful accounts is not required. As of December 31, 2025, our accounts receivable balance was comprised of $66.4 million from commercial customers and $5.4 million from our collaboration partners. As of December 31, 2024, our accounts

receivable balance was comprised of $56.7 million from commercial customers and $1.0 million from our collaboration partners.

Inventory

Inventory costs incurred are capitalized after regulatory approval, or if based on management's judgment, future commercialization is considered probable and future economic benefit is expected to be realized. We began to capitalize inventory costs associated with IBSRELA during the 2021 fourth quarter, when our intent to commercialize IBSRELA was established and we commenced preparation for the launch of IBSRELA. We began to capitalize inventory costs associated with XPHOZAH during the 2023 fourth quarter, following approval by the FDA to market XPHOZAH in the U.S. Inventory costs incurred prior to regulatory approval were expensed as research and development.

Inventories are stated at the lower of cost or estimated net realizable value with cost determined under the specific identification method. A portion of inventory that represents product that is not expected to be sold or used within the next 12 months is classified as non-current assets in our balance sheets.

Revenue Recognition

The application of ASC 606 *Revenue from Contracts with Customers* substantially impacts our reported results, particularly product sales, net, which requires certain estimates in determining the transaction price. Total revenues are recognized following a five-step model: (i) identify the customer contract, (ii) identify the contract's performance obligations, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations and (v) recognize revenue when or as a performance obligation is satisfied.

Product Sales, Net

We apply the ASC 606 five-step process above to the contracts with our Customers. Product revenue is recognized when Customers take control of the product, which typically occurs upon delivery to the Customers. The transaction price for product sales is reduced for estimates of variable consideration related to (i) discounts and chargebacks, (ii) rebates, wholesaler and GPO fees, and (iii) copay assistance and returns (collectively, gross-to-net adjustments or GTN adjustments). Except for certain wholesaler and GPO fees and discounts, which are based on contracts, our estimates of GTN adjustments involve assumptions and judgments. Our estimates of GTN adjustments for rebates, copay assistance and chargebacks require significant assumptions and judgments, considering factors such as legal interpretations of applicable laws and regulations, historical experience, payor mix (e.g., Medicare or Medicaid), current contract prices under applicable programs, unbilled claims, processing time lags and inventory levels in the distribution channel.

Estimates are assessed each period and adjusted as required to revise information or actual experience.

Collaboration and Licensing Revenue

Our collaboration and licensing arrangements may include the grant of licenses for use of our intellectual property and manufacturing supply services. Considerations for such arrangements may include non-refundable upfront license fees; payments based upon the achievement of development, regulatory, or commercialization milestones; payments for manufacturing supply services; and future royalties on net sales of licensed products. We perform the ASC 606 five-step process above to determine the appropriate amount of revenue to be recognized under our collaboration and licensing arrangements. For performance obligations that are satisfied over time, we recognize revenue using an input or output measure of progress that best depicts the satisfaction of the relevant performance obligation.

We evaluate performance obligations by assessing whether promised goods or services are both (i) capable of being distinct and (ii) distinct in the context of the arrangement. Goods or services that meet these criteria are considered distinct performance obligations. Judgment is required to determine whether promised goods or services represent distinct performance obligations. We estimate the transaction price based on expected consideration, which may include fixed or variable consideration. At the inception of each arrangement that includes variable consideration, we evaluate the amount of potential transaction price and the likelihood that the transaction price will be received. The amount of variable consideration that is included in the transaction price only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in a future period. After contract inception, the transaction price is reassessed at every period end and updated for changes such as resolution of uncertain events.

Licensing Revenue:

- Non-refundable upfront license fees: For arrangements that include a license of intellectual property, and it is determined to be distinct from the other performance obligations identified in the arrangement, we recognize the transaction price allocated to the license as licensing revenue upon transfer of control of the license.
- Milestone payments: Contingent milestones at contract inception are estimated at the amount which is not probable of a material reversal and included in the transaction price using the most likely amount method. Milestone payments that are not within our control, such as regulatory approvals, are not considered probable of being achieved until those approvals are received and therefore, the variable consideration is constrained. At the end of each subsequent reporting period, we re-evaluate the probability of achievement of such contingent milestones and any related constraints, and if necessary, adjust our estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, which would affect earnings in the period of adjustment.
- Royalties: For arrangements that include sales-based royalties and a license of intellectual property that is deemed to be the predominant item to which the royalties relate, revenue is recognized at the later of when the related sales occur or when the performance obligation to which some or all of the royalties have been allocated has been satisfied (or partially satisfied). To date, royalty revenue resulting from licensing arrangements has not been material.

Product Supply Revenue: For arrangements that include a promise for the future supply of drug substance or drug product for either clinical development or commercial supply at the customer's discretion (manufacturing supply services), and it is determined to be distinct from the other performance obligations identified in the arrangement, we recognize the transaction price allocated to the manufacturing supply services as product supply revenue upon transfer of control of the product to the customer, which is upon delivery. Advanced payments from customers for the manufacturing of drug substance are recognized as deferred revenue until delivery.

Non-Cash Royalty Revenue Related to the Sale of Future Royalties: Royalties and commercialization milestones earned from Kyowa Kirin are recorded as non-cash royalty revenue. As discussed in *Note 8. Deferred Royalty Obligation Related to the Sale of Future Royalties*, future royalties and commercialization milestone payments we may receive under the Kyowa Kirin Agreement will be remitted to HCR pursuant to the HCR Agreement.

Accrued Expenses

As part of the process of preparing our financial statements, we are required to estimate our accrued expenses, which involves reviewing open contracts and purchase orders, communicating with our personnel to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of the actual cost. The majority of our service providers invoice us monthly in arrears for services performed or when contractual milestones are met. We estimate our accrued expenses as of each balance sheet date based on facts and circumstances known to us at that time. We periodically confirm the accuracy of our estimates with our service providers and make adjustments if necessary.

Service fee accruals are estimated based on the period over which each component of service will be performed, with vendor input if appropriate. If the actual timing of the performance of services or the level of effort varies from our estimate, we adjust the accrued or prepaid expense balance accordingly. Although we do not expect our estimates to be materially different from amounts actually incurred, our estimates of the status and timing may differ from the actual status and timing of services performed.

Retirement Savings Plan

We offer retirement saving plans through our 401(k) plan, which is available to all full-time employees. In June 2023, we expanded the benefit with the inclusion of a company matching contribution. We contribute to tax-qualified retirement plans for the benefit of employees who meet certain eligibility requirements and choose to participate in the plans. Participating employees specify the percentage of salary they wish to contribute from their compensation, and we make matching contributions. We recognized compensation costs from our contributions of $1.4 million, $1.1 million and $0.2 million in 2025, 2024 and 2023, respectively.

Stock-Based Compensation

Stock-based compensation expense is recognized for all stock-based payment awards made to employees, non-employees and directors based on estimated fair values. The grant date fair value of the awards is determined using the Black-Scholes option-pricing model. Stock-based compensation expense is recognized on a straight-line basis over the requisite service period

and is reduced for estimated forfeitures at the date of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Non-Cash Interest Expense on Deferred Royalty Obligation

In connection with the HCR Agreement, as discussed further in *Note 8. Deferred Royalty Obligation Related to the Sale of Future Royalties,* we recorded a liability related to the sale of future royalties and commercialization milestones that is amortized using the effective interest method over the estimated life of the HCR Agreement. As a result, we impute interest on proceeds received from HCR and record non-cash interest expense at the effective interest rate derived from estimated amounts and timing of future royalties and commercialization payments expected to be received by HCR.

Leases

Operating leases are included in right-of-use assets, current portion of operating lease liability and operating lease liability, net of current portion on our balance sheets. Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. In determining the present value of lease payments, we use our incremental borrowing rate based on information available at the lease commencement date. Operating lease right-of-use assets also include any lease payments made and exclude lease incentives. Our lease terms may include options to extend or terminate a lease when it is reasonably certain that we will exercise any such option. Leases with an initial term of 12 months or less are not recorded on the balance sheets. Lease expense is recognized on a straight-line basis over the expected lease term. We have elected not to separate lease and non-lease components, such as common area maintenance charges, and instead account for these as a single lease component.

Net Loss per Share

Basic net loss per common share is calculated by dividing the net loss by the weighted-average number of shares of common stock outstanding during the period, without consideration of potential shares of common stock. Diluted net loss per common share in the periods presented is the same as basic net loss per common share because the effects of potentially dilutive securities are antidilutive due to net losses recognized for each period presented.

Recent Accounting Pronouncements

New Accounting Pronouncements Recently Adopted

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740) - *Improvements to Income Tax Disclosures*. The ASU provides additional transparency within the income tax disclosures, primarily related to the rate reconciliation and income taxes paid information. We adopted ASU 2023-09 retrospectively in the 2025 fourth quarter and determined that the adoption did not have a material impact on our financial statements. Refer to the related disclosures presented in *Note 16. Income Taxes*.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, Income Statement (Topic 220) - *Reporting Comprehensive Income - Expense Disaggregation Disclosures, Disaggregation of Income Statement Expenses*, which requires public companies to disclose, in interim and annual reporting periods, additional information about certain expenses in the financial statements. The new disclosure requirements are effective for our annual periods beginning January 1, 2027, and interim periods beginning January 1, 2028, with early adoption permitted, and may be applied either prospectively or retrospectively. We are in the process of evaluating the impact of this new guidance on our disclosures.

NOTE 3. CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

The following table summarizes our cash, cash equivalents and short-term investments:

	December 31, 2025				December 31, 2024			
		Gross Unrealized				Gross Unrealized		
(in thousands)	Amortized Cost	Gains	Losses	Fair Value	Amortized Cost	Gains	Losses	Fair Value
Cash and cash equivalents								
Cash	$ 18,569	$ —	$ —	$ 18,569	$ 16,282	$ —	$ —	$ 16,282
Money market funds	49,430	—	—	49,430	48,650	—	—	48,650
Total cash and cash equivalents	67,999	—	—	67,999	64,932	—	—	64,932
Short-term investments								
U.S. treasury securities	$ 95,052	$ 105	$ —	$ 95,157	$ 79,720	$ 58	$ (5)	$ 79,773
Commercial paper	46,421	32	(3)	46,450	37,061	19	(15)	37,065
U.S. government-sponsored agency bonds	27,330	36	—	27,366	45,960	29	(27)	45,962
Corporate bonds	22,557	25	—	22,582	17,415	4	(6)	17,413
Yankee bonds	5,132	3	—	5,135	1,972	—	(2)	1,970
Asset-backed securities	—	—	—	—	2,983	2	—	2,985
Total short-term investments	196,492	201	(3)	196,690	185,111	112	(55)	185,168
Total cash, cash equivalents and investments	$ 264,491	$ 201	$ (3)	$ 264,689	$ 250,043	$ 112	$ (55)	$ 250,100

Realized gains or losses have not been significant and are included in other income, net on our statements of operations and comprehensive loss.

Unrealized losses in 2025 and 2024 were not material. All of the short-term available-for-sale securities held as of December 31, 2025 and 2024 had contractual maturities of less than one year. We determined that none of our available-for-sale securities were other-than-temporarily impaired as of December 31, 2025 and 2024, and no investment was in a continuous unrealized loss position for more than one year. Therefore, we believe that it is more likely than not that the investments will be held until maturity or a forecasted recovery of fair value.

Based on our procedures under the expected credit loss model, including an assessment of unrealized losses in our portfolio, we concluded that any unrealized losses on our marketable securities were not attributable to credit and, therefore, we have not recorded an allowance for credit losses as of December 31, 2025 and 2024.

NOTE 4. FAIR VALUE MEASUREMENTS

Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The three-level hierarchy for the inputs to valuation techniques is briefly summarized as follows:

Level 1 – Valuations are based on quoted prices in active markets for identical assets or liabilities and readily accessible by us at the reporting date.

Level 2 – Valuations based on inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Valuations based on unobservable inputs for which there is little or no market data, which require us to develop our own assumptions.

The following table sets forth the fair value of our financial assets that are measured or disclosed on a recurring basis by level within the fair value hierarchy:

	December 31, 2025				December 31, 2024			
(in thousands)	Total Fair Value	Level 1	Level 2	Level 3	Total Fair Value	Level 1	Level 2	Level 3
Assets								
Money market funds	$ 49,430	$ 49,430	$ —	$ —	$ 48,650	$ 48,650	$ —	$ —
U.S. treasury securities	95,157	—	95,157	—	79,773	—	79,773	—
Commercial paper	46,450	—	46,450	—	37,065	—	37,065	—
U.S. government-sponsored agency bonds	27,366	—	27,366	—	45,962	—	45,962	—
Corporate bonds	22,582	—	22,582	—	17,413	—	17,413	—
Yankee bonds	5,135	—	5,135	—	1,970	—	1,970	—
Asset-backed securities	—	—	—	—	2,985	—	2,985	—
Total	$ 246,120	$ 49,430	$ 196,690	$ —	$ 233,818	$ 48,650	$ 185,168	$ —

Fair Value of Debt

The principal outstanding under our 2022 Loan Agreement is subject to a variable interest rate and therefore, we believe the carrying amount of the term loan approximates fair value as of December 31, 2025 and 2024. See *Note 9. Borrowing* for a description of the Level 2 inputs used to estimate the fair value of the liability.

The carrying value of the deferred royalty obligation related to the sale of future royalties approximates its fair value as of December 31, 2025 and 2024 and is based on our current estimate of future royalties and commercialization milestones expected to be received by HCR over the life of the HCR Agreement. See *Note 8. Deferred Royalty Obligation Related to the Sale of Future Royalties* for a description of the Level 3 inputs used to estimate the fair value of the liability.

NOTE 5. INVENTORY

Inventory consisted of the following:

	December 31,	
(in thousands)	2025	2024
Raw materials	$ 28,009	$ 30,792
Work in process	88,259	58,685
Finished goods	6,839	1,707
Total	$ 123,107	$ 91,184
Reported as		
Inventory	$ 17,735	$ 21,173
Inventory, non-current	105,372	70,011
Total	$ 123,107	$ 91,184

Prepaid commercial manufacturing with third-party CMOs not included in inventory was $14.5 million and $16.4 million as of December 31, 2025 and 2024, respectively. There were no prepayments expected to be converted into inventory after 12 months as of December 31, 2025 and 2024.

NOTE 6. REVENUE

Disaggregation of total revenues by nature is as follows:

(in thousands)	Year Ended December 31, 2025	2024	2023
Product sales, net	$ 377,808	$ 319,196	$ 82,526
Product supply revenue	15,879	11,649	6,121
Licensing revenue	5,088	78	35,809
Non-cash royalty revenue related to the sale of future royalties	8,545	2,692	—
Total revenues	$ 407,320	$ 333,615	$ 124,456

Product Sales, Net

Products are primarily sold to wholesalers, GPOs and specialty pharmacies, and to a lesser extent, directly to retailers, hospitals, clinics and government agencies. Customer orders are generally fulfilled within a few days from receipt. Contractual performance obligations are fulfilled once our Customers receive the product and obtain legal title, at which point, they are able to direct the use of and obtain substantially all of the remaining benefits of the product.

Total product sales, net was as follows:

(in thousands)	Year Ended December 31, 2025	2024	2023
Product sales, net			
IBSRELA	$ 274,207	$ 158,286	$ 80,062
XPHOZAH	103,601	160,910	2,464
Total product sales, net	$ 377,808	$ 319,196	$ 82,526
Product sales, net as a percentage of total revenues	92.8 %	95.7 %	66.3 %

GTN Adjustments

We recognize revenue from product sales at the net sales price which includes estimates of variable consideration related to the following GTN adjustments:

- Discounts and chargebacks: We offer prompt pay discounts to our Customers for payment within a specified period, generally approximating two percent of the invoiced sales price. Our payment terms are generally 30 to 60 days. Chargebacks represent the estimated liability to wholesalers resulting from the difference between the wholesale acquisition cost and the lower program price offered to qualified government healthcare providers.
- Rebates, wholesaler and GPO fees: We are subject to discount obligations under governmental programs, such as Medicare and Medicaid. For the Medicaid program, we estimate the portion of sales attributed to Medicaid patients as rebates to be paid to the respective state. For the Medicare Part D program, beginning in 2025, we estimate the percentage of products sold to patients in the initial coverage and catastrophic coverage phases and adjust the transaction price for such discount at the time of sale. Prior to 2025, we paid a 70% discount to CMS when the Medicare Part D beneficiaries were in the coverage gap. Wholesaler and GPO fees are based on contracts and therefore require less estimation.
- Copay assistance and returns: We estimate the expected cost under the copay assistance program for qualified commercially-insured patients based on the terms of the program and redemption information provided by third-party claims processing organizations. We estimate products' returns based on products' actual returns history and other factors, including levels of our inventory in the distribution channel, estimated shelf life and historical sales returns of similar products.

Discounts, chargebacks, returns and wholesaler and GPO fees are reflected as reductions to receivables and are typically settled within contractual terms through credits to our Customers. All other GTN adjustments are reflected as a liability and settled through cash payments to our Customers or governmental payor programs, typically over various time periods that may span for multiple quarters.

The activities and ending reserve balances for each significant category of GTN adjustments on product sales, net, which constitute variable consideration, were as follows:

(in thousands)	Discounts and Chargebacks	Rebates, Wholesaler and GPO Fees	Copay Assistance and Returns	Total
Balance as of December 31, 2023	$ 478	$ 4,234	$ 3,916	$ 8,628
Provisions	15,099	65,833	28,925	109,857
Credits/payments	(13,934)	(55,592)	(21,671)	(91,197)
Balance as of December 31, 2024	1,643	14,475	11,170	27,288
Provisions[1]	23,356	108,547	31,667	163,570
Credits/payments	(23,306)	(88,566)	(33,563)	(145,435)
Balance as of December 31, 2025	$ 1,693	$ 34,456	$ 9,274	$ 45,423

[1] Provisions included approximately $4.4 million of net favorable adjustment resulting from changes in prior periods' estimates.

Geographic Information and Concentrations

Revenues are attributed to geographical areas based on the location at which we earned revenue for product sales of IBSRELA and XPHOZAH or the domicile of our collaboration partners. A summary of our revenues by geographic area is as follows:

	Year Ended December 31,		
(in thousands)	2025	2024	2023
United States[1]	$ 377,808	$ 319,196	$ 83,276
International			
Asia Pacific[2]	29,170	14,341	41,121
North America[3]	342	78	59
Total revenues	$ 407,320	$ 333,615	$ 124,456

[1] Revenues from the United States were comprised of amounts earned from sales of IBSRELA and XPHOZAH.
[2] Revenues from Asia Pacific were comprised of amounts earned in accordance with the Kyowa Kirin Agreement and the Fosun Agreement.
[3] Revenues from North America were comprised of amounts earned from Canada in accordance with the Knight Agreement.

Gross product sales from Customers and revenues from collaboration partners, each accounting for more than 10% of total revenues, were as follows:

	Year Ended December 31,		
	2025	2024	2023
Customers[1]			
BioRidge Pharma, LLC	65.9 %	75.4 %	24.0 %
Cardinal Health	21.4 %	14.5 %	19.8 %
McKesson Corporation	17.9 %	14.1 %	15.7 %
Cencora (formerly AmerisourceBergen Drug Corporation)	17.3 %	16.4 %	19.1 %
Collaboration partners			
Kyowa Kirin	5.9 %	4.3 %	29.0 %

[1] The total of the above percentages exceeds 100% as the numerators used in the calculations represent gross product sales for each Customer, as opposed to product sales, net as presented on our statements of operations and comprehensive loss.

NOTE 7. COLLABORATION AND LICENSING AGREEMENTS

We have out-licensed to external partners for the development and commercialization of tenapanor outside of the U.S. We recognize revenue from our agreements with Kyowa Kirin, Fosun Pharma and Knight as licensing revenue, product supply revenue or non-cash royalty revenue related to the sale of future royalties. Refer to *Note 2. Summary of Significant Accounting Policies* for more information about our significant accounting policies for such revenue streams.

The following table summarizes total revenues by collaboration partner:

	Year Ended December 31,		
(in thousands)	**2025**	**2024**	**2023**
Licensing revenue			
Kyowa Kirin	$ —	$ —	$ 30,000
Fosun Pharma	5,000	—	5,000
METiS	—	—	750
Knight	88	78	59
Total licensing revenue	$ 5,088	$ 78	$ 35,809
Product supply revenue			
Kyowa Kirin	$ 15,625	$ 11,649	$ 6,092
Knight	254	—	29
Total supply revenue	$ 15,879	$ 11,649	$ 6,121
Non-cash royalty revenue related to the sale of future royalties			
Kyowa Kirin	$ 8,545	$ 2,692	$ —

The following table presents changes in our current and non-current deferred revenue balances, which are primarily attributable to Kyowa Kirin:

	2025		2024	
(in thousands)	**Current**	**Non-Current**	**Current**	**Non-Current**
Deferred revenue balance as of January 1,	$ 10,686	$ 7,232	$ 7,182	$ 8,644
Prepaid product supply	1,433	6,467	3,716	8,212
Product supply delivered	(10,913)	—	(9,836)	—
Reclassify amounts to be recognized in the next twelve months	—	—	9,624	(9,624)
Deferred revenue balance as of December 31,	$ 1,206	$ 13,699	$ 10,686	$ 7,232

Kyowa Kirin

We granted Kyowa Kirin an exclusive license (Kyowa Kirin Agreement) to develop and commercialize certain NHE3 inhibitors including tenapanor in Japan for the treatment of cardiorenal diseases and conditions, excluding cancer, in exchange for (i) future royalties defined below; (ii) an upfront license fee of $30.0 million, recognized upon execution of the agreement; (iii) potential future development and regulatory milestones of up to $55.0 million, of which $35.0 million has been recognized as revenue to date; and (iv) commercialization milestones of up to ¥8.5 billion (or approximately $54.5 million at the currency exchange rate as of December 31, 2025), of which $3.4 million has been recognized as revenue to date. In addition, we are eligible to receive royalties on net sales of tenapanor in Japan throughout the term of the agreement. Under a Commercial Supply Agreement, we supply tenapanor drug substance that will be used to satisfy Kyowa Kirin's commercial needs which includes advanced payments for reimbursement of costs plus a reasonable overhead for the supply of product.

The Kyowa Kirin Agreement was amended to reduce the royalty rate Kyowa Kirin would pay on tenapanor sales in Japan from high teens to low double digits for a two-year period of time following the first commercial sale in Japan, and then to mid-single digits for the remainder of the royalty term. As consideration for the reduced royalty rate, Kyowa Kirin agreed to pay us up to an additional $40.0 million payable in two tranches: (i) the first payment due following Kyowa Kirin's filing with the Japanese MHLW of its application for marketing approval for tenapanor, recognized as revenue in 2022; and (ii) the second payment due following Kyowa Kirin's receipt of regulatory approval to market tenapanor for hyperphosphatemia in Japan, recognized as revenue in 2023. As discussed in *Note 8. Deferred Royalty Obligation Related to the Sale of Future Royalties*, future royalties and commercialization milestone payments we may receive under the license, as amended, will be remitted to HCR pursuant to the HCR Agreement.

In February 2024, Kyowa Kirin announced the launch of tenapanor, marketed as PHOZEVEL®, for patients with CKD with hyperphosphatemia in Japan. Following the launch, we began to recognize earned royalties and commercialization milestones from sales of tenapanor in Japan, which are remitted to HCR in accordance with the HCR Agreement.

The first commercialization milestone was achieved in the 2025 third quarter, triggering a ¥500.0 million payment to us, or approximately $3.4 million at the currency exchange rate as of September 30, 2025. This milestone was recorded as non-cash royalty revenue related to the sale of future royalties on our statements of operations and comprehensive loss and was remitted to HCR upon receipt.

Fosun Pharma

We have an exclusive license agreement with Fosun Pharma (Fosun Agreement) for the development, commercialization and distribution of tenapanor in China for both hyperphosphatemia and IBS-C. The Fosun Agreement granted exclusive license rights to Fosun Pharma in exchange for (i) an upfront license fee of $12.0 million, recognized upon execution of the agreement; and (ii) potential future development and commercialization milestones of up to $113.0 million, of which $13.0 million has been recognized as revenue to date. In addition, we are eligible to receive reimbursement of cost plus a reasonable overhead for the supply of product and tiered royalties on net sales ranging from the mid-teens to 20%.

In February 2025, we announced the NDA approval by China's Center for Drug Evaluation of the NMPA for tenapanor in the control of serum phosphorus in adult patients with CKD on hemodialysis. This approval triggered a $5.0 million milestone to us, which was recorded as licensing revenue on our statements of operations and comprehensive loss when earned during the 2025 first quarter and was received in April 2025.

Knight

We have an exclusive license agreement with Knight (Knight Agreement) for the development, commercialization and distribution of tenapanor in Canada for hyperphosphatemia and IBS-C. The Knight Agreement granted exclusive license rights to Knight in exchange for (i) an upfront license fee of $2.3 million, recognized upon execution of the agreement; and (ii) potential future development and commercialization milestones of up to CAD 22.2 million (or approximately $16.2 million at the currency exchange rate as of December 31, 2025), of which $0.7 million has been recognized as revenue to date. In addition, we are eligible to receive royalties ranging from the mid-single digits to the low twenties throughout the term of the agreement and a transfer price for manufacturing supply services.

METiS

We have an exclusive license agreement with METiS Therapeutics Inc., (METiS Agreement) for the development and commercialization of a portfolio of TGR5 agonist compounds that we discovered and developed for all therapeutic areas in exchange for (i) an upfront license fee of $0.8 million, recognized upon execution of the agreement in 2023; and (ii) potential future development and commercialization milestones of up to $243.0 million. In addition, we are also eligible to receive royalties ranging within the mid-single digits throughout the term of the agreement.

AstraZeneca

We had a termination agreement with AstraZeneca (AstraZeneca Termination Agreement), pursuant to which we agreed to pay AstraZeneca (i) future royalties at a royalty rate of 10% of net sales of tenapanor or other NHE3 products by us or our licensees; and (ii) 20% of non-royalty revenue received from a new collaboration partner should we elect to license, or otherwise provide rights to develop and commercialize tenapanor or other NHE3 products, up to a maximum of $75.0 million in aggregate for (i) and (ii). Royalty expense recognized under this agreement as cost of sales on our statements of operations and comprehensive loss was $12.7 million, $34.7 million and $12.4 million in 2025, 2024 and 2023, respectively. As of the end of the 2025 second quarter, we had fully recognized the maximum $75.0 million royalty obligation, which had been fully remitted as of the end of the 2025 third quarter.

NOTE 8. DEFERRED ROYALTY OBLIGATION RELATED TO THE SALE OF FUTURE ROYALTIES

We and HCR have an agreement in which HCR agreed to pay up to $20.0 million in exchange for future royalties and commercialization milestone payments that we may receive under our Kyowa Kirin Agreement, as discussed further in *Note 7. Collaboration and Licensing Agreements*. The $20.0 million was payable as follows: (i) $10.0 million upfront upon agreement execution, received in June 2022; (ii) $5.0 million upon Kyowa Kirin's receipt of regulatory approval to market tenapanor for hyperphosphatemia in Japan, received in October 2023; and (iii) $5.0 million in the event net sales of tenapanor in Japan by Kyowa Kirin exceeded a defined annual target level by the end of 2025, which was not achieved as of December 31, 2025. The HCR Agreement is effective until terminated by the mutual agreement of the parties and contains customary representations and warranties and customary affirmative and negative covenants.

Payments received from HCR are recorded as a deferred royalty obligation on our balance sheets. Due to our ongoing manufacturing obligations under the Kyowa Kirin Agreement, we account for the proceeds as imputed debt and therefore recognize royalties and commercialization milestones earned under the Kyowa Kirin Agreement as non-cash royalty revenue. Non-cash interest expense is recorded at the imputed interest rate derived from estimated amounts and timing of future royalties and commercialization milestone payments expected to be received by HCR. In conjunction with the HCR Agreement, we incurred approximately $0.4 million in transaction costs, which, along with the deferred royalty obligation, are being amortized as non-cash interest expense over the estimated life of the HCR Agreement using the effective interest method. The deferred royalty obligation will be effectively repaid over the life of the HCR Agreement as we remit to HCR royalties and commercialization milestones paid to us by Kyowa Kirin. We periodically assess the estimated amounts and timing of future royalties and commercialization milestone payments from Kyowa Kirin and, to the extent that the amount or timing of such payments is materially different than our original estimates, we prospectively adjust the imputed interest rate and the related amortization of the deferred royalty obligation.

A summary of financial information related to the HCR Agreement is as follows:

	Year Ended December 31,		
($ in thousands)	**2025**	**2024**	**2023**
Non-cash interest expense related to the sale of future royalties	$ (8,296)	$ (7,088)	$ (3,924)
Effective interest rate	25.4 %	31.0 %	34.7 %

(in thousands)	**2025**	**2024**	**2023**
Deferred royalty obligation balance as of January 1,	$ 25,527	$ 20,179	$ 11,254
Proceeds received from HCR	—	—	5,000
Non-cash interest expense related to the sale of future royalties	8,296	7,088	3,924
Royalty and commercialization milestone payments remitted to HCR	(7,947)	(1,740)	—
Other	—	—	1
Deferred royalty obligation balance as of December 31,	$ 25,876	$ 25,527	$ 20,179

NOTE 9. BORROWING

Long-term borrowing was as follows:

	December 31,		
(in thousands)	**2025**	**2024**	**Interest rate**
Principal			
Term A Loan	$ 27,500	$ 27,500	7.95% + 0.022% + SOFR (subject to a floor of 1.0%)
Term B Loan	22,500	22,500	7.95% + 0.022% + SOFR (subject to a floor of 1.0%)
Term C Loan	50,000	50,000	4.25% + 0.022% + SOFR (subject to a floor of 4.7%)
Term D Loan	50,000	50,000	4.00% + 0.022% + SOFR (subject to a floor of 4.7%)
Term E Loan	50,000	—	4.00% + 0.022% + SOFR (subject to a floor of 4.7%)
Total principal	200,000	150,000	
Adjustments to principal value			
Unamortized discount and debt issuance costs	(1,127)	(1,136)	
Accreted value of final fee	3,961	1,989	
Total long-term debt	202,834	150,853	
Less: Current portion of long-term debt	—	—	
Long-term debt, net of current portion	$ 202,834	$ 150,853	

We have a loan and security agreement (as amended, 2022 Loan Agreement) with SLR, as collateral agent, and the lenders listed in the 2022 Loan Agreement (collectively, the 2022 Lenders).

On June 30, 2025, we entered into an amendment to our 2022 Loan Agreement (the Fifth Amendment), by and between us and the 2022 Lenders. The Fifth Amendment, among other things, (i) provided for the immediate draw of the principal amount of $50.0 million (the Term E Loan and together with the Term A, B, C and D Loans, the Five Loans) on the closing date of the Fifth Amendment; and (ii) provides us with the option to draw an additional $100.0 million of committed senior secured term loans, consisting of two separate term loans, each in a principal amount of $50.0 million: (a) the first of which is available at our election through June 30, 2026 (the Term F Loan) and (b) the second of which is available at our election through

December 20, 2026 (the Term G Loan and, together with the Term F Loan, the Incremental Term Loans). We concluded that the Fifth Amendment was a modification to the 2022 Loan Agreement and is accounted for accordingly.

The interest rate for each of the Incremental Term Loans, if drawn, will be 4.95% plus the 1-month CME Term SOFR reference rate as published by the CME Term SOFR Administrator on the CME Term SOFR Administrator's Website, subject to a SOFR floor of 3.50%.

Under the Fifth Amendment, the maturity date for the Term E Loan (and the other outstanding term loans) remains July 1, 2028. We are permitted to make interest-only payments on the Term E Loan (and the other outstanding term loans) through July 1, 2028. The maturity date for each of the Incremental Term Loans will be July 1, 2030. We will be permitted to make interest-only payments on the Incremental Term Loans from the date each of the Incremental Term Loans is drawn through July 1, 2030.

We paid fees of $0.2 million, $0.1 million, $0.3 million, $0.3 million and $0.3 million on each funding date of the Term A, Term B, Term C, Term D and Term E Loans, respectively. In addition, we paid a facility fee of $1.0 million with respect to the Incremental Term Loans on the closing date of the Fifth Amendment.

We are obligated to pay a final fee equal to 4.95% of the aggregate original principal amount of the Five Loans, upon the earliest to occur of July 1, 2028, the acceleration of the Five Loans, and the prepayment, refinancing, substitution, or replacement of the Five Loans. We will be obligated to pay a final fee equal to 3.45% of the aggregate original principal amount of the Incremental Term Loans, to the extent such loans are funded, upon the earliest of any final termination, acceleration, prepayment or July 1, 2030.

We may voluntarily prepay all amounts outstanding under the Five Loans, subject to a prepayment premium of one percent of the outstanding principal amount of the Five Loans if prepaid prior to July 1, 2028. We may voluntarily prepay all amounts outstanding under the Incremental Term Loans, if drawn, subject to a prepayment premium of two percent of the outstanding principal amount of the Incremental Term Loans if prepaid prior to June 30, 2026 and one percent of the outstanding principal amount of the Incremental Term Loans if prepaid after June 30, 2026 and prior to July 1, 2030.

The 2022 Loan Agreement contains certain covenants, including a single financial covenant that the sum of our net product revenue, calculated on a trailing six-month basis, plus unrestricted cash and cash equivalents that are subject to a first-priority perfected lien in favor of SLR, shall be greater than or equal to 100% of the principal amount outstanding under the 2022 Loan Agreement. In addition, the 2022 Loan Agreement contains subjective acceleration clauses to accelerate the maturity of outstanding principal amount in the event that a material adverse change has occurred within the business, operations or financial condition of the Company. As of December 31, 2025, we believe that the likelihood of the acceleration of the maturity due to subjective acceleration clauses is remote.

The total unaccreted final fee was $5.9 million and $5.4 million as of December 31, 2025 and 2024, respectively.

As of December 31, 2025, our total future payment obligation related to the outstanding balance of the term loans, excluding interest payments, was $209.9 million, which is due on July 1, 2028.

NOTE 10. DERIVATIVE LIABILITIES

2018 Exit Fee

In October 2023, we received approval from the FDA for XPHOZAH to reduce serum phosphorus in adults with CKD on dialysis as add-on therapy in patients who have an inadequate response to phosphate binders or who are intolerant of any dose of phosphate binder therapy. In connection with a previous loan agreement (2018 Loan Agreement), we became obligated to pay an exit fee of $1.5 million, which was paid in October 2023.

2022 Exit Fee

The 2022 Loan Agreement obligated us to pay an exit fee in the amount of two percent of the Original Loans funded upon (i) any change of control transaction or (ii) our achievement of net revenue from the sale of any products equal to or greater than $100.0 million, measured on a six-month basis (Revenue Milestone), tested monthly at the end of each month. The Revenue Milestone was achieved in the 2024 second quarter, resulting in a $1.0 million payment that was settled in October 2024.

NOTE 11. LEASES

Our lease obligation is comprised of operating leases for our offices with remaining lease terms ranging from approximately two years to four years and each containing customary rent escalation clauses. Each of our leases contains one renewal, at our option, for a five-year period. We have not included these renewal periods in the calculation of the right-of-use assets and lease liabilities since it is uncertain whether we will exercise the renewal options.

The following table provides additional details of our facility leases presented in our balance sheets:

($ in thousands)	December 31,	
Facilities	**2025**	**2024**
Right-of-use assets	$ 4,795	$ 2,380
Current portion of lease liabilities	$ 1,479	$ 1,562
Operating lease liability, net of current portion	3,641	1,023
Total lease liabilities	$ 5,120	$ 2,585
Weighted-average remaining term (in years)	3.1	1.8
Weighted-average discount rate	5.6 %	6.5 %

The lease costs, which are included in our statements of operations and comprehensive loss, and the supplemental cash flow information related to the leases were as follows:

	Year Ended December 31,		
(in thousands)	**2025**	**2024**	**2023**
Operating lease expense	$ 2,211	$ 4,699	$ 3,857
Cash paid for operating leases	$ 2,093	$ 4,931	$ 4,481

The following table summarizes our undiscounted cash payment obligations for our operating lease liabilities as of December 31, 2025:

(in thousands)	**Operating Leases**
2026	$ 1,784
2027	1,836
2028	1,402
2029	575
Thereafter	—
Total undiscounted operating lease payments	5,597
Imputed interest expenses	(477)
Total operating lease liabilities	5,120
Less: Current portion of operating lease liability	(1,479)
Operating lease liability, net of current portion	$ 3,641

NOTE 12. STOCKHOLDERS' EQUITY

In January 2023, we entered into the 2023 Open Market Sales Agreement with Jefferies with respect to an "at-the-market offering" program, which was established under the Company's shelf registration statement on Form S-3 and expired in January 2026. Under the 2023 Open Market Sales Agreement, we sold a total of 16.8 million shares of our common stock and received gross proceeds of $70.0 million at a weighted average sales price of approximately $4.17. During the year ended December 31, 2025, we did not sell any shares under the 2023 Open Market Sales Agreement.

In November 2025, we filed an automatic shelf registration statement on Form S-3ASR, which became effective upon filing, containing (i) a base prospectus, which covers the offering, issuance and sale from time to time in one or more offerings of our common stock, preferred stock, debt securities, warrants and/or units; and (ii) a prospectus supplement for the offering,

issuance and sale of up to a maximum aggregate offering price of $100.0 million of our common stock that may be issued and sold from time to time, under the 2025 Open Market Sales Agreement, deemed to be "at-the-market offerings." Pursuant to the 2025 Open Market Sales Agreement, Jefferies, as sales agent, may receive a commission of up to three percent of the gross sales price for shares of our common stock sold under the 2025 Open Market Sales Agreement. As of December 31, 2025, there have been no sales of our common stock under the 2025 Open Market Sales Agreement.

NOTE 13. EQUITY INCENTIVE PLANS

2014 Plan

The 2014 Equity Incentive Plan (2014 Plan), effective on June 18, 2014, provided for the stock-based compensation awards, including stock options, stock appreciation rights, restricted stock, service-based RSUs, performance-based RSUs, deferred stock, deferred stock units, dividend equivalents, stock payments and performance awards. The 2014 Plan initially reserved 1.5 million shares, including the 35 thousand shares remaining for future awards under a previous equity incentive plan (2008 Plan), with up to 1.2 million additional shares which could be added from forfeited or lapsed awards from the 2008 Plan. The 2014 Plan allowed for an annual increase in the number of shares available for issuance on the first day of each year through 2024, equal to the lesser of four percent of our outstanding common stock on the last day of the immediately preceding year or a smaller amount determined by the board of directors (2014 Plan evergreen provision).

On June 14, 2024, stockholders approved the Amended and Restated 2014 Equity Incentive Award Plan (2014 A&R Plan). The key provisions pursuant to the 2014 A&R Plan included (i) an addition of 19.0 million shares to the total existing share reserve; (ii) the removal of the 2014 Plan evergreen provision such that any increase to the total number of shares that may be issued must be approved by our stockholders; and (iii) an increase for the limit of shares that may be issued upon exercise of incentive stock options from 10.7 million to 58.5 million shares. In addition to increases resulting from repurchases, forfeitures, expirations and cancellations of awards under the 2008 Plan, shares reserved for issuance under the 2014 A&R Plan will be increased by the number of shares subject to awards granted under the Inducement Plan, as discussed below, that are repurchased, forfeited, expire or are cancelled on or after June 14, 2024. As a result, no new awards would be made under the Inducement Plan following June 14, 2024.

On June 18, 2025, stockholders approved the Equity Plan Amendment to the 2014 A&R Plan to (i) increase the number of shares reserved for issuance under the 2014 A&R Plan by 10.0 million shares; and (ii) increase the limit of shares that may be issued upon exercise of incentive stock options from 58.5 million to 68.5 million shares. As of December 31, 2025, approximately 16.9 million shares of our common stock were available for future issuance under the 2014 A&R Plan, as amended.

2016 Plan

In November 2016, our board of directors approved the 2016 Employment Commencement Incentive Plan (Inducement Plan) under which 1.0 million shares were reserved. In January 2021, January 2022, December 2022 and January 2024, 0.5 million, 2.0 million, 3.0 million and 5.8 million shares, respectively, were added to the Inducement Plan. As of December 31, 2025, 9.0 million shares of our common stock were subject to inducement grants that were issued pursuant to the Inducement Plan. As of December 31, 2025, no additional shares of our common stock were available for future issuance under the 2016 Plan.

Stock Options

A summary of our stock option activity and related information for the year ended December 31, 2025 is as follows:

	Number of Shares (in thousands)	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Balance as of December 31, 2024	28,085	$ 5.63		
Options granted	9,011	$ 5.08		
Options exercised	(1,880)	$ 2.20		
Options forfeited or canceled	(6,239)	$ 6.29		
Balance as of December 31, 2025	28,977	$ 5.54	6.4	$ 37,405
Vested and expected to vest as of December 31, 2025	28,977	$ 5.54	6.4	$ 37,405
Exercisable as of December 31, 2025	18,133	$ 5.43	5.1	$ 28,181

The aggregate intrinsic value represents the difference between the total pre-tax value (i.e., the difference between our stock price and the exercise price) of stock options outstanding as of December 31, 2025, based on our common stock closing price of $5.83 per share, which would have been received by the option holders if all their in-the-money options had been exercised as of that date.

The intrinsic value of options exercised during the years ended December 31, 2025, 2024 and 2023 was $9.6 million, $19.6 million and $1.1 million, respectively. The total fair value of options vested during the years ended December 31, 2025, 2024 and 2023 was $68.1 million, $61.0 million and $24.9 million, respectively.

The weighted-average grant-date estimated fair value of options granted during the years ended December 31, 2025, 2024 and 2023 was $3.19, $6.22 and $2.36 per share, respectively. The estimated grant date fair value of employee stock options was calculated using the Black-Scholes option-pricing model, based on the following weighted-average assumptions:

	Year Ended December 31,		
	2025	**2024**	**2023**
Expected term (in years)	4.0	5.4	5.1
Expected volatility	77.6 %	100.8 %	97.6 %
Risk-free interest rate	3.1 %	4.0 %	3.8 %
Dividend yield	— %	— %	— %

Expected Term—We estimate the expected term of our options based upon historical exercises and post-vesting termination behavior.

Expected Volatility—We use the historic volatility of our own stock over the retrospective period corresponding to the expected remaining term of the options to compute our expected stock price volatility.

Risk-Free Interest Rate—The risk-free interest rate assumption is based on the zero-coupon U.S. treasury instruments on the date of grant with a maturity date consistent with the expected term of our stock option grants.

Dividend Yield—To date, we have not declared or paid any cash dividends and do not have any plans to do so in the future. Therefore, we use an expected dividend yield of zero.

Restricted Stock Units

A summary of our RSUs activity and related information for the year ended December 31, 2025 is as follows:

	Number of RSUs (in thousands)	**Weighted-Average Grant Date Fair Value per Share**
Non-vested restricted stock units as of December 31, 2024	8,013	$ 6.59
Granted	11,291	$ 5.15
Vested	(4,070)	$ 5.75
Forfeited	(2,651)	$ 5.93
Non-vested restricted stock units as of December 31, 2025	12,583	$ 5.71
Restricted stock units exercisable (vested and deferred) as of December 31, 2025	21	

The total estimated fair value of RSUs vested during the years ended December 31, 2025, 2024 and 2023 was $21.7 million, $16.4 million and $3.5 million, respectively.

Issuance of Common Stock for Services

During the years ended December 31, 2025, 2024 and 2023, we issued approximately 0.1 million, 41 thousand and 0.1 million shares, respectively, of our common stock to members of the board of directors who elected to receive stock in lieu of their cash fees under our Non-Employee Director Compensation Program, as amended. In 2025, our board of directors adopted the Fifth Amended and Restated Non-Employee Director Compensation Program, under which the board may provide each director with the opportunity to defer the settlement of restricted stock units to be granted to a future date. The shares issued during the years ended December 31, 2025, 2024 and 2023 were valued at $0.3 million, $0.3 million and $0.3 million, respectively, based on the fair value of the common stock on the date of grant.

Employee Stock Purchase Plan

The 2014 ESPP, effective on June 18, 2014, initially reserved approximately 0.2 million shares of our common stock for our eligible employees to purchase shares of our common stock at a discount. If approved by the administrator of the ESPP, on the first day of each calendar year through 2024, the number of shares in the reserve increased by an amount equal to the lesser of (i) one percent of the shares of our common stock outstanding on the last day of the immediately preceding fiscal year; and (ii) such number of shares of our common stock as determined by the board of directors (2014 ESPP evergreen provision); provided, however, no more than 2.2 million shares of our common stock could be issued under the ESPP.

On June 14, 2024, stockholders approved the Amended and Restated 2014 ESPP (A&R ESPP). The key provisions pursuant to the A&R ESPP included (i) an addition of 3.0 million shares to the total existing share reserve; and (ii) the removal of the 2014 ESPP evergreen provision such that no evergreen increases would be made after June 14, 2024.

During the years ended December 31, 2025, 2024 and 2023, we issued approximately 0.4 million, 0.5 million and 0.4 million shares, respectively, at an average share price of $4.46, $4.64 and $1.85, respectively, pursuant to the ESPP. As of December 31, 2025, approximately 3.3 million shares of our common stock were available for future issuance under the A&R ESPP.

The following table illustrates the weighted-average assumptions for the Black-Scholes option-pricing model used in determining the fair value of ESPP purchase rights granted to our employees:

	Year Ended December 31,		
	2025	**2024**	**2023**
Expected term (in years)	0.5	0.5	0.5
Expected volatility	72.6 %	82.8 %	86.0 %
Risk-free interest rate	4.2 %	5.0 %	5.3 %
Dividend yield	— %	— %	— %

Stock-Based Compensation Expense

Stock-based compensation expense for stock options, RSUs and our ESPP included in our statements of operations and comprehensive loss was as follows:

	Year Ended December 31,		
(in thousands)	**2025**	**2024**	**2023**
Selling, general and administrative	$ 38,650	$ 27,791	$ 9,952
Research and development	10,312	9,590	3,578
Total	$ 48,962	$ 37,381	$ 13,530

A summary of our total unrecognized stock-based compensation expense, net of estimated forfeitures, as of December 31, 2025 is as follows:

	Unrecognized Compensation Expense (in thousands)	**Average Remaining Vesting Period (in years)**
Stock option grants	$ 46,330	2.53
RSU grants	$ 67,104	2.88
ESPP	$ 107	0.17

NOTE 14. PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of the following:

	December 31,	
(in thousands)	**2025**	**2024**
Office equipment and furniture	$ 2,686	$ 2,923
Leasehold improvements	2,148	9,144
Laboratory equipment	—	46
Property and equipment, gross	4,834	12,113
Less: Accumulated depreciation	(2,650)	(10,618)
Total property and equipment, net	$ 2,184	$ 1,495

We recognized depreciation expense in the amount of $0.8 million, $0.5 million and $0.6 million in 2025, 2024 and 2023, respectively.

NOTE 15. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following:

	December 31,	
(in thousands)	**2025**	**2024**
Accrued gross to net revenue liabilities	$ 30,272	$ 10,112
Accrued sales and marketing expenses	4,598	3,696
Accrued contract manufacturing expenses	2,821	1,402
Accrued medical affairs expenses	2,538	817
Accrued payments due to AstraZeneca	—	12,077
Other	7,348	6,538
Total accrued expenses and other current liabilities	$ 47,577	$ 34,642

NOTE 16. INCOME TAXES

The components of our provision for income taxes were as follows:

	Year Ended December 31,		
(in thousands)	**2025**	**2024**	**2023**
Loss before provision for income taxes			
U.S.	$ (60,630)	$ (38,870)	$ (65,520)
Provision for income taxes			
Current			
State	$ 469	$ 266	$ 47
Foreign	500	—	500
Total current	969	266	547
Deferred			
Federal	—	—	—
Total deferred	—	—	—
Total provision for income taxes	$ 969	$ 266	$ 547

A reconciliation of the statutory federal income tax rate to our effective tax rate is as follows:

	Year Ended December 31,					
	2025		2024		2023	
($ in thousands)	$	%	$	%	$	%
Income tax at the federal statutory rate	$ (12,732)	21.0 %	$ (8,163)	21.0 %	$ (13,759)	21.0 %
State and local income taxes, net of federal effect[1]	401	(0.7)%	191	(0.5)%	13	— %
Foreign tax effects	500	(0.8)%	—	— %	500	(0.8)%
Tax credits						
Research and development tax credits	(936)	1.5 %	—	— %	(215)	0.3 %
Other	(500)	0.8 %	—	— %	(500)	0.8 %
Changes in valuation allowance	9,367	(15.4)%	8,023	(20.6)%	13,601	(20.8)%
Nontaxable or nondeductible items						
Section 162(m) limitation	1,322	(2.2)%	2,247	(5.8)%	1,217	(1.9)%
Stock-based compensation	3,672	(6.1)%	(2,003)	5.2 %	(65)	0.1 %
Other	(125)	0.2 %	(29)	0.1 %	(245)	0.4 %
Effective tax rate	$ 969	(1.7)%	$ 266	(0.6)%	$ 547	(0.9)%

[1] State and local income taxes that made up the majority (greater than 50%) of the tax effect in this category included: Kentucky in 2025 and 2024; and South Carolina and Kentucky in 2023.

The following table presents our income taxes paid, net of refunds, which are all attributable to state and local:

	Year Ended December 31,		
(in thousands)	2025	2024	2023
Kentucky	$ 391	$ 50	*
Texas	41	18	5
South Carolina	*	105	18
New Jersey	*	*	8
New York	*	40	7
Massachusetts	*	20	*
Other	53	33	13
Total	$ 485	$ 266	$ 51

* Jurisdiction below the threshold for the period presented.

Deferred income tax balances reflect the effects of temporary differences between the carrying amounts of assets and liabilities and their income tax bases, as well as from net operating loss and tax credit carryforwards. Significant components of our deferred tax assets were as follows:

	December 31,	
(in thousands)	**2025**	**2024**
Deferred tax assets		
Net operating loss carryforwards	$ 124,100	$ 103,643
Amortization and depreciation	44,703	64,237
Tax credits	17,109	15,529
Stock-based compensation	13,446	11,226
Deferred royalty obligation	6,497	6,409
Other	14,941	8,122
Deferred tax assets	220,796	209,166
Valuation allowance	(219,592)	(208,568)
Deferred tax assets net of valuation allowance	1,204	598
Deferred tax liabilities		
Right-of-use asset	(1,204)	(598)
Deferred tax liabilities	(1,204)	(598)
Net deferred taxes	$ —	$ —

Realization of deferred tax assets is dependent on future taxable income, if any, the timing and the amount of which are uncertain. We assess the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. A significant component of objective negative evidence evaluated was our cumulative loss incurred over the three-year period ended December 31, 2025. Such objective evidence limits the ability to consider other subjective evidence, such as our projections for future growth. On the basis of this evaluation, as of December 31, 2025, 2024 and 2023, a full valuation allowance has been recorded against our deferred tax assets. The valuation allowance increased by $11.0 million in 2025, primarily attributable to net operating loss carryforwards and stock-based compensation. The amount of the deferred tax assets considered realizable could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased, or if objective negative evidence, such as cumulative losses, are no longer present. In such cases, additional weight may be given to subjective evidence, such as our projections for growth.

As of December 31, 2025, we had net operating loss carryforwards for federal income tax purposes of approximately $572.8 million, of which approximately $422.7 million can be carried forward indefinitely and the remaining net operating losses begin to expire in 2030, if not utilized. We had approximately $19.5 million of federal research and development tax credit carryforwards and approximately $2.2 million of foreign tax credit carryforwards that begin to expire in 2027, if not utilized.

In addition, we had net operating loss carryforwards for California income tax purposes of approximately $101.6 million that begin to expire in 2030, if not utilized, and state research and development tax credit carryforwards of approximately $9.4 million that do not expire. We had approximately $0.1 million of minimum tax credit carryovers for California income tax purposes that do not expire. We had other state net operating losses of approximately $128.6 million that begin to expire in 2031.

The future utilization of net operating loss and tax credit carryforwards may be subject to an annual limitation, pursuant to Internal Revenue Code Sections 382 and 383, as a result of ownership changes that may have occurred previously or that could occur in the future. Due to the existence of the valuation allowance, limitations under Section 382 and 383 will not impact our effective tax rate.

In July 2025, the One Big Beautiful Bill Act (OBBBA) was enacted into law. The OBBBA makes permanent many of the expired and expiring tax provisions of the Tax Cuts and Jobs Act and restores certain business provisions, including the immediate expensing of domestic research and development costs. In addition, the OBBBA allows for an accelerated deduction of the unamortized domestic research and development costs capitalized during the 2022 through 2024 tax years. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The enactment of the OBBBA did not have a material impact on our financial statements.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

(in thousands)	2025	2024	2023
Balance as of January 1,	$ 22,919	$ 23,625	$ 24,075
Additions based on tax positions related to current year	864	105	262
Additions based on tax positions related to prior year	—	—	99
Subtractions based on tax positions related to prior year	(811)	(811)	(811)
Balance as of December 31,	$ 22,972	$ 22,919	$ 23,625

We recognize a tax benefit from an uncertain tax position when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Income tax positions must meet a more likely than not recognition at the effective date to be recognized. None of our unrecognized tax benefits would impact the effective tax rate if recognized, because the benefit would be offset by an increase in the valuation allowance.

We have elected to include interest and penalties as a component of tax expense. During the years ended December 31, 2025, 2024 and 2023, we did not recognize accrued interest and penalties related to unrecognized tax benefits.

We file a U.S. federal income tax return and income tax returns in various state and local jurisdictions. Due to our net operating loss and tax credit carryforwards, the income tax returns remain open to U.S. federal and state tax examinations. We are not currently under examination in any tax jurisdiction.

NOTE 17. SEGMENT REPORTING

We operate in a single reportable segment with a mission to develop and commercialize innovative medicines that meet significant unmet medical needs. A centralized research and development organization, supply chain organization and commercial organization are all responsible for the development, manufacturing, supply and sale of our products. Our business is also supported by centralized corporate functions. We currently operate primarily in the U.S. and earn revenues from sales of IBSRELA and XPHOZAH, both branded products derived from tenapanor, a molecule developed from our unique and innovative platform. In addition to commercializing IBSRELA and XPHOZAH, we are also developing a next-generation NHE3 inhibitor that we believe can have application across multiple therapeutic areas. Collaboration and licensing agreements with external partners are utilized for development and commercialization activities outside the U.S. Currently, we maintain such agreements for certain indications of tenapanor in Japan (Kyowa Kirin), China (Fosun Pharma) and Canada (Knight), as discussed further in *Note 7. Collaboration and Licensing Agreements*. We recognize other revenues in the form of licensing revenue, product supply revenue or non-cash royalty revenue related to the sale of future royalties under such agreements. Royalties and commercialization milestones earned under the Kyowa Kirin Agreement are subject to a separate agreement where such revenue payments are sold to HCR, as discussed further in *Note 8. Deferred Royalty Obligation Related to the Sale of Future Royalties*.

Our Chief Executive Officer (CEO) is our Chief Operating Decision Maker (CODM), responsible for allocating resources and assessing the Company's performance using aggregated financial information. Utilizing aggregated financial information enables the CODM to determine the most appropriate resource allocation across the commercial organization, research and development projects or other initiatives consistent with our long-term corporate wide strategic goals. The CODM primarily uses aggregated net loss as reported on the statements of operations and comprehensive loss to measure segment loss, supplemented by certain additional significant expense details reflected in the table below.

Detailed information regarding our single operating segment's significant revenues, expenses and operating loss is as follows:

(in thousands)	Year Ended December 31, 2025	2024	2023
Revenues			
Product sales, net	$ 377,808	$ 319,196	$ 82,526
Other revenues[1]	29,512	14,419	41,930
Total revenues	407,320	333,615	124,456
Less			
Cost of product sales[2]	11,185	6,851	2,323
Other cost of revenue[3]	28,352	43,705	15,472
Research and development[4]	58,429	39,480	29,231
Selling[4]	226,925	162,957	80,028
General and administrative[4]	58,662	52,916	34,020
Stock-based compensation	48,962	37,381	13,530
Other segment expenses[5]	15,782	18,275	13,128
Total costs and operating expenses	448,297	361,565	187,732
Consolidated loss from operations	(40,977)	(27,950)	(63,276)
Other reconciliation items[6]	(20,622)	(11,186)	(2,791)
Consolidated net loss	$ (61,599)	$ (39,136)	$ (66,067)

(1) *Other revenues* includes revenues from our collaboration partnerships, including licensing revenue, product supply revenue and non-cash royalty revenue related to the sale of future royalties.

(2) *Cost of product sales* includes the cost of commercial goods sold to our Customers, such as the cost of materials, third-party contract manufacturing, third-party packaging services, freight, labor costs for personnel involved in the manufacturing process and indirect overhead costs.

(3) *Other cost of revenue* includes the cost of materials sold to our collaboration partners under product supply agreements, certain costs related to capacity expansion at current and future CMOs and payments due to AstraZeneca. As of the end of the 2025 second quarter, the maximum $75.0 million royalty obligation under the AstraZeneca Termination Agreement had been fully recognized.

(4) *Research and development, selling* and *general administrative* expenses herein do not include certain allocated items, such as stock-based compensation expenses.

(5) *Other segment expenses* primarily consists of allocated facilities, information technology, and employee costs of approximately $14.8 million, $16.9 million and $12.3 million in 2025, 2024 and 2023, respectively.

(6) *Other reconciliation items* includes interest expense, non-cash interest expense related to the sale of future royalties, provision for income taxes and other income, net.

NOTE 18. NET LOSS PER SHARE

Basic net loss per share is calculated by dividing net loss by the weighted-average number of common shares outstanding during the period and excludes any dilutive effects of stock-based awards. Diluted net loss per common share is computed giving effect to all potential dilutive common shares, including common stock issuable upon exercise of stock options, unvested restricted stock units and ESPP shares issuable pursuant to the current purchase period. As we had net losses for the years ended December 31, 2025, 2024 and 2023, all potential common shares were determined to be anti-dilutive.

The following table sets forth the computation of net loss per common share:

(in thousands, except per share amounts)	Year Ended December 31, 2025	2024	2023
Numerator			
Net loss	$ (61,599)	$ (39,136)	$ (66,067)
Denominator			
Weighted average common shares outstanding - basic and diluted	241,034	235,233	219,331
Net loss per share of common stock - basic and diluted	$ (0.26)	$ (0.17)	$ (0.30)

The total numbers of securities that could potentially dilute net income per share in the future that were not considered in the diluted net loss per share calculations because the effect would have been anti-dilutive were as follows:

	Year Ended December 31,		
(in thousands)	**2025**	**2024**	**2023**
Options to purchase common stock	29,904	27,800	20,877
Restricted stock units	12,703	7,883	3,086
ESPP shares issuable	165	230	249
Total	42,772	35,913	24,212

The number of potential common shares that would have been included in diluted income per share had it not been for the anti-dilutive effect caused by the net loss, computed by converting these securities using the treasury stock method during the years ended December 31, 2025, 2024 and 2023, was approximately 5.7 million, 9.2 million and 6.3 million, respectively.

NOTE 19. COMMITMENTS AND CONTINGENCIES

Guarantees and Indemnifications

We indemnify each of our officers and directors for certain events or occurrences, subject to certain limits, while the officer or director is or was serving at our request in such capacity, as permitted under Delaware law and in accordance with our certificate of incorporation and bylaws. The term of the indemnification period lasts as long as an officer or director may be subject to any proceeding arising out of acts or omissions of such officer or director in such capacity.

The maximum amount of potential future indemnification is unlimited; however, we currently hold director and officer liability insurance, which allows the transfer of risk associated with our exposure and may enable us to recover a portion of any future amounts paid. We believe that the fair value of these indemnification obligations is minimal. Accordingly, we have not recognized any liabilities relating to these obligations for any period presented.

Legal Proceedings and Claims

On December 7, 2021 and March 29, 2022, two verified shareholder derivative lawsuits were filed in the U.S. District Court for the Northern District of California purportedly on behalf of Ardelyx against certain of Ardelyx's executive officers and members of our board of directors, captioned Go v. Raab, et al., Case No. 4:21-cv-09455-HSG, and Morris v. Raab, et al., Case No. 4:22-cv-01988-JSC (together, the Go and Morris actions). The complaints allege that the defendants' violations of Section 14(a) of the Exchange Act, breaches of fiduciary duties, unjust enrichment, abuse of control, gross mismanagement, and waste of corporate assets for personally making and/or causing Ardelyx to make materially false and misleading statements regarding the Company's business, operations and prospects. The complaint seeks contribution under Sections 10(b) and 21D of the Exchange Act from two executive officers. On January 19, 2022 and April 27, 2022, the court granted the parties' stipulation to stay the Go and Morris actions, respectively, until resolution of the motion(s) to dismiss in the lawsuits captioned Strezsak v. Ardelyx, Inc., et al., Case No. 4:21-cv-05868-HSG and Siegel v. Ardelyx, Inc., et al., Case No. 5:21-cv-06228-HSG (together, the Securities Class Actions). On October 25, 2022, the parties filed a stipulation to consolidate and stay the Go and Morris actions, and on October 27, 2022, the court consolidated the Go and Morris actions and stayed the consolidated action pending resolution of the anticipated motion(s) to dismiss in the Securities Class Action. The Securities Class Actions were voluntarily dismissed on March 5, 2025. The court dismissed the Go and Morris actions on April 30, 2025.

On July 17, 2024, in partnership with the AAKP and the NMQF, we filed a lawsuit in the U.S. District Court for the District of Columbia against CMS, claiming that CMS has violated its statutory and regulatory authority under MIPPA, which established the ESRD PPS bundled payment system for dialysis services in 2008. Specifically, the lawsuit claims that moving XPHOZAH, along with all oral-only drugs, into the ESRD PPS is inconsistent with MIPPA's statutory provision, and contradicts CMS's own regulations. XPHOZAH and other oral-only drugs are not administered by dialysis providers and cannot be taken during the delivery of maintenance dialysis. On November 8, 2024, the U.S. District Court for the District of Columbia granted defendants' Motion to Dismiss and denied plaintiffs' Motion for Preliminary Injunction, or in the Alternative, for Expedited Summary Judgment. Following the District Court's denial of plaintiffs' Motion to Alter or Amend the Judgment, or in the Alternative, for an Injunction Pending Appeal, plaintiffs filed an Emergency Motion for an Administrative Stay and Injunction Pending Appeal, which was denied by the United States Court of Appeals for the District of Columbia Circuit. Appellants filed an initial brief in the appeal on February 4, 2025; Appellees filed an initial brief on March 6, 2025; and Appellants filed a reply brief on March 27, 2025. Both Appellees and Appellants filed a final brief on April 10, 2025. Oral argument in the case was heard on September 25, 2025.

On August 16, 2024, a complaint was filed against us in the U.S. District Court of Massachusetts, captioned Yarborough v. Ardelyx, Inc., et al., No. 24-cv-12119 (D. Mass.). The complaint names the Company, Michael Raab, and Justin Renz as defendants and alleges violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder, related to our announcement on July 2, 2024 that it had chosen not to file an application for Transitional Drug Add-on Payment Adjustment for XPHOZAH (the Yarborough Action). The plaintiffs seek damages and interest, and an award of costs, including attorneys' fees. The Court appointed Tate Wood as lead plaintiff on October 30, 2024. The lead plaintiff filed an amended complaint on January 13, 2025, in which he added Susan Rodriguez, Laura Williams and Elizabeth Grammer as additional defendants and removed Justin Renz as a defendant. The lead plaintiff purports to bring claims on behalf of all those who acquired Ardelyx common stock between February 22, 2024 and July 1, 2024. Defendants filed a motion to dismiss the amended complaint on March 14, 2025. Plaintiffs filed a response on May 13, 2025. Defendants filed a reply in support of their motion to dismiss on June 23, 2025. A hearing on the motion to dismiss was held on September 25, 2025, and on December 24, 2025, the Court granted defendants' motion to dismiss and issued an order dismissing the case with prejudice. On January 21, 2026, Plaintiffs appealed the District Court's decisions to the United States Court of Appeals for the First Circuit.

On September 6 and 13, 2024, certain Ardelyx shareholders filed two verified derivative complaints purportedly on behalf of the Company in the United States District Court for the District of Massachusetts alleging violations of Sections 10(b) and/or 14(a) of the Exchange Act, breaches of fiduciary duty, unjust enrichment, waste, and aiding and abetting breaches of fiduciary duty against certain members of our board of directors and management based on substantially the same factual allegations in the Yarborough Action. The complaints seek unspecified damages and corporate governance reforms, as well as costs and attorneys' fees. On September 25, 2024, the Court consolidated the two derivative actions into the case In re Ardelyx, Inc. Stockholder Derivative Litigation, Case No. 1:24-cv-12302-LTS (D. Mass.). On November 7, 2024, the Court stayed the consolidated derivative action pending resolution of any and all motion(s) to dismiss in the Yarborough Action. We believe the plaintiffs' claims are without merit.

From time to time, we may be involved in legal proceedings arising in the ordinary course of business. As of December 31, 2025, there is no litigation pending that would reasonably be expected to have a material adverse effect on our results of operations and financial condition.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Conclusions Regarding the Effectiveness of Disclosure Controls and Procedures

As of December 31, 2025, management, with the participation of our CEO and Chief Financial Officer (CFO), performed an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including the CEO and the CFO, to allow timely decisions regarding required disclosures.

Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on this evaluation, our CEO and CFO concluded that, as of December 31, 2025, the design and operation of our disclosure controls and procedures were effective at a reasonable assurance level.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, our CEO and CFO, and effected by our board of directors, management and other personnel, 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 and includes those policies and procedures that:

- Pertain to the maintenance of records that accurately and fairly reflect in reasonable detail the transactions and dispositions of the assets of our company;

- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material adverse effect on our financial statements.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2025, the end of the period covered by this Annual Report on Form 10-K. Management based its assessment on criteria established in "Internal Control—Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on management's assessment of our internal control over financial reporting, management concluded that, as of December 31, 2025, our internal control over financial reporting was effective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the 2025 fourth quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Attestation Report of Independent Registered Public Accounting Firm

Our independent registered public accounting firm, Ernst & Young LLP, has audited our Financial Statements included in Item 8 of this Annual Report on Form 10-K and has issued a report on our internal control over financial reporting as of December 31, 2025. Their report on the audit of internal control over financial reporting appears below.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Ardelyx, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Ardelyx, Inc.'s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Ardelyx, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the balance sheets of Ardelyx, Inc. as of December 31, 2025 and 2024, the related statements of operations and comprehensive loss, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes, and our report dated February 19, 2026 expressed an unqualified opinion thereon.

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/ Ernst & Young LLP

Boston, Massachusetts

February 19, 2026

ITEM 9B. OTHER INFORMATION

Trading Plans

During the three months ended December 31, 2025, our Section 16 officers and directors adopted or terminated contracts, instructions or written plans for the purchase or sale of our securities as noted below.

Name and Title of Director or Officer	Action	Date	Trading Arrangement		Total Shares Available to be Sold	Expiration Date
			Rule 10b5-1*	Non-Rule 10b5-1**		
John Bishop, Chief Technical and Quality Officer	Adoption	November 6, 2025	X		156,687	November 6, 2026
Michael Raab, President and Chief Executive Officer and Director	Adoption	November 7, 2025	X		500,000	February 15, 2027
Elizabeth Grammer, former Chief Legal Officer	Adoption	November 11, 2025	X		114,638	August 30, 2026
* Intended to satisfy the affirmative defense conditions of Rule 10b5-1(c)						
** Not intended to satisfy the affirmative defense conditions of Rule 10b5-1(c)						

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEMS 10, 11, 12, 13, 14.

As described below, we incorporate by reference in this Annual Report on Form 10-K certain information appearing in the Proxy Statement that we will furnish to our stockholders for our 2026 Annual Meeting of Stockholders.

	Incorporated by Reference to Our Proxy Statement
Item 10. Directors, Executive Officers, and Corporate Governance.	"Executive Officers," "Election of Directors," "Board and Corporate Governance Matters," and "Security Ownership of Certain Beneficial Owners and Management" sections. We have included information regarding our Code of Business Conduct and Ethics and our Insider Trading Policy below.
Item 11. Executive Compensation.	"Compensation Discussion and Analysis" and "Compensation Committee Interlocks and Insider Participation" sections, but exclusive of any information contained under the heading "Pay Versus Performance"
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.	"Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plan Information" sections.
Item 13. Certain Relationships and Related Transactions, and Director Independence.	"Certain Relationships and Related Party Transactions" and "Board and Corporate Governance Matters" sections.
Item 14. Principal Accountant Fees and Services.	"Independent Registered Public Accounting Firm Fees" and "Pre-Approval Policies and Procedures" sections.

Code of Business Conduct and Ethics

We have adopted a Code of Business Conduct and Ethics that applies to our officers, directors and employees which is available on our website at www.ardelyx.com. The Code of Business Conduct and Ethics is intended to qualify as a "code of ethics" within the meaning of Section 406 of the Sarbanes-Oxley Act of 2002 and Item 406 of Regulation S-K. If we make any amendment to, or waiver from, a provision of our Code of Conduct that we are required to disclose under SEC rules, we intend to satisfy that disclosure requirement by posting such information to our website at www.ardelyx.com. The contents of our websites are not intended to be incorporated by reference into this Form 10-K or in any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only.

Insider Trading Policy and Procedures

We have an insider trading compliance policy and procedures governing the purchase, sale and other dispositions of our securities that apply to all of our personnel, including directors, officers, employees and other covered persons. We believe that our insider trading compliance policy and procedures are reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to us. A copy of our insider trading policy and procedures is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this report:

1. Financial Statements

   See Index to Financial Statements at Item 8 herein.

2. Financial Statement Schedules

   All schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

3. Exhibits

   See the Exhibit Index immediately following this page.

ITEM 16. FORM 10-K SUMMARY

None.

Exhibit Index

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
3.1	Amended and Restated Certificate of Incorporation.	8-K	6/24/2014	3.1	
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation.	8-K	6/20/2023	3.1	
3.3	Second Amended and Restated Bylaws.	8-K	08/04/2025	3.1	
4.1	Reference is made to Exhibits 3.1 and 3.2.				
4.2	Form of Common Stock Certificate.	S-1/A	6/18/2014	4.2	
4.3	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.				X
10.1(a)	Lease Agreement, dated December 30, 2020, by and between Ardelyx, Inc. and Prospect Fifth Ave, LLC.	10-K	3/8/2021	10.31	
10.1(b)	Amendment Number 2 to Lease Agreement by and between Ardelyx, Inc. and Prospect Fifth Avenue, LLC.	10-Q	5/2/2024	10.3(b)	
10.1(c)	Amendment Number 3 to Lease Agreement by and between Ardelyx, Inc. and Prospect Fifth Avenue, LLC.	10-Q	5/2/2024	10.3(c)	
10.1(d)	Amendment Number 4 to Lease Agreement by and between Ardelyx, Inc. and Prospect Fifth Avenue, LLC.	10-Q	8/4/2025	10.2	
10.2	Lease Agreement, dated October 3, 2024, by and between Ardelyx, Inc. and BMR-Pacific Research Center LP.	8-K	10/9/2024	10.1	
10.3(a)#	Ardelyx, Inc. Amended and Restated 2014 Equity Incentive Award Plan.	10-Q	8/1/2024	10.1	
10.3(b)#	First Amendment to the Ardelyx, Inc. Amended and Restated 2014 Equity Incentive Award Plan.	8-K	06/18/2025	10.1	
10.3(c)#	Form of Stock Option Grant Notice under the Amended and Restated 2014 Equity Incentive Award Plan.				X
10.3(d)#	Form of Stock Option Agreement under the Amended and Restated 2014 Equity Incentive Award Plan.				X
10.3(e)#	Form of Restricted Stock Unit Award Grant Notice under the Amended and Restated 2014 Equity Incentive Award Plan.				X
10.3(f)#	Form of Restricted Stock Unit Award Agreement under the Amended and Restated 2014 Equity Incentive Award Plan.				X
10.3(g)#	Form of Non-Employee Director Stock Option Grant Notice under the Amended and Restated 2014 Equity Incentive Award Plan.				X
10.3(h)#	Form of Non-Employee Director Stock Option Agreement under the Amended and Restated 2014 Equity Incentive Award Plan.				X
10.3(i)#	Form of Non-Employee Director Restricted Stock Unit Award Grant Notice under the Amended and Restated 2014 Equity Incentive Award Plan.				X
10.3(j)#	Form of Non-Employee Director Restricted Stock Unit Award Agreement under the Amended and Restated 2014 Equity Incentive Award Plan.				X
10.4#	Ardelyx, Inc. Amended and Restated 2014 Employee Stock Purchase Plan.	10-Q	8/1/2024	10.2	
10.5(a)#	Ardelyx, Inc. 2016 Employment Commencement Incentive Plan.	S-8	3/7/2023	99.3	
10.5(b)#	Form of Stock Option Grant Notice and Stock Option Agreement under the 2016 Employment Commencement Incentive Plan.	S-8	11/10/2016	99.2	
10.5(c)#	Form of Restricted Stock Unit Award Grant Notice and Restricted Stock Unit Award Agreement under the 2016 Employment Commencement Incentive Plan.	S-8	11/10/2016	99.3	
10.5(d)#	Form of Restricted Stock Award Grant Notice and Restricted Stock Award Agreement under the 2016 Employment Commencement Incentive Plan.	S-8	11/10/2016	99.4	

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
10.6#	Form of Indemnification Agreement for Directors and Officers.	S-1/A	6/9/2014	10.7	
10.7#	Second Amended and Restated Executive Employment Agreement, dated April 29, 2025, by and between Ardelyx, Inc. and Michael Raab.	10-Q	5/1/2025	10.1	
10.8#	Offer Letter, dated December 28, 2009, by and between Ardelyx, Inc. and David Rosenbaum, Ph.D.	S-1/A	6/9/2014	10.13	
10.9#	Transition and Separation Agreement, dated November 5, 2025, by and between Ardelyx, Inc. and David Rosenbaum.				X
10.10#	Offer Letter, dated November 21, 2012, by and between Ardelyx, Inc. and Elizabeth Grammer, Esq.	S-1/A	6/9/2014	10.14	
10.11#	Transition and Separation Agreement, dated December 17, 2025, by and between Ardelyx, Inc. and Elizabeth Grammer.				X
10.12#	Offer Letter, dated June 2, 2020, by and between Ardelyx, Inc. and Justin Renz.	10-Q	8/6/2020	10.3	
10.13#	Transition and Separation Agreement, dated August 1, 2025, by and between Ardelyx, Inc. and Justin Renz.	10-Q	10/30/2025	10.1	
10.14#	Form of Amended and Restated Change in Control and Severance Agreement for Executive Officers Other Than CEO.	10-Q	5/1/2025	10.2	
10.15#	Fifth Amended and Restated Non-Employee Director Compensation Program.				X
10.16#	Offer Letter, dated February 13, 2024 by and between Ardelyx, Inc. and Michael Kelliher.	10-Q	5/2/2024	10.29	
10.17#	Offer Letter, dated July 25, 2024 by and between Ardelyx, Inc. and Eric Foster.	10-Q	10/31/2024	10.6	
10.18#	Offer Letter, dated April 10, 2025 by and between Ardelyx, Inc. and James P. Brady.	10-Q	8/4/2025	10.3	
10.19#	Offer Letter, dated September 23, 2025, by and between Ardelyx, Inc. and Susan Hohenleitner.	10-Q	10/30/2025	10.2	
10.20#	Offer Letter, dated June 29, 2025, by and between Ardelyx, Inc. and John Bishop.	10-Q	10/30/2025	10.3	
10.21#	Offer Letter, dated May 29, 2025, by and between Ardelyx, Inc. and Edward Conner.	10-Q	10/30/2025	10.4	
10.22	Commercial Supply Agreement, dated August 7, 2024 and effective as of July 23, 2024, by and between Ardelyx, Inc. and Catalent.	8-K	8/12/2024	10.1	
10.23	Commercial Supply Agreement, dated October 25, 2024, by and among Ardelyx, Inc., Hovione Farmaciência, S.A. and Hovione, LLC.	10-Q	10/31/2024	10.2	
10.24(a)†	License Agreement, dated November 27, 2017, by and between Kyowa Hakko Kirin Co., Ltd. and Ardelyx, Inc.				X
10.24(b)	Amendment Number 1 to License Agreement, dated as of November 27, 2017, by and among Ardelyx, Inc., and Kyowa Kirin Co., Ltd.	10-K	3/2/2023	10.21(b)	
10.24(c)	Amendment Number 2 to License Agreement, dated as of April 11, 2022, by and among Ardelyx, Inc., and Kyowa Kirin Co., Ltd.	8-K	4/11/2022	99.1	
10.25†	License Agreement, dated December 11, 2017, by and between Shanghai Fosun Pharmaceutical Industrial Development Co. Ltd. and Ardelyx, Inc.				X
10.26	Royalty and Sales Milestone Interest Acquisition Agreement dated June 29, 2022, by and between Ardelyx, Inc. and Healthcare Royalty Partners IV, L.P.	10-Q	8/4/2022	10.1	
10.27(a)	Loan and Security Agreement dated February 23, 2022, by and between Ardelyx, Inc. and SLR Investment Corp.	10-Q	5/5/2022	10.1	
10.27(b)	First Amendment to the Loan and Security Agreement dated August 1, 2022, by and between Ardelyx, Inc. and SLR Investment Corp.	10-Q	8/4/2022	10.2	

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
10.27(c)	Second Amendment to the Loan and Security Agreement dated February 9, 2023, by and between Ardelyx, Inc. and SLR Investment Corp.	10-K	3/2/2023	10.24(c)	
10.27(d)	Third Amendment to the Loan and Security Agreement dated October 17, 2023, by and between Ardelyx, Inc. and SLR Investment Corp.	8-K	10/18/2023	10.1	
10.27(e)	Fourth Amendment to the Loan and Security Agreement dated October 29, 2024, by and between Ardelyx, Inc. and SLR Investment Corp.	10-Q	10/31/2024	10.5	
10.27(f)	Fifth Amendment to Loan and Security Agreement, dated June 30, 2025, by and among the Ardelyx, Inc., SLR Investment Corp., as collateral agent, and the lenders party thereto.	8-K	07/03/2025	10.1	
10.28	Exit Fee Agreement dated February 23, 2022, by and between Ardelyx, Inc. and SLR Investment Corp.	10-Q	5/5/2022	10.2	
10.29	Exit Fee Agreement, dated May 16, 2018, by and between the Company and Solar Capital Ltd. and Western Alliance Bank	10-Q	8/7/2018	10.2	
10.30(a)	Manufacturing Services Agreement, dated May 18, 2020, between Ardelyx, Inc. and Patheon Pharmaceuticals Inc.	10-Q	8/6/2020	10.5	
10.30(b)	First Amendment to the Manufacturing Services Agreement dated February 27, 2023, between Ardelyx, Inc. and Patheon Pharmaceuticals Inc.	10-K	3/2/2023	10.27(b)	
10.31	Open Market Sales Agreement, dated January 18, 2023 between Ardelyx, Inc. and Jefferies LLC.	S-3	1/19/2023	1.2	
10.32	Open Market Sales Agreement, dated November 3, 2025 between Ardelyx, Inc. and Jefferies LLC.	S-3	11/3/2025	1.2	
19.1	Ardelyx, Inc. Insider Trading Compliance Policy and Procedures.				X
23.1	Consent of Independent Registered Public Accounting Firm.				X
31.1	Certification of Principal Executive Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.				X
31.2	Certification of Principal Financial Officer Required Under Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.				X
32.1*	Certification of Principal Executive Officer and Principal Financial Officer Required Under Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, and 18 U.S.C §1350.				X
97.1	Policy for Recovery of Erroneously Awarded Compensation.	10-K	2/22/2024	97.1	
101.SCH	Inline XBRL Taxonomy Extension Schema Document.				X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.				X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				X

† Certain portions of this exhibit have been redacted pursuant to Item 601(b)(10) of Regulation S-K. A copy of the omitted portions will be furnished supplementally to the Securities and Exchange Commission upon request.

# Indicates management contract or compensatory plan.

* The certifications attached as Exhibit 32.1 that accompany this Annual Report on Form 10-K are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Ardelyx, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made

before or after the date of this Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Ardelyx, Inc.

Date: February 19, 2026

By: /s/ Joseph Reilly

Joseph Reilly
Senior Vice President and Chief Accounting Officer
(Principal Accounting Officer)

POWER OF ATTORNEY

Each person whose individual signature appears below hereby authorizes and appoints Michael Raab, Susan Hohenleitner, and Joseph Reilly, and each of them, with full power of substitution and resubstitution and full power to act without the other, as his or her true and lawful attorney-in-fact and agent to act in his or her name, place and stead and to execute in the name and on behalf of each person, individually and in each capacity stated below, and to file any and all amendments to this annual report on Form 10-K and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing, ratifying and confirming all that said attorneys-in-fact and agents or any of them or their or his substitute or substitutes may lawfully do or cause to be done by virtue thereof.

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

Signature	Title	Date
/s/ Michael Raab Michael Raab	President, Chief Executive Officer and Director *(Principal Executive Officer)*	February 19, 2026
/s/ Susan Hohenleitner Susan Hohenleitner	Chief Financial Officer *(Principal Financial Officer)*	February 19, 2026
/s/ Joseph Reilly Joseph Reilly	Senior Vice President and Chief Accounting Officer *(Principal Accounting Officer)*	February 19, 2026
/s/ David Mott David Mott	Chairman of the Board of Directors	February 19, 2026
/s/ Robert Bazemore Robert Bazemore	Director	February 19, 2026
/s/ William Bertrand, Jr. William Bertrand, Jr., J.D.	Director	February 19, 2026
/s/ Muna Bhanji Muna Bhanji, R.Ph.	Director	February 19, 2026
/s/ Onaiza Cadoret-Manier Onaiza Cadoret-Manier	Director	February 19, 2026
/s/ Merdad Parsey Merdad Parsey, M.D., Ph.D.	Director	February 19, 2026
/s/ Richard Rodgers Richard Rodgers	Director	February 19, 2026

SUMMARY OF ABBREVIATED TERMS

Throughout this 2025 Form 10-K, we have used terms which are defined below:

340B Program	Public Health Service's 340B Drug Pricing Program	HCR	HealthCare Royalty Partners IV, L.P.
AAKP	American Association of Kidney Patients	HCR Agreement	Royalty and Sales Milestone Interest Acquisition Agreement
ACA	Affordable Care Act	HHS	Department of Health and Human Services
AI Technologies	Artificial intelligence, machine learning and certain automated decision-making technologies	HIPAA	Health Insurance Portability and Accountability Act of 1996, as amended, and regulations promulgated thereunder
AMP	average manufacturer price	HRSA	Health Resources and Services Administration
ANDA	abbreviated New Drug Application	IBS-C	irritable bowel syndrome with constipation
API	active pharmaceutical ingredient	IND	Investigational New Drug
AstraZeneca	AstraZeneca AB	IRA	Inflation Reduction Act of 2022
ASU	Accounting Standards Update	IRB	Institutional Review Board
CCPA	California Consumer Privacy Act, as amended by the California Privacy Rights Act	IT	information technology
cGMP	current Good Manufacturing Practice	Jefferies	Jefferies LLC
CIC	chronic idiopathic constipation	Kyowa Kirin	Kyowa Kirin Co., Ltd.
CKD	chronic kidney disease	Knight	Knight Therapeutics, Inc.
CME	Chicago Mercantile Exchange	MDRP	Medicaid Drug Rebate Program
CMO	contract manufacturing organization	METiS	METiS Therapeutics, Inc.
CMS	Centers for Medicare & Medicaid Services	MHLW	Ministry of Health, Labour and Welfare
CRO	contract research organization	MIPPA	Medicare Improvements for Patients and Providers Act
Customers	collectively, major wholesalers, specialty pharmacies and GPOs	OLC	Oxylanthanum Carbonate
	(IBSRELA) and specialty wholesaler (XPHOZAH)		
DPF	EU-US Data Privacy Framework	NCE	new chemical entity
EEA	European Economic Area	NDA	New Drug Application
ESPP	Employee Stock Purchase Plan	NHE3	sodium hydrogen exchange 3
ESRD	End-Stage Renal Disease	NMPA	National Medical Products Administration
ESRD PPS	End-Stage Renal Disease Prospective Payment System	NOL	net operating loss
EU Patent Package	European Patent Package	NMQF	National Minority Quality Forum
Exchange Act	the Securities Exchange Act of 1934, as amended	Non-FAMP	Non-Federal Average Manufacturer Price
FASB	Financial Accounting Standards Board	R&D	research and development
FDA	Food and Drug Administration	REMS	Risk Evaluation and Mitigation Strategy
FFDCA	Federal Food, Drug, and Cosmetic Act	RSU	restricted stock units
Fosun Pharma	Shanghai Fosun Pharmaceutical Industrial Development Co. Ltd.	SLR	SLR Investment Corp.
FSS	Federal Supply Schedule	SEC	Securities and Exchange Commission
FTC	Federal Trade Commission	SOFR	Secured Overnight Financing Rate
GCP	Good Clinical Practice	TDAPA	Transitional Drug Add-on Payment Adjustment
GDPR	European Union General Data Protection Regulation	UPC	European Unified Patent Court
GLP	Good Laboratory Practice	U.S.	United States
GPO	group purchasing organization	USPTO	U.S. Patent and Trademark Office
GTN	gross-to-net	VA	Department of Veterans Affairs

Exhibit 4.3

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Ardelyx, Inc. ("we," "us," or "our") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): our common stock, $0.0001 par value per share ("Common Stock").

Description of Capital Stock

The following summary describes our capital stock and does not purport to be complete. It is subject to and qualified in its entirety by reference to the material provisions of our amended and restated certificate of incorporation, as amended ("Charter") and our amended and restated bylaws ("Bylaws"), each of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.3 is a part, as well as of the Delaware General Corporation Law ("DGCL"). For a complete description, we encourage you to read our Charter, Bylaws and the applicable provisions of the DGCL for additional information.

General

Our Charter authorizes 500,000,000 shares of Common Stock, $0.0001 par value per share, and 5,000,000 shares of preferred stock, $0.0001 par value per share ("Preferred Stock").

Common Stock

Voting Rights

Each holder of our Common Stock is entitled to one vote for each share on all matters submitted to a vote of the stockholders, including the election of directors. Our stockholders do not have cumulative voting rights in the election of directors. Accordingly, holders of a majority of the voting shares are able to elect all of the directors. In addition, the affirmative vote of holders of 66 2/3% of the voting power of all of the then outstanding voting stock will be required to take certain actions, including amending certain provisions of our Charter, such as the provisions relating to amending our Bylaws, the classified board and director liability.

Dividends

Subject to preferences that may be applicable to any then outstanding Preferred Stock, holders of our Common Stock are entitled to receive dividends, if any, as may be declared from time to time by our board of directors out of legally available funds.

Liquidation

In the event of our liquidation, dissolution or winding up, holders of our Common Stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then outstanding shares of Preferred Stock.

Rights and Preferences

Holders of our Common Stock have no preemptive, conversion, subscription or other rights, and there are no redemption or sinking fund provisions applicable to our Common Stock. The rights, preferences and privileges of the holders of our Common Stock are subject to and may be adversely affected by the rights of the holders of shares of any series of our Preferred Stock that we may designate in the future.

Fully Paid and Nonassessable

All of our outstanding shares of Common Stock are, and the shares of Common Stock to be issued in this offering will be, fully paid and nonassessable.

Preferred Stock - Limitations on Rights of Holders of Common Stock

Our board of directors has the authority, without further action by our stockholders, to issue up to 5,000,000 shares of Preferred Stock in one or more series and to fix the rights, preferences, privileges and restrictions thereof. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting, or the designation of, such series, any or all of which may be greater than the rights of Common Stock.

The issuance of our Preferred Stock could adversely affect the voting power of holders of Common Stock and the likelihood that such holders will receive dividend payments and payments upon our liquidation. In addition, the issuance of Preferred Stock could have the effect of delaying, deferring or preventing a change in control of our company or other corporate action. No shares of Preferred Stock are outstanding, and we have no present plan to issue any shares of Preferred Stock.

Anti-Takeover Effects of Provisions of our Charter, our Bylaws and Delaware Law

Some provisions of Delaware law and our Charter and our Bylaws could make the following transactions more difficult: acquisition of us by means of a tender offer; acquisition of us by means of a proxy contest or otherwise; or removal of our incumbent officers and directors. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in our best interests, including transactions that might result in a premium over the market price for our shares.

These provisions, summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because negotiation of these proposals could result in an improvement of their terms.

Delaware Anti-Takeover Statute

We are subject to Section 203 of the DGCL, which prohibits persons deemed "interested stockholders" from engaging in a "business combination" with a publicly-held Delaware corporation for three years following the date these persons become interested stockholders unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status did own, 15% or more of a corporation's voting stock. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by the board of directors, such as discouraging takeover attempts that might result in a premium over the market price of our Common Stock.

Undesignated Preferred Stock

The ability to authorize undesignated Preferred Stock makes it possible for our board of directors to issue Preferred Stock with voting or other rights or preferences that could impede the success of any attempt to change control of us. These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management of our company.

Special Stockholder Meetings

Our Charter and Bylaws provide that a special meeting of stockholders may be called only by our chairperson of the board of directors, chief executive officer or president, or by a resolution adopted by a majority of our board of directors.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our Bylaws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors.

Elimination of Stockholder Action by Written Consent

Our Charter eliminates the right of stockholders to act by written consent without a meeting.

Classified Board; Election and Removal of Directors; Filling Vacancies

Our board of directors is divided into three classes. The directors in each class will serve for a three-year term, one class being elected each year by our stockholders, with staggered three-year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Because our stockholders do not have cumulative voting rights, our stockholders holding a majority of the shares of Common Stock outstanding will be able to elect all of our directors. Our Charter provides for the removal of any of our directors only for cause and requires at least a 66 2/3% stockholder vote. Furthermore, any vacancy on our board of directors, however occurring, including a vacancy resulting from an increase in the size of our board, may only be filled by a resolution of the board of directors unless the board of directors determines that such vacancies shall be filled by the stockholders. This system of electing and removing directors and filling vacancies may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us because it generally makes it more difficult for stockholders to replace a majority of the directors.

Choice of Forum

Our Charter provides that the Court of Chancery of the State of Delaware will be the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty, or other wrongdoing by, any of our directors, officers, employees or stockholders; any action asserting a claim against us or any of our directors, officers or employees arising pursuant to the DGCL, our Charter or our Bylaws; any action to interpret, apply, enforce or determine the validity of our Charter or our Bylaws; or any action asserting a claim against us or any of our directors, officers or employees that is governed by the internal affairs doctrine. Although our Charter contains the choice of forum provision described above, it is possible that a court could find that such a provision is inapplicable for a particular claim or action or that such provision is unenforceable.

Our Bylaws further provide that, to the fullest extent permitted by law, and unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, in the event that the Chancery Court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) will be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of our company, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of our company to the company or the company's stockholders, (iii) any action or proceeding asserting a claim against our company or any director, officer or other employee of our company arising pursuant to any provision of the DGCL, our Charter or our Bylaws, (iv) any action or proceeding to interpret, apply, enforce or determine the validity of our Charter or our Bylaws, or (v) any action or proceeding asserting a claim against our company or any director, officer or other employee of our company governed by the internal affairs doctrine. Section 22 of the Securities Act of 1933, as amended (the "Securities Act") creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. However, our Bylaws provide that federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act, including all causes of action asserted against any defendant to such complaint. In addition, Section 27 of the Exchange Act creates exclusive federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. As a result, the forum provision in our Bylaws will not apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. We will inform our investors in each report filed in accordance with the Exchange Act that we describe the terms of our common stock that the forum provision in our Bylaws will not apply to suits brought to enforce any duty or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

Amendment of Charter Provisions

The amendment of any of the above provisions, except for the provision making it possible for our board of directors to issue Preferred Stock, would require approval by holders of at least 66 2/3% of the voting power of our then outstanding voting stock.

The provisions of the DGCL, our Charter and our Bylaws could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our Common Stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Limitations of Liability and Indemnification Matters

Our Charter contains provisions that limit the liability of our directors for monetary damages for breach of fiduciary duty as a director to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the DGCL; or
- any transaction from which the director derived an improper personal benefit.

Our Charter and Bylaws provide that we are required to indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. Our Bylaws also provide that we are obligated to advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by our board of directors. With specified exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain directors' and officers' liability insurance.

The limitation of liability and indemnification provisions in our Charter and Bylaws may discourage stockholders from bringing a lawsuit against our directors and officers for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and our stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage.

The Nasdaq Global Market Listing

Our Common Stock is listed on The Nasdaq Global Market under the symbol "ARDX."

Transfer Agent and Registrar

The transfer agent and registrar for our Common Stock is Equiniti Trust Company, LLC. The transfer agent and registrar's address is 6201 15th Avenue, Brooklyn, New York 11219.

Exhibit 10.3(c)

ARDELYX, INC.
AMENDED AND RESTATED
2014 EQUITY INCENTIVE AWARD PLAN

STOCK OPTION GRANT NOTICE

Ardelyx, Inc., a Delaware corporation, (the "Company"), pursuant to its Amended and Restated 2014 Equity Incentive Award Plan, as may be amended from time to time (the "Plan"), hereby grants to the holder listed below ("Participant"), an option to purchase the number of shares of the Company's common stock ("Stock"), set forth below (the "Option"). This Option is subject to all of the terms and conditions set forth herein, as well as in the Plan and the Stock Option Agreement (the "Stock Option Agreement"), each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Grant Notice and the Stock Option Agreement.

Participant:	[ ]
Grant Date:	[ ]
Vesting Commencement Date:	[ ]
Exercise Price per Share:	[ ]
Total Exercise Price:	[ ]
Total Shares Subject to the Option:	[ ]
Expiration Date:	[ ]
Type of Option:	[ ]

The Vesting Schedule shall be as follows:

Shares	Vest Date
[ ]	[ ]

Participant has reviewed the Stock Option Agreement, the Plan and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of this Grant Notice, the Stock Option Agreement and the Plan.

Exhibit 10.3(d)

ARDELYX, INC.

STOCK OPTION AGREEMENT

Pursuant to the Stock Option Grant Notice (the "Grant Notice") to which this Stock Option Agreement (this "Agreement") is attached, Ardelyx, Inc., a Delaware corporation (the "Company"), has granted to Participant an Option under the Company's Amended and Restated 2014 Equity Incentive Award Plan, as may be amended from time to time (the "Plan"), to purchase the number of shares of Stock indicated in the Grant Notice.

ARTICLE 1.

GENERAL

1.1 Defined Terms. Wherever the following terms are used in this Agreement they shall have the meanings specified below, unless the context clearly indicates otherwise. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 Incorporation of Terms of Plan. The Option is subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE 2.

GRANT OF OPTION

2.1 Grant of Option. In consideration of Participant's past and/or continued employment with or service to the Company or any Affiliate and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the "Grant Date"), the Company irrevocably grants to Participant the Option to purchase any part or all of an aggregate of the number of shares of Stock set forth in the Grant Notice, upon the terms and conditions set forth in the Plan and this Agreement, subject to adjustments as provided in Section 13.2 of the Plan. Unless designated as a Non-Qualified Stock Option in the Grant Notice, the Option shall be an Incentive Stock Option to the maximum extent permitted by law.

2.2 Exercise Price. The exercise price of the shares of Stock subject to the Option shall be as set forth in the Grant Notice, without commission or other charge; *provided*, *however*, that the price per share of the shares of Stock subject to the Option shall not be less than 100% of the Fair Market Value of a share of Stock on the Grant Date. Notwithstanding the foregoing, if this Option is designated as an Incentive Stock Option and Participant is a Greater Than 10% Stockholder as of the Date of Grant, the exercise price per share of the shares of Stock subject to the Option shall not be less than 110% of the Fair Market Value of a share of Stock on the Grant Date.

2.3 Consideration to the Company. In consideration of the grant of the Option by the Company, Participant agrees to render faithful and efficient services to the Company or any Affiliate. Nothing in the Plan or this Agreement shall confer upon Participant any right to continue in the employ or service of the Company or any Affiliate or shall interfere with or restrict in any way the rights of the Company and its Affiliates, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or an Affiliate and Participant.

ARTICLE 3.

PERIOD OF EXERCISABILITY

3.1 Commencement of Exercisability.

(a) Subject to Sections 3.2, 3.3, 5.11 and 5.17 hereof, the Option shall become vested and exercisable in such amounts and at such times as are set forth in the Grant Notice.

(b) No portion of the Option which has not become vested and exercisable at the date of Participant's Termination of Service shall thereafter become vested and exercisable, except as may be otherwise provided by the Administrator or as set forth in a written agreement between the Company and Participant.

(c) Notwithstanding Sections 3.1(a) hereof and the Grant Notice, but subject to Section 3.1(b) hereof, in the event of a Change in Control the Option shall be treated pursuant to Section 13.2 of the Plan.

3.2 Duration of Exercisability. The installments provided for in the vesting schedule set forth in the Grant Notice are cumulative. Each such installment which becomes vested and exercisable pursuant to the vesting schedule set forth in the Grant Notice shall remain vested and exercisable until it becomes unexercisable under Section 3.3 hereof.

3.3 Expiration of Option. The Option may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The Expiration Date set forth in the Grant Notice, which shall in no event be more than ten (10) years from the Grant Date;

(b) If this Option is designated as an Incentive Stock Option and Participant, at the time the Option was granted, was a Greater Than 10% Stockholder, the expiration of five (5) years from the Grant Date;

(c) The expiration of three (3) months from the date of Participant's Termination of Service, unless such termination occurs by reason of Participant's death or disability; or

(d) The expiration of one (1) year from the date of Participant's Termination of Service by reason of Participant's death or disability.

3.4 Special Tax Consequences. Participant acknowledges that, to the extent that the aggregate Fair Market Value (determined as of the time the Option is granted) of all shares of Stock with respect to which Incentive Stock Options, including the Option (if applicable), are exercisable for the first time by Participant in any calendar year exceeds $100,000, the Option and such other options shall be Non-Qualified Stock Options to the extent necessary to comply with the limitations imposed by Section 422(d) of the Code. Participant further acknowledges that the rule set forth in the preceding sentence shall be applied by taking the Option and other "incentive stock options" into account in the order in which they were granted, as determined under Section 422(d) of the Code and the Treasury Regulations thereunder. Participant also acknowledges that an Incentive Stock Option exercised more than three (3) months after Participant's Termination of Employment, other than by reason of death or disability, will be taxed as a Non-Qualified Stock Option.

3.5 Tax Indemnity.

(a) Participant agrees to indemnify and keep indemnified the Company, any Affiliate and Participant's employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a "Tax Liability" being any liability for income tax, withholding tax and any other employment related taxes or social security contributions in any jurisdiction) that is attributable to (1) the grant or exercise of, or any benefit derived by Participant from, the Option, (2) the acquisition by Participant of the Stock on exercise of the Option or (3) the disposal of any Stock.

(b) The Option cannot be exercised until Participant has made such arrangements as the Company may require for the satisfaction of any Tax Liability that may arise in connection with the exercise of the Option and/or the acquisition of the Stock by Participant. The Company shall not be required to issue, allot or transfer Stock until Participant has satisfied this obligation.

(c) Participant hereby acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax Liabilities in connection with any aspect of the Option and (ii) does not commit to and is

under no obligation to structure the terms of the grant or any aspect of any Award, including the Option, to reduce or eliminate Participant's liability for Tax Liabilities or achieve any particular tax result. Furthermore, if Participant becomes subject to tax in more than one jurisdiction between the date of grant of an Award, including the Option, and the date of any relevant taxable event, Participant acknowledges that the Company may be required to withhold or account for Tax Liabilities in more than one jurisdiction.

ARTICLE 4.

EXERCISE OF OPTION

4.1 Person Eligible to Exercise. Except as provided in Section 5.3 hereof, during the lifetime of Participant, only Participant may exercise the Option or any portion thereof, unless it has been disposed of pursuant to a DRO. After the death of Participant, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.3 hereof, be exercised by the deceased Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then applicable laws of descent and distribution.

4.2 Partial Exercise. Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3 hereof. However, the Option shall not be exercisable with respect to fractional shares of Stock.

4.3 Manner of Exercise. The Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary of the Company (or any third party administrator or other person or entity designated by the Company; for the avoidance of doubt, delivery shall include electronic delivery), during regular business hours, of all of the following prior to the time when the Option or such portion thereof becomes unexercisable under Section 3.3 hereof:

(a) An exercise notice in a form specified by the Administrator, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Administrator. The notice shall be signed by Participant or other person then entitled to exercise the Option or such portion of the Option;

(b) The receipt by the Company of full payment for the shares of Stock with respect to which the Option or portion thereof is exercised, including payment of any applicable withholding tax, which shall be made by deduction from other compensation payable to Participant or in such other form of consideration permitted under Section 4.4 hereof that is acceptable to the Company;

(c) Any other written representations or documents as may be required in the Administrator's sole discretion to evidence compliance with the Securities Act, the Exchange Act or any other applicable law, rule or regulation; and

(d) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any person or persons other than Participant, appropriate proof of the right of such person or persons to exercise the Option.

Notwithstanding any of the foregoing, the Company shall have the right to specify all conditions of the manner of exercise, which conditions may vary by country and which may be subject to change from time to time.

4.4 Method of Payment. Payment of the exercise price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash or check;

(b) With the consent of the Administrator, surrender of shares of Stock (including, without limitation, shares of Stock otherwise issuable upon exercise of the Option) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof; or

(c) Other legal consideration acceptable to the Administrator (including, without limitation, through the delivery of a notice that Participant has placed a market sell order with a broker with respect to shares of Stock then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

4.5 Conditions to Issuance of Stock. The shares of Stock deliverable upon the exercise of the Option, or any portion thereof, may be either previously authorized but unissued shares of Stock or issued shares of Stock which have then been reacquired by the Company. Such shares of Stock shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any shares of Stock purchased upon the exercise of the Option or portion thereof prior to fulfillment of all of the conditions in Section 11.4 of the Plan and following conditions:

(a) The admission of such shares of Stock to listing on all stock exchanges on which such Stock is then listed;

(b) The completion of any registration or other qualification of such shares of Stock under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such shares of Stock, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 4.4 hereof; and

(e) The lapse of such reasonable period of time following the exercise of the Option as the Administrator may from time to time establish for reasons of administrative convenience.

4.6 Rights as Stockholder. The holder of the Option shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of any shares of Stock purchasable upon the exercise of any part of the Option unless and until such shares of Stock shall have been issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment will be made for a dividend or other right for which the record date is prior to the date the shares of Stock are issued, except as provided in Section 13.2 of the Plan.

ARTICLE 5.

OTHER PROVISIONS

5.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the Option.

5.2 Whole Shares. The Option may only be exercised for whole shares of Stock.

5.3 Option Not Transferable.

(a) Subject to Section 4.1 hereof, the Option may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution or, subject to the consent of the Administrator, pursuant to a DRO, unless and until the Option has been exercised and the shares of Stock underlying the Option have been issued, and all restrictions applicable to such shares of Stock have lapsed. Neither the Option nor any interest or right therein shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, hypothecation, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy) unless and until the Option has been exercised, and any attempted disposition thereof prior to exercise shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

(b) During the lifetime of Participant, only Participant may exercise the Option (or any portion thereof), unless it has been disposed of pursuant to a DRO; after the death of Participant, any exercisable portion of the Option may, prior to the time when such portion becomes unexercisable under the Plan or this Agreement, be exercised by Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then-applicable laws of descent and distribution.

(c) Notwithstanding any other provision in this Agreement, Participant may, in the manner determined by the Administrator, designate a beneficiary to exercise the rights of Participant and to receive any distribution with respect to the Option upon Participant's death. A beneficiary, legal guardian, legal representative, or other person

claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and this Agreement, except to the extent the Plan and this Agreement otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Administrator. If Participant is married or a domestic partner in a domestic partnership qualified under Applicable Law and resides in a community property state, a designation of a person other than Participant's spouse or domestic partner, as applicable, as his or her beneficiary with respect to more than 50% of Participant's interest in the Option shall not be effective without the prior written consent of Participant's spouse or domestic partner. If no beneficiary has been designated or survives Participant, payment shall be made to the person entitled thereto pursuant to Participant's will or the laws of descent and distribution. Subject to the foregoing, a beneficiary designation may be changed or revoked by Participant at any time provided the change or revocation is filed with the Administrator prior to Participant's death.

5.4 Tax Consultation. Participant understands that Participant may suffer adverse tax consequences as a result of the grant, vesting and/or exercise of the Option, and/or with the purchase or disposition of the shares of Stock subject to the Option. Participant represents that Participant has consulted with any tax consultants Participant deems advisable in connection with the purchase or disposition of such shares of Stock and that Participant is not relying on the Company for any tax advice.

5.5 Binding Agreement. Subject to the limitation on the transferability of the Option contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

5.6 Adjustments Upon Specified Events. The Administrator may accelerate the vesting of the Option in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Stock contemplated by Section 13.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Stock), the Administrator shall make such adjustments the Administrator deems appropriate in the number of shares of Stock subject to the Option, the exercise price of the Option and the kind of securities that may be issued upon exercise of the Option. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and Section 13.2 of the Plan.

5.7 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 5.7, either party may hereafter designate a different address for notices to be given to that party. Any notice which is required to be given to Participant shall, if Participant is then deceased, be given to the person entitled to exercise his or her Option pursuant to Section 4.1 hereof by written notice under this Section 5.7. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

5.8 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

5.9 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

5.10 Conformity to Securities Laws. Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all Applicable Law and regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Option is granted and may be exercised, only in such a manner as to conform to such Applicable Law. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Law.

5.11 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board; *provided, however,* that, except as may otherwise be provided by the Plan, no

amendment, modification, suspension or termination of this Agreement shall adversely affect the Option in any material way without the prior written consent of Participant.

5.12 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 5.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

5.13 Notification of Disposition. If this Option is designated as an Incentive Stock Option, Participant shall give prompt notice to the Company of any disposition or other transfer of any shares of Stock acquired under this Agreement if such disposition or transfer is made (a) within two (2) years from the Grant Date with respect to such shares of Stock or (b) within one (1) year after the transfer of such shares of Stock to Participant. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

5.14 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Option and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

5.15 Not a Contract of Service Relationship. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any of its Affiliates or interfere with or restrict in any way with the right of the Company or any of its Affiliates, which rights are hereby expressly reserved, to discharge or to terminate for any reason whatsoever, with or without cause, the services of Participant's at any time.

5.16 Entire Agreement. The Plan, the Grant Notice and this Agreement (including all Exhibits thereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

5.17 Section 409A. This Option is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement (or any Exhibits hereto), if at any time the Administrator determines that the Option (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement (or any Exhibits hereto), or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate either for the Option to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

5.18 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Stock as a general unsecured creditor with respect to options, as and when exercised pursuant to the terms hereof.

5.19 Consent to Personal Data Use. Participant acknowledges and agrees that the Company is permitted to collect, hold, store, process, modify, transfer, lock or delete certain personal (and sensitive) data in any medium about Participant (i.e., name, home address, telephone number, e-mail address, date of birth, tax identification number and payroll information) as a part of its personnel and other business records for the exclusive purpose of tracking stock option grants, processing stock option exercises and subsequent share transfers and sales, arranging for appropriate tax reporting and withholding and regulatory tracking and reporting purposes and the Company may disclose such information to third parties in the event that such disclosure is in the Company's view required for the proper tracking of stock option grants, processing stock option exercises and subsequent share transfers and sales, arranging for appropriate tax reporting and withholding and regulatory tracking. For these purposes, this personal

data will be transferred to other locations, including locations outside of the European Union and in so-called insecure third-party countries that do not guarantee the data privacy protection level of the European Union.

5.20 Rules Particular To Specific Countries.

(a) Generally. Participant shall, if required by the Administrator, enter into an election with the Company or an Affiliate (in a form approved by the Company) under which any liability to the Company's (or an Affiliate's) Tax Liability, including, but not limited to, National Insurance Contributions ("NICs") and the Fringe Benefit Tax ("FBT"), is transferred to and met by Participant. For purposes of this Section 5.20, Tax Liability shall mean any and all liability under applicable non-U.S. laws, rules or regulations from any income tax, the Company's (or an Affiliate's) NICs, FBT or similar liability and Participant's NICs, FBT or similar liability that are attributable to: (A) the grant or exercise of, or any other benefit derived by Participant from the Option; (B) the acquisition by Participant of the shares of Stock on exercise of the Option; or (C) the disposal of any shares of Stock acquired upon exercise of the Option.

(b) Tax Indemnity. Participant shall indemnify and keep indemnified the Company and any of its Affiliates from and against any Tax Liability.

* * * * *

Exhibit 10.3(e)

ARDELYX, INC.
AMENDED AND RESTATED
2014 EQUITY INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT AWARD GRANT NOTICE

Ardelyx, Inc., a Delaware corporation, (the "Company"), pursuant to its Amended and Restated 2014 Equity Incentive Award Plan, as amended from time to time (the "Plan"), hereby grants to the holder listed below (the "Participant"), an award of restricted stock units ("Restricted Stock Units" or "RSUs"). Each vested Restricted Stock Unit represents the right to receive, in accordance with the Restricted Stock Unit Award Agreement (the "Agreement"), one share of Common Stock ("Share"). This award of Restricted Stock Units is subject to all of the terms and conditions set forth herein and in the Agreement and the Plan, each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Stock Unit Award Grant Notice (the "Grant Notice") and the Agreement.

Participant:	[ ]
Grant Date:	[ ]
Total Number of RSUs:	[ ]
Vesting Commencement Date:	[ ]

The Vesting Schedule shall be as follows:

Shares	Vest Date
[ ]	[ ]

Termination: If the Participant experiences a Termination of Service prior to the applicable vesting date, all RSUs that have not become vested on or prior to the date of such Termination of Service (after taking into consideration any vesting that may occur in connection with such Termination of Service, if any) will thereupon be automatically forfeited by the Participant without payment of any consideration therefor.

The Participant has reviewed the Agreement, the Plan and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of this Grant Notice, the Agreement and the Plan. The Participant agrees that the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.6(b) of the Agreement by (i) withholding shares of Common Stock otherwise issuable to the Participant upon vesting of the RSUs, (ii) instructing a broker on the Participant's behalf to sell shares of Common Stock otherwise issuable to the Participant upon vesting of the RSUs and submit the proceeds of such sale to the Company, or (iii) using any other method permitted by
Section 2.6(b) of the Agreement or the Plan.

Exhibit 10.3(f)

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Award Grant Notice (the "Grant Notice") to which this Restricted Stock Unit Award Agreement (this "Agreement") is attached, Ardelyx, Inc., a Delaware corporation (the "Company"), has granted to the Participant the number of restricted stock units ("Restricted Stock Units" or "RSUs") set forth in the Grant Notice under the Company's Amended and Restated 2014 Equity Incentive Award Plan, as amended from time to time (the "Plan"). Each vested Restricted Stock Unit represents the right to receive one share of Common Stock ("Share"). Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and Grant Notice.

ARTICLE I.

GENERAL

1.1 Incorporation of Terms of Plan. The RSUs are subject to the terms and conditions of the Plan, which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE II.

GRANT OF RESTRICTED STOCK UNITS

2.1 Grant of RSUs. Pursuant to the Grant Notice and upon the terms and conditions set forth in the Plan and this Agreement, effective as of the Grant Date set forth in the Grant Notice, the Company hereby grants to the Participant an award of RSUs under the Plan in consideration of the Participant's past and/or continued employment with or service to the Company or any Affiliates and for other good and valuable consideration.

2.2 Unsecured Obligation to RSUs. Unless and until the RSUs have vested in the manner set forth in Article 2 hereof, the Participant will have no right to receive Common Stock under any such RSUs. Prior to actual payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.5 hereof, the RSUs shall vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth in the Grant Notice (rounding down to the nearest whole Share).

2.4 Consideration to the Company. In consideration of the grant of the award of RSUs pursuant hereto, the Participant agrees to render faithful and efficient services to the Company or any Affiliate.

2.5 Forfeiture, Termination and Cancellation upon Termination of Service. Notwithstanding any contrary provision of this Agreement or the Plan, upon the Participant's Termination of Service for any or no reason, all Restricted Stock Units which have not vested prior to or in connection with such Termination of Service (after taking into consideration any accelerated vesting which may occur in connection with such Termination of Service (if any)) shall thereupon automatically be forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and the Participant, or the Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder. No portion of the RSUs which has not become vested as of the date on which the Participant incurs a Termination of Service shall thereafter become vested.

2.6 Issuance of Common Stock upon Vesting.

(a) As soon as administratively practicable following the vesting of any Restricted Stock Units pursuant to Section 2.3 hereof, but in no event later than thirty (30) days after such vesting date (for the avoidance of doubt, this deadline is intended to comply with the "short term deferral" exemption from Section 409A of the Code), the

Company shall deliver to the Participant (or any transferee permitted under Section 3.2 hereof) a number of Shares (either by delivering one or more certificates for such Shares or by entering such Shares in book entry form, as determined by the Company in its sole discretion) equal to the number of RSUs subject to this Award that vest on the applicable vesting date, unless such RSUs terminate prior to the given vesting date pursuant to Section 2.5 hereof. Notwithstanding the foregoing, in the event Shares cannot be issued pursuant to Section 11.4 of the Plan, the Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that Shares can again be issued in accordance with such Section.

(b) As set forth in Section 11.2 of the Plan, the Company shall have the authority and the right to deduct or withhold, or to require the Participant to remit to the Company, an amount sufficient to satisfy all applicable federal, state and local taxes required by law to be withheld with respect to any taxable event arising in connection with the Restricted Stock Units. The Company shall not be obligated to deliver any new certificate representing Shares to the Participant or the Participant's legal representative or enter such Shares in book entry form unless and until the Participant or the Participant's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of the Participant resulting from the grant or vesting of the Restricted Stock Units or the issuance of Shares.

2.7 Conditions to Delivery of Shares. The Shares deliverable hereunder may be either previously authorized but unissued Shares, treasury Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any certificates or make any book entries evidencing Shares deliverable hereunder prior to fulfillment of the conditions set forth in Section 11.4 of the Plan.

2.8 Rights as Stockholder. The holder of the RSUs shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of the RSUs and any Shares underlying the RSUs and deliverable hereunder unless and until such Shares shall have been issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 13.2 of the Plan.

ARTICLE III.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon the Participant, the Company and all other interested persons. No member of the Administrator or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the RSUs.

3.2 RSUs Not Transferable. The RSUs shall be subject to the restrictions on transferability set forth in Section 11.3 of the Plan; *provided, however*, that this Section 3.2 notwithstanding, with the consent of the Administrator, the RSUs may be transferred to one or more Permitted Transferees, subject to and in accordance with Section 11.3 of the Plan.

3.3 Tax Consultation. The Participant understands that the Participant may suffer adverse tax consequences in connection with the RSUs granted pursuant to this Agreement (and the Shares issuable with respect thereto). The Participant represents that the Participant has consulted with any tax consultants the Participant deems advisable in connection with the RSUs and the issuance of Shares with respect thereto and that the Participant is not relying on the Company for any tax advice.

3.4 Binding Agreement. Subject to the limitation on the transferability of the RSUs contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.5 Adjustments Upon Specified Events. The Administrator may accelerate the vesting of the RSUs in such circumstances as it, in its sole discretion, may determine. The Participant acknowledges that the RSUs are subject to

adjustment, modification and termination in certain events as provided in this Agreement and Section 13.2 of the Plan.

3.6 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to the Participant shall be addressed to the Participant at the Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.6, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.7 Participant's Representations. If the Shares issuable hereunder have not been registered under the Securities Act or any applicable state laws on an effective registration statement at the time of such issuance, the Participant shall, if required by the Company, concurrently with such issuance, make such written representations as are deemed necessary or appropriate by the Company and/or its counsel.

3.8 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.9 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.10 Conformity to Securities Laws. The Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any other Applicable Law. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Law.

3.11 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board; *provided, however,* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without the prior written consent of the Participant.

3.12 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.2 hereof, this Agreement shall be binding upon the Participant and his or her heirs, executors, administrators, successors and assigns.

3.13 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if the Participant is subject to Section 16 of the Exchange Act, then the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.14 Not a Contract of Service Relationship. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any of its Affiliates or interfere with or restrict in any way with the right of the Company or any of its Affiliates, which rights are hereby expressly reserved, to discharge or to terminate for any reason whatsoever, with or without cause, the services of the Participant's at any time.

3.15 Entire Agreement. The Plan, the Grant Notice and this Agreement (including all Exhibits thereto, if any) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and the Participant with respect to the subject matter hereof.

3.16 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice

or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.17 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. The Participant shall have only the rights of a general unsecured creditor of the Company and its Affiliates with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive the Common Stock as a general unsecured creditor with respect to RSUs, as and when payable hereunder.

Exhibit 10.3(g)

ARDELYX, INC.
AMENDED AND RESTATED

2014 EQUITY INCENTIVE AWARD PLAN

FORM OF STOCK OPTION GRANT NOTICE

Ardelyx, Inc., a Delaware corporation, (the "Company"), pursuant to its Amended and Restated 2014 Equity Incentive Award Plan, as may be amended from time to time (the "Plan"), hereby grants to the holder listed below ("Participant"), an option to purchase the number of shares of the Company's common stock ("Stock"), set forth below (the "Option"). This Option is subject to all of the terms and conditions set forth herein, as well as in the Plan and the Stock Option Agreement (the "Stock Option Agreement"), each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Grant Notice and the Stock Option Agreement.

Participant:	[NAME]
Grant Date:	[DATE]
Vesting Commencement Date:	[DATE]
Exercise Price per Share:	[$_____]
Total Exercise Price:	[$_____]
Total Shares Subject to the Option:	_____ shares
Expiration Date:	[DATE]
Type of Option:	[Non-Qualified Stock Option]

ARDELYX, INC.:	**PARTICIPANT:**
By: _____	By: _____
Print Name:	Print Name:
Title:	Date: _____

The Vesting Schedule shall be as follows:

Shares	Vest Date

Participant has reviewed the Stock Option Agreement, the Plan and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of this Grant Notice, the Stock Option Agreement and the Plan.

Exhibit 10.3(h)

ARDELYX, INC.

FORM OF STOCK OPTION AGREEMENT

Pursuant to the Stock Option Grant Notice (the "Grant Notice") to which this Stock Option Agreement (this "Agreement") is attached, Ardelyx, Inc., a Delaware corporation (the "Company"), has granted to Participant an Option under the Company's Amended and Restated 2014 Equity Incentive Award Plan, as may be amended from time to time (the "Plan"), to purchase the number of shares of Stock indicated in the Grant Notice.

ARTICLE 1.

GENERAL

1.1 Defined Terms. Wherever the following terms are used in this Agreement they shall have the meanings specified below, unless the context clearly indicates otherwise. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice.

1.2 Incorporation of Terms of Plan. The Option is subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE 2.

GRANT OF OPTION

2.1 Grant of Option. In consideration of Participant's past and/or continued directorship with or service to the Company or any Affiliate and for other good and valuable consideration, effective as of the Grant Date set forth in the Grant Notice (the "Grant Date"), the Company irrevocably grants to Participant the Option to purchase any part or all of an aggregate of the number of shares of Stock set forth in the Grant Notice, upon the terms and conditions set forth in the Plan and this Agreement, subject to adjustments as provided in Section 13.2 of the Plan.

2.2 Exercise Price. The exercise price of the shares of Stock subject to the Option shall be as set forth in the Grant Notice, without commission or other charge; *provided*, *however*, that the price per share of the shares of Stock subject to the Option shall not be less than 100% of the Fair Market Value of a share of Stock on the Grant Date.

2.3 Consideration to the Company. In consideration of the grant of the Option by the Company, Participant agrees to render faithful and efficient services to the Company or any Affiliate. Nothing in the Plan or this Agreement shall confer upon Participant any right to continue as a director or service provider of the Company or any Affiliate or shall interfere with or restrict in any way the rights of the Company and its Affiliates, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or an Affiliate and Participant.

ARTICLE 3.

PERIOD OF EXERCISABILITY

3.1 Commencement of Exercisability.

(a) Subject to Sections 3.2, 3.3, 5.11 and 5.17 hereof, the Option shall become vested and exercisable in such amounts and at such times as are set forth in the Grant Notice.

(b) No portion of the Option which has not become vested and exercisable at the date of Participant's Termination of Service shall thereafter become vested and exercisable, except as may be otherwise provided by the Administrator or as set forth in a written agreement between the Company and Participant.

(c) Notwithstanding Sections 3.1(a) hereof and the Grant Notice, but subject to Section 3.1(b) hereof, in the event of a Change in Control the Option shall vest in full immediately prior to the occurrence of such Change in Control, to the extent outstanding at such time.

3.2 Duration of Exercisability. The installments provided for in the vesting schedule set forth in the Grant Notice are cumulative. Each such installment which becomes vested and exercisable pursuant to the vesting schedule set forth in the Grant Notice shall remain vested and exercisable until it becomes unexercisable under Section 3.3 hereof.

3.3 Expiration of Option. The Option may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The Expiration Date set forth in the Grant Notice, which shall in no event be more than ten (10) years from the Grant Date;

(b) The expiration of three (3) months from the date of Participant's Termination of Service, unless such termination occurs by reason of Participant's death or disability; or

(c) The expiration of one (1) year from the date of Participant's Termination of Service by reason of Participant's death or disability.

3.5 Tax Indemnity.

(a) Participant agrees to indemnify and keep indemnified the Company, any Affiliate and Participant's employing company, if different, from and against any liability for or obligation to pay any Tax Liability (a "Tax Liability" being any liability for income tax, withholding tax and any other employment related taxes or social security contributions in any jurisdiction) that is attributable to (1) the grant or exercise of, or any benefit derived by Participant from, the Option, (2) the acquisition by Participant of the Stock on exercise of the Option or (3) the disposal of any Stock.

(b) The Option cannot be exercised until Participant has made such arrangements as the Company may require for the satisfaction of any Tax Liability that may arise in connection with the exercise of the Option and/or the acquisition of the Stock by Participant. The Company shall not be required to issue, allot or transfer Stock until Participant has satisfied this obligation.

(c) Participant hereby acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax Liabilities in connection with any aspect of the Option and (ii) does not commit to and is under no obligation to structure the terms of the grant or any aspect of any Award, including the Option, to reduce or eliminate Participant's liability for Tax Liabilities or achieve any particular tax result. Furthermore, if Participant becomes subject to tax in more than one jurisdiction between the date of grant of an Award, including the Option, and the date of any relevant taxable event, Participant acknowledges that the Company may be required to withhold or account for Tax Liabilities in more than one jurisdiction.

ARTICLE 4.

EXERCISE OF OPTION

4.1 Person Eligible to Exercise. Except as provided in Section 5.3 hereof, during the lifetime of Participant, only Participant may exercise the Option or any portion thereof, unless it has been disposed of pursuant to a DRO. After the death of Participant, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 3.3 hereof, be exercised by the deceased Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then applicable laws of descent and distribution.

4.2 Partial Exercise. Any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 3.3 hereof. However, the Option shall not be exercisable with respect to fractional shares of Stock.

4.3 Manner of Exercise. The Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary of the Company (or any third party administrator or other person or entity designated by the Company; for the avoidance of doubt, delivery shall include electronic delivery), during regular business hours, of all of the following prior to the time when the Option or such portion thereof becomes unexercisable under Section 3.3 hereof:

(a) An exercise notice in a form specified by the Administrator, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Administrator. The notice shall be signed by Participant or other person then entitled to exercise the Option or such portion of the Option;

(b) The receipt by the Company of full payment for the shares of Stock with respect to which the Option or portion thereof is exercised, including payment of any applicable withholding tax, which shall be made by deduction from other compensation payable to Participant or in such other form of consideration permitted under Section 4.4 hereof that is acceptable to the Company;

(c) Any other written representations or documents as may be required in the Administrator's sole discretion to evidence compliance with the Securities Act, the Exchange Act or any other applicable law, rule or regulation; and

(d) In the event the Option or portion thereof shall be exercised pursuant to Section 4.1 hereof by any person or persons other than Participant, appropriate proof of the right of such person or persons to exercise the Option.

Notwithstanding any of the foregoing, the Company shall have the right to specify all conditions of the manner of exercise, which conditions may vary by country and which may be subject to change from time to time.

4.4 Method of Payment. Payment of the exercise price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash or check;

(b) With the consent of the Administrator, surrender of shares of Stock (including, without limitation, shares of Stock otherwise issuable upon exercise of the Option) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the aggregate exercise price of the Option or exercised portion thereof; or

(c) Other legal consideration acceptable to the Administrator (including, without limitation, through the delivery of a notice that Participant has placed a market sell order with a broker with respect to shares of Stock then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Company, but in any event not later than the settlement of such sale).

4.5 Conditions to Issuance of Stock. The shares of Stock deliverable upon the exercise of the Option, or any portion thereof, may be either previously authorized but unissued shares of Stock or issued shares of Stock which have then

been reacquired by the Company. Such shares of Stock shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any shares of Stock purchased upon the exercise of the Option or portion thereof prior to fulfillment of all of the conditions in Section 11.4 of the Plan and following conditions:

(a) The admission of such shares of Stock to listing on all stock exchanges on which such Stock is then listed;

(b) The completion of any registration or other qualification of such shares of Stock under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Administrator shall, in its absolute discretion, determine to be necessary or advisable;

(d) The receipt by the Company of full payment for such shares of Stock, including payment of any applicable withholding tax, which may be in one or more of the forms of consideration permitted under Section 4.4 hereof; and

(e) The lapse of such reasonable period of time following the exercise of the Option as the Administrator may from time to time establish for reasons of administrative convenience.

4.6 Rights as Stockholder. The holder of the Option shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of any shares of Stock purchasable upon the exercise of any part of the Option unless and until such shares of Stock shall have been issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment will be made for a dividend or other right for which the record date is prior to the date the shares of Stock are issued, except as provided in Section 13.2 of the Plan.

ARTICLE 5.

OTHER PROVISIONS

5.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon Participant, the Company and all other interested persons. No member of the Committee or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the Option.

5.2 Whole Shares. The Option may only be exercised for whole shares of Stock.

5.3 Option Not Transferable.

(a) Subject to Section 4.1 hereof, the Option may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution or, subject to the consent of the Administrator, pursuant to a DRO, unless and until the Option has been exercised and the shares of Stock underlying the Option have been issued, and all restrictions applicable to such shares of Stock have lapsed. Neither the Option nor any interest or right therein shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, hypothecation, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy) unless and until the Option has been exercised, and any attempted disposition thereof prior to exercise shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

(b) During the lifetime of Participant, only Participant may exercise the Option (or any portion thereof), unless it has been disposed of pursuant to a DRO; after the death of Participant, any exercisable portion of the Option may, prior to the time when such portion becomes unexercisable under the Plan or this Agreement, be exercised by Participant's personal representative or by any person empowered to do so under the deceased Participant's will or under the then-applicable laws of descent and distribution.

(c) Notwithstanding any other provision in this Agreement, Participant may, in the manner determined by the Administrator, designate a beneficiary to exercise the rights of Participant and to receive any distribution with respect to the Option upon Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and this Agreement, except to the extent the Plan and this Agreement otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Administrator. If Participant is married or a domestic partner in a domestic partnership qualified under Applicable Law and resides in a community property state, a designation of a person other than Participant's spouse or domestic partner, as applicable, as his or her beneficiary with respect to more than 50% of Participant's interest in the Option shall not be effective without the prior written consent of Participant's spouse or domestic partner. If no beneficiary has been designated or survives Participant, payment shall be made to the person entitled thereto pursuant to Participant's will or the laws of descent and distribution. Subject to the foregoing, a beneficiary designation may be changed or revoked by Participant at any time provided the change or revocation is filed with the Administrator prior to Participant's death.

5.4 Tax Consultation. Participant understands that Participant may suffer adverse tax consequences as a result of the grant, vesting and/or exercise of the Option, and/or with the purchase or disposition of the shares of Stock subject to the Option. Participant represents that Participant has consulted with any tax consultants Participant deems advisable in connection with the purchase or disposition of such shares of Stock and that Participant is not relying on the Company for any tax advice.

5.5 Binding Agreement. Subject to the limitation on the transferability of the Option contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

5.6 Adjustments Upon Specified Events. The Administrator may accelerate the vesting of the Option in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Stock contemplated by Section 13.2 of the Plan (including, without limitation, an extraordinary cash dividend on such Stock), the Administrator shall make such adjustments the Administrator deems appropriate in the number of shares of Stock subject to the Option, the exercise price of the Option and the kind of securities that may be issued upon exercise of the Option. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and Section 13.2 of the Plan.

5.7 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 5.7, either party may hereafter designate a different address for notices to be

given to that party. Any notice which is required to be given to Participant shall, if Participant is then deceased, be given to the person entitled to exercise his or her Option pursuant to Section 4.1 hereof by written notice under this Section 5.7. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

5.8 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

5.9 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

5.10 Conformity to Securities Laws. Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all Applicable Law and regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Option is granted and may be exercised, only in such a manner as to conform to such Applicable Law. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Law.

5.11 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board; *provided, however,* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Option in any material way without the prior written consent of Participant.

5.12 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 5.3 hereof, this Agreement shall be binding upon Participant and his or her heirs, executors, administrators, successors and assigns.

5.13 Notification of Disposition. If this Option is designated as an Incentive Stock Option, Participant shall give prompt notice to the Company of any disposition or other transfer of any shares of Stock acquired under this Agreement if such disposition or transfer is made (a) within two (2) years from the Grant Date with respect to such shares of Stock or (b) within one (1) year after the transfer of such shares of Stock to Participant. Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

5.14 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Option and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

5.15 Not a Contract of Service Relationship. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as a director or service provider of the Company or any of its Affiliates or interfere with or restrict in any way with the right of the Company or any of its Affiliates, which rights are hereby expressly reserved, to discharge or to terminate for any reason whatsoever, with or without cause, the services of Participant's at any time.

5.16 Entire Agreement. The Plan, the Grant Notice and this Agreement (including all Exhibits thereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

5.17 Section 409A. This Option is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement (or any Exhibits hereto), if at any time the Administrator determines that the Option (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement (or any Exhibits hereto), or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate either for the Option to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

5.18 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the Option, and rights no greater than the right to receive the Stock as a general unsecured creditor with respect to options, as and when exercised pursuant to the terms hereof.

5.19 Consent to Personal Data Use. Participant acknowledges and agrees that the Company is permitted to collect, hold, store, process, modify, transfer, lock or delete certain personal (and sensitive) data in any medium about Participant (i.e., name, home address, telephone number, e-mail address, date of birth, tax identification number and payroll information) as a part of its personnel and other business records for the exclusive purpose of tracking stock option grants, processing stock option exercises and subsequent share transfers and sales, arranging for appropriate tax reporting and withholding and regulatory tracking and reporting purposes and the Company may disclose such information to third parties in the event that such disclosure is in the Company's view required for the proper tracking of stock option grants, processing stock option exercises and subsequent share transfers and sales, arranging for appropriate tax reporting and withholding and regulatory tracking. For these purposes, this personal data will be transferred to other locations, including locations outside of the European Union and in so-called insecure third-party countries that do not guarantee the data privacy protection level of the European Union.

5.20 Rules Particular To Specific Countries.

(a) Generally. Participant shall, if required by the Administrator, enter into an election with the Company or an Affiliate (in a form approved by the Company) under which any liability to the Company's (or an Affiliate's) Tax Liability, including, but not limited to, National Insurance Contributions ("NICs") and the Fringe Benefit Tax ("FBT"), is transferred to and met by Participant. For purposes of this Section 5.20, Tax Liability shall mean any and all liability under applicable non-U.S. laws, rules or regulations from any income tax, the Company's (or an Affiliate's) NICs, FBT or similar liability and Participant's NICs, FBT or similar liability that are attributable to: (A) the grant or exercise of, or any other benefit derived by Participant from the Option; (B) the acquisition by Participant of the shares of Stock on exercise of the Option; or (C) the disposal of any shares of Stock acquired upon exercise of the Option.

(b) Tax Indemnity. Participant shall indemnify and keep indemnified the Company and any of its Affiliates from and against any Tax Liability.

* * * * *

Exhibit 10.3(i)

ARDELYX, INC.
AMENDED AND RESTATED
2014 EQUITY INCENTIVE AWARD PLAN

FORM OF RESTRICTED STOCK UNIT AWARD GRANT NOTICE

Ardelyx, Inc., a Delaware corporation, (the "Company"), pursuant to its Amended and Restated 2014 Equity Incentive Award Plan, as amended from time to time (the "Plan"), hereby grants to the holder listed below (the "Participant"), an award of restricted stock units ("Restricted Stock Units" or "RSUs"). Each vested Restricted Stock Unit represents the right to receive, in accordance with the Restricted Stock Unit Award Agreement (the "Agreement"), one share of Common Stock ("Share"). This award of Restricted Stock Units is subject to all of the terms and conditions set forth herein and in the Agreement and the Plan, each of which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Stock Unit Award Grant Notice (the "Grant Notice") and the Agreement.

Participant:	[NAME]
Grant Date:	[DATE]
Total Number of RSUs:	_____ Shares
Vesting Commencement Date:	[DATE]

The Vesting Schedule shall be as follows:

Shares	Vest Date

Termination: If the Participant experiences a Termination of Service prior to the applicable vesting date, all RSUs that have not become vested on or prior to the date of such Termination of Service (after taking into consideration any vesting that may occur in connection with such Termination of Service, if any) will thereupon be automatically forfeited by the Participant without payment of any consideration therefor.

The Participant has reviewed the Agreement, the Plan and this Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of this Grant Notice, the Agreement and the Plan. The Participant agrees that the Company, in its sole discretion, may satisfy any withholding obligations in accordance with Section 2.6(b) of the Agreement by (i) withholding shares of Common Stock otherwise issuable to the Participant upon vesting of the RSUs, (ii) instructing a broker on the Participant's behalf to sell shares of Common Stock otherwise issuable to the Participant upon vesting of the RSUs and submit the proceeds of such sale to the Company, or (iii) using any other method permitted by Section 2.6(b) of the Agreement or the Plan.

ARDELYX, INC.:	**PARTICIPANT:**
By: _____	By: _____
Print Name:	Print Name:
Title:	

Exhibit 10.3(j)

ARDELYX, INC.

FORM OF RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Award Grant Notice (the "Grant Notice") to which this Restricted Stock Unit Award Agreement (this "Agreement") is attached, Ardelyx, Inc., a Delaware corporation (the "Company"), has granted to the Participant the number of restricted stock units ("Restricted Stock Units" or "RSUs") set forth in the Grant Notice under the Company's Amended and Restated 2014 Equity Incentive Award Plan, as amended from time to time (the "Plan"). Each vested Restricted Stock Unit represents the right to receive one share of Common Stock ("Share"). Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and Grant Notice.

ARTICLE I.

GENERAL

1.1 Incorporation of Terms of Plan. The RSUs are subject to the terms and conditions of the Plan, which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control.

ARTICLE II.

GRANT OF RESTRICTED STOCK UNITS

2.1 Grant of RSUs. Pursuant to the Grant Notice and upon the terms and conditions set forth in the Plan and this Agreement, effective as of the Grant Date set forth in the Grant Notice, the Company hereby grants to the Participant an award of RSUs under the Plan in consideration of the Participant's past and/or continued directorship with or service to the Company or any Affiliates and for other good and valuable consideration.

2.2 Unsecured Obligation to RSUs. Unless and until the RSUs have vested in the manner set forth in Article 2 hereof, the Participant will have no right to receive Common Stock under any such RSUs. Prior to actual payment of any vested RSUs, such RSUs will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2.3 Vesting Schedule. Subject to Section 2.5 hereof, the RSUs shall vest and become nonforfeitable with respect to the applicable portion thereof according to the vesting schedule set forth in the Grant Notice (rounding down to the nearest whole Share).

2.4 Consideration to the Company. In consideration of the grant of the award of RSUs pursuant hereto, the Participant agrees to render faithful and efficient services to the Company or any Affiliate.

2.5 Forfeiture, Termination and Cancellation upon Termination of Service. Notwithstanding any contrary provision of this Agreement or the Plan, upon the Participant's Termination of Service for any or no reason, all Restricted Stock Units which have not vested prior to or in connection with such Termination of Service (after taking into consideration any accelerated vesting which may occur in connection with such Termination of Service (if any)) shall thereupon automatically be forfeited, terminated and cancelled as of the applicable termination date without payment of any consideration by the Company, and the Participant, or the Participant's beneficiary or personal representative, as the case may be, shall have no further rights hereunder. No portion of the RSUs which has not

become vested as of the date on which the Participant incurs a Termination of Service shall thereafter become vested.

2.6 Issuance of Common Stock upon Vesting.

(a) As soon as administratively practicable following the vesting of any Restricted Stock Units pursuant to Section 2.3 hereof, but in no event later than thirty (30) days after such vesting date (for the avoidance of doubt, this deadline is intended to comply with the "short term deferral" exemption from Section 409A of the Code), the Company shall deliver to the Participant (or any transferee permitted under Section 3.2 hereof) a number of Shares (either by delivering one or more certificates for such Shares or by entering such Shares in book entry form, as determined by the Company in its sole discretion) equal to the number of RSUs subject to this Award that vest on the applicable vesting date, unless such RSUs terminate prior to the given vesting date pursuant to Section 2.5 hereof. Notwithstanding the foregoing, in the event Shares cannot be issued pursuant to Section 11.4 of the Plan, the Shares shall be issued pursuant to the preceding sentence as soon as administratively practicable after the Administrator determines that Shares can again be issued in accordance with such Section; provided, however, that under the terms of the Fourth Amended and Restated Non-Employee Director Compensation Policy (as may be amended, restated or supplemented, the "Director Compensation Policy"), the board of directors (the "Board") may, in its discretion, provide each non-employee director with the opportunity to defer the issuance of the shares underlying the RSUs that would otherwise be issued to him or her in connection with the vesting or grant of the RSUs (a "Deferral Election") subject to the terms and conditions set forth in the Director Compensation Policy. In the case an individual makes a Deferral Election, the settlement of the deferred RSUs shall be made in accordance with the terms of such Deferral Election.

(b) As set forth in Section 11.2 of the Plan, the Company shall have the authority and the right to deduct or withhold, or to require the Participant to remit to the Company, an amount sufficient to satisfy all applicable federal, state and local taxes required by law to be withheld with respect to any taxable event arising in connection with the Restricted Stock Units. The Company shall not be obligated to deliver any new certificate representing Shares to the Participant or the Participant's legal representative or enter such Shares in book entry form unless and until the Participant or the Participant's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of the Participant resulting from the grant or vesting of the Restricted Stock Units or the issuance of Shares.

2.7 Conditions to Delivery of Shares. The Shares deliverable hereunder may be either previously authorized but unissued Shares, treasury Shares or issued Shares which have then been reacquired by the Company. Such Shares shall be fully paid and nonassessable. The Company shall not be required to issue or deliver any certificates or make any book entries evidencing Shares deliverable hereunder prior to fulfillment of the conditions set forth in Section 11.4 of the Plan.

2.8 Rights as Stockholder. The holder of the RSUs shall not be, nor have any of the rights or privileges of, a stockholder of the Company, including, without limitation, voting rights and rights to dividends, in respect of the RSUs and any Shares underlying the RSUs and deliverable hereunder unless and until such Shares shall have been issued by the Company and held of record by such holder (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 13.2 of the Plan.

ARTICLE III.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to

interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator in good faith shall be final and binding upon the Participant, the Company and all other interested persons. No member of the Administrator or the Board shall be personally liable for any action, determination or interpretation made in good faith with respect to the Plan, this Agreement or the RSUs.

3.2 RSUs Not Transferable. The RSUs shall be subject to the restrictions on transferability set forth in Section 11.3 of the Plan; *provided, however*, that this Section 3.2 notwithstanding, with the consent of the Administrator, the RSUs may be transferred to one or more Permitted Transferees, subject to and in accordance with Section 11.3 of the Plan.

3.3 Tax Consultation. The Participant understands that the Participant may suffer adverse tax consequences in connection with the RSUs granted pursuant to this Agreement (and the Shares issuable with respect thereto). The Participant represents that the Participant has consulted with any tax consultants the Participant deems advisable in connection with the RSUs and the issuance of Shares with respect thereto and that the Participant is not relying on the Company for any tax advice.

3.4 Binding Agreement. Subject to the limitation on the transferability of the RSUs contained herein, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.5 Adjustments Upon Specified Events. The Administrator may accelerate the vesting of the RSUs in such circumstances as it, in its sole discretion, may determine. The Participant acknowledges that the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and Section 13.2 of the Plan.

3.6 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to the Participant shall be addressed to the Participant at the Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.6, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.7 Participant's Representations. If the Shares issuable hereunder have not been registered under the Securities Act or any applicable state laws on an effective registration statement at the time of such issuance, the Participant shall, if required by the Company, concurrently with such issuance, make such written representations as are deemed necessary or appropriate by the Company and/or its counsel.

3.8 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.9 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.10 Conformity to Securities Laws. The Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any other Applicable Law. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such Applicable Law.

3.11 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board; *provided, however,* that, except as may otherwise be provided by the Plan, no

amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without the prior written consent of the Participant.

3.12 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth in Section 3.2 hereof, this Agreement shall be binding upon the Participant and his or her heirs, executors, administrators, successors and assigns.

3.13 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if the Participant is subject to Section 16 of the Exchange Act, then the Plan, the RSUs and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.14 Not a Contract of Service Relationship. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as a director or service provider of the Company or any of its Affiliates or interfere with or restrict in any way with the right of the Company or any of its Affiliates, which rights are hereby expressly reserved, to discharge or to terminate for any reason whatsoever, with or without cause, the services of the Participant's at any time.

3.15 Entire Agreement. The Plan, the Grant Notice and this Agreement (including all Exhibits thereto, if any) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and the Participant with respect to the subject matter hereof.

3.16 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.17 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. The Participant shall have only the rights of a general unsecured creditor of the Company and its Affiliates with respect to amounts credited and benefits payable, if any, with respect to the RSUs, and rights no greater than the right to receive the Common Stock as a general unsecured creditor with respect to RSUs, as and when payable hereunder.

Exhibit 10.9

TRANSITION AND SEPARATION AGREEMENT

This Transition and Separation Agreement (the " Transition Agreement") by and between David P. Rosenbaum, Ph.D ("Employee") and Ardelyx, Inc. (the "Company"), is made effective as of the date Employee signs this Transition Agreement (the "Effective Date") with reference to the following facts:

A. Employee currently serves as the Company's Head of Drug Discovery and Early Development.

B. Employee and the Company entered into a Second Amended and Restated Change in Control Agreement effective as of May 7, 2018, as further amended by Amendment Number One thereto on December 1, 2021 (the "Prior Agreement").

C. Employee and the Company want to provide for a smooth transition and end their relationship amicably and also to establish the obligations of the parties including, without limitation, all amounts due and owing to Employee.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. Resignation Date. Employee acknowledges and agrees that his status as an employee of the Company will end as the earlier of (a) December 31, 2025 (the "Planned Resignation Date"), and (b) the date Employee takes any action that constitutes Cause (as defined in the Agreement") (such earlier date, the "Resignation Date").

2. 2025 Bonus. Employee shall be eligible to participate in the 2025 corporate bonus plan with a target bonus of forty-five percent (45%), and with twenty percent (20%) of the amount of his 2025 corporate bonus determined by his personal performance during 2025, and eighty percent (80%) of the amount of his 2025 bonus based upon the achievement of the Company Corporate Goals for 2025. Employee's corporate bonus shall be paid at the time all corporate bonuses are paid to employees in 2026.

3. Payments and Benefits. The Company hereby agrees to provide the benefits described in this Section 3 to the Employee; subject to (i) the Resignation Date occurring on the Planned Resignation Date, (ii) Employee diligently and professionally executing and continuing to execute throughout the payment period described in Section 3(a) below, his obligations and responsibilities under this Agreement, (iii) Employee delivering to the Company a General Release of Claims substantially in the form attached hereto as Exhibit A (the "Release of Claims") on or within twenty-one (21) days following the Resignation Date that becomes effective and irrevocable at the end of the seven (7)-day period immediately following his execution of the Release of Claims (the "Revocation Period"), and (iv) Employee's performance of his continuing obligations the Proprietary Information and Inventions Assignment Agreement entered into between Employee and the Company (the "Confidential Information Agreement").

(a) *Salary Continuation*. The Company will continue to pay Employee his base salary at the rate in effect immediately prior to the Resignation Date for the nine (9) month period commencing on January 1, 2026, such payments to be made in accordance with the Company's regular payroll practices, provided, that the first such payment shall be made on the first payroll date that is at least five (5) business days after the Effective Date of the Release of Claims and, if the Effective Date is after January 15, 2026, inclusive of any payments that would have been made had the Effective Date occurred on January 1, 2026 (collectively, the "Payments"). Each Payment shall be subject to authorized payroll deductions and required tax withholding.

(b) *COBRA Reimbursement*. Provided that Employee timely elects to receive continued healthcare coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or applicable state law (collectively referred to as "COBRA"), the Company will pay COBRA premiums otherwise required to be paid by Employee through the earlier of (i) the first twelve months following the Resignation Date, or (ii) the date upon which Employee and Employee's covered dependents, if any, become eligible for healthcare coverage under another employer's plan(s). Notwithstanding the foregoing, (i) if any plan pursuant to which such benefits are provided is

not, or ceases prior to the expiration of the period of continuation coverage to be, exempt from the application of Section 409A of the Code under Treasury Regulation Section 1.409A-1(a)(5), or (ii) the Company is otherwise unable to continue to cover Employee under its group health plans without penalty under applicable law (including without limitation, Section 2716 of the Public Health Service Act), then, in either case, an amount equal to each remaining Company subsidy shall thereafter be paid to Employee in substantially equal monthly installments. After the Company ceases to pay premiums pursuant to this Section 3(b), Employee may, if eligible, elect to continue healthcare coverage at Employee's expense in accordance the provisions of COBRA.

4. Final Paycheck; Payment of Accrued Wages and Expenses.

(a) *Final Paycheck*. On, or before the Resignation Date, the Company will pay Employee all accrued but unpaid base salary through the Resignation Date, subject to standard payroll deductions and withholding. Employee is entitled to these payments regardless of whether Employee executes this Transition Agreement or a Release of Claims.

(b) *Business Expenses*. The Company shall reimburse Employee for all outstanding expenses incurred prior to the Resignation Date which are consistent with the Company's policies in effect from time to time with respect to travel and other business expenses, subject to the Company's requirements with respect to reporting and documenting such expenses Employee is entitled to these payments regardless of whether Employee executes this Transition Agreement or a Release of Claims.

5. Advisory Services and Equity Awards.

(a) *Advisory Services.* Provided that the Resignation Date occurs on the Planned Resignation Date, then during the period from the Resignation Date through the earliest of (a) six months following the Resignation Date, (b) the date Employee ceases to provide, or to be available to provide, the Advisory Services, or (c) the date Employee takes any action that constitutes Cause under the Prior Agreement (the "Advisory Period"), the Employee agrees to perform for and at the request of the Company advisory and transition services as and when specifically requested by the Company ("Advisory Services"). Employee will be paid at the rate of $500.00 per hour for all Advisory Services requested in writing by the Company and provided and documented in accordance with its policies. The Company will reimburse Employee for reasonable expenses incurred by Employee in providing the Advisory Services at the written request of the Company, and will provide the Company an invoice describing the Advisory Service fee earned and expenses incurred.

(b) *Equity Awards.* Employee's outstanding equity awards, including stock options and restricted stock units, will continue to vest in accordance with their terms during the Advisory Period. The Company will pay any undisputed invoiced amounts within thirty (30) days of the receipt of the invoice. The Advisory Services provided shall be provided in accordance with and subject to the terms of the Confidentiality Agreement, provided, that any reference therein to "employment" or terms of similar effect shall be deemed to include the Advisory Services. Employee shall until the later of (a) a period of ninety (90) days following the end of the Advisory Period, or (b) February 28, 2026 to exercise any stock options that are vested but unexercised at the end of the Advisory Period.

6. Full Payment. Employee acknowledges that the payment and arrangements herein shall constitute full and complete satisfaction of any and all amounts properly due and owing to Employee as a result of his services to the Company and the termination thereof. Employee further acknowledges that, other than the Confidential Information Agreement and the agreements evidencing Employee's equity awards (as deemed amended under Section 5), this Transition Agreement shall supersede each agreement entered into between Employee and the Company regarding Employee's employment, including, without limitation, the Prior Agreement and any offer letter, or employment agreement, and each such agreement other than the agreements evidencing Employee's equity awards (as deemed amended under Section 5) and the Confidential Information Agreement shall be deemed terminated and of no further effect as of the Resignation Date.

7. Employee's Release of the Company. Employee agrees that the consideration set forth in this Transition Agreement represents settlement in full of all outstanding obligations owed to Employee by the Company and its current and former officers, directors, employees, agents, investors, attorneys, affiliates, divisions, and subsidiaries, and predecessor and successor corporations and assigns (collectively, the "Releasees").

(a) Employee, on his own behalf and on behalf of his family members, heirs, executors, administrators, agents, and assigns, hereby and forever releases the Company and its current and former officers, directors, employees, agents, investors, attorneys, affiliates, divisions, and subsidiaries, and predecessor and successor corporations and assigns (the "Releasees") from, and agrees not to sue concerning, or in any manner to institute, prosecute, or pursue, any claim, complaint, charge, duty, obligation, or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Employee may possess against any of the Releasees arising from any omissions, acts, facts, or damages that have occurred up until and including the date Employee signs this Release, including, without limitation:

(i) any and all claims relating to or arising from Employee's employment relationship with Company and the termination of that relationship;

(ii) any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

(iii) any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Labor Standards Act, except as prohibited by law; the Fair Credit Reporting Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act, except as prohibited by law; the Sarbanes-Oxley Act of 2002, except as prohibited by law; the Uniformed Services Employment and Reemployment Rights Act; Massachusetts Fair Employment Practices Law, Mass. Gen. Laws ch. 151B, §1 et seq.; Massachusetts Sexual Harassment Law, Mass. Gen. Laws ch. 214, §1C; Massachusetts Equal Pay Law, Mass. Gen. Laws ch. 149, §105A-C; Massachusetts Family and Medical Leave Law, Mass. Gen. Laws ch. 149, §52D; and Massachusetts WARN Laws, Mass. Gen. Laws ch. 149, §182 and Mass. Gen. Laws ch. 151A, §71A-G;

(iv) any and all claims for violation of the federal or any state constitution;

(v) any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

(vi) any claim for breach of contract or breach of the implied covenant of good faith and fair dealing; and

(vii) any and all claims for attorneys' fees and costs.

(b) Employee agrees that the release set forth in this Section shall be and remain in effect in all respects as a complete general release as to the matters released. This release does not extend to any obligations incurred under this Transition Agreement or the Option Agreements. This release does not release claims or rights that cannot be released as a matter of law, and Employee's right to bring to the attention of the Equal Employment Opportunity Commission or California Department of Fair Employment and Housing claims of discrimination, harassment or retaliation; provided, however, that Employee does release his right to obtain damages for any such claims. This release does not release claims or rights that Employee may have as a shareholder of the Company or for vested benefits under any benefit plan or to continued participation in any such plan pursuant to the terms thereof or applicable law.

8. Non-Disparagement; Transfer of Company Property.

(a) *Non-Disparagement*. Employee agrees that he shall not disparage, criticize or defame the Company, its affiliates and their respective affiliates, directors, officers, agents, partners, stockholders, employees, products, services, technology or business, either publicly or privately. Employee specifically agrees that a breach of this Section 8(a) shall result in the loss of the benefits described in Section 3 above.

(b) *Transfer of Company Property*. Within ten (10) business days of after the end of the Advisory Period, Employee shall turn over to the Company all files, memoranda, records, and other documents, and any other physical or personal property which are the property of the Company and which he has in his possession, custody or control at such date, including without limitation, his Company issued laptop computer; *provided, however*, that should the Company provide Employee with a written request to accelerate the obligations under this Section 8(b) to a date prior to the end of the Advisory Period, Employee shall comply with the Company's request.

9. Confidentiality; Non-Solicitation.

(a) *Confidentiality*.

(i) Employee shall not directly or indirectly disclose or make available to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, any Confidential Information (as defined below). Within ten (10) business days of the Resignation Date, all Confidential Information in Employee's possession that is in written or other tangible form (together with all copies or duplicates thereof, including computer files) shall be returned to the Company and shall not be retained by Employee or furnished to any third party, in any form except as provided herein; *provided, however,* that Employee shall not be obligated to treat as confidential, or return to the Company copies of any Confidential Information that (A) was publicly known at the time of disclosure to Employee, or (B) becomes publicly known or available thereafter other than by any means in violation of this Agreement, the Confidential Information Agreement or any other duty owed to the Company by any person or entity. For purposes of this Agreement, the term "Confidential Information" shall mean information, business, financial, commercial, technical data, know-how or trade secrets disclosed to Employee or known by Employee as a consequence of or through his relationship with the Company, relating to products, developments, inventions, processes, techniques, chemical structures, finances, business plans or regulatory strategies of the Company and its affiliates. In addition, for the avoidance of doubt, Employee shall continue to be subject to the Confidential Information Agreement.

(ii) For the avoidance of doubt, nothing in this Transition Agreement will be construed to prohibit Employee from filing a charge with, reporting possible violations to, or participating or cooperating with any governmental agency or entity, including but not limited to the EEOC, the Department of Justice, the Securities and Exchange Commission, Congress, or any agency Inspector General, or making other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation; provided, however, that Employee may not disclose information of the Company or any of its affiliates that is protected by the attorney-client privilege, except as otherwise required by law. Employee does not need the prior authorization of the Company to make any such reports or disclosures, and Employee is not required to notify the Company that he has made such reports or disclosures. Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary in this Agreement: (A) Employee shall not be in breach of this Agreement, and shall not be held criminally or civilly liable under any federal or state trade secret law (x) for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (y) for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (B) if Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney, and may use the trade secret information in the court proceeding, if Employee files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

(b) *Non-Solicitation*. In addition to Employee's obligations under the Confidential Information Agreement, Employee shall not for a period of one (1) year following Employee's termination of employment for any reason, either on Employee's own account or jointly with or as a manager, agent, officer, employee, consultant, partner, joint venturer, owner or stockholder or otherwise on behalf of any other person, firm or corporation, directly or indirectly solicit or attempt to solicit away from the Company any of its officers or employees or offer employment to any person who is an officer or employee of the Company; *provided, however,* that a general advertisement to which an employee of the Company responds shall in no event be deemed to result in a breach of this Section 9(b). Employee also agrees not to harass or disparage the Company or its employees, clients, directors or agents. If it is determined by a court of competent jurisdiction in any state that any restriction in this Section 9(b) is excessive in

duration or scope or is unreasonable or unenforceable under the laws of that state, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by the law of that state.

10. Employee Representations. Employee warrants and represents that (a) he has not filed or authorized the filing of any complaints, charges or lawsuits against the Company or any affiliate of the Company with any governmental agency or court, and that if, unbeknownst to Employee, such a complaint, charge or lawsuit has been filed on his behalf, he will use reasonable best efforts to immediately cause it to be withdrawn and dismissed, and (b) he has no known workplace injuries or occupational diseases and has been provided and/or has not been denied any leave requested under the Family and Medical Leave Act or any similar state law, and (c) he has received the Company's Insider Trading Compliance Policy and agrees to continue to abide by all applicable terms therein, including specifically, Section IV (C) which states, "With the exception of the preclearance requirement, the insider trading laws continue to apply to all transactions in the Company's securities even after termination of service of service to the Company. If an individual is in the possession of material non-public information when his or her service terminates, that individual may not trade in the Company's securities until that information has become public or is no longer material."

11. No Assignment by Employee. Employee warrants and represents that no portion of any of the matters released herein, and no portion of any recovery or settlement to which Employee might be entitled, has been assigned or transferred to any other person, firm or corporation not a party to this Agreement, in any manner, including by way of subrogation or operation of law or otherwise. If any claim, action, demand or suit should be made or instituted against the Company or any other Releasee because of any actual assignment, subrogation or transfer by Employee, Employee agrees to indemnify and hold harmless the Company and all other Releasees against such claim, action, suit or demand, including necessary expenses of investigation, attorneys' fees and costs. In the event of Employee's death, this Transition Agreement shall inure to the benefit of Employee and Employee's executors, administrators, heirs, distributees, devisees, and legatees. None of Employee's rights or obligations may be assigned or transferred by Employee, other than Employee's rights to payments hereunder, which may be transferred only upon Employee's death by will or operation of law.

12. Governing Law. This Transition Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Commonwealth of Massachusetts or, where applicable, United States federal law, in each case, without regard to any conflicts of laws provisions or those of any state other than Massachusetts.

13. Miscellaneous. This Transition Agreement may be modified only in writing, and such writing must be signed by both parties and recited that it is intended to modify this Transition Agreement. This Transition Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

14. Company Assignment and Successors. The Company shall assign its rights and obligations under this Transition Agreement to any successor to all or substantially all of the business or the assets of the Company (by merger or otherwise). This Transition Agreement shall be binding upon and inure to the benefit of the Company and its successors, assigns, personnel and legal representatives.

15. Maintaining Confidential Information. Employee reaffirms his obligations under the Confidential Information Agreement, which shall be in addition to, and not in lieu of, Employee's obligations under Section 9 hereof. Employee acknowledges and agrees that the payments and benefits provided in Section 3 above shall be subject to Employee's continued compliance with Employee's obligations under the Confidential Information Agreement.

16. Employee's Cooperation. Employee shall use reasonable efforts to cooperate with the Company and its affiliates, upon the Company's reasonable request, with respect to any internal investigation or administrative, regulatory or judicial proceeding involving matters within the scope of Employee's duties and responsibilities to the Company or its affiliates during his employment with the Company (including, without limitation, Employee being available to the Company upon reasonable notice for interviews and factual

investigations, appearing at the Company's reasonable request to give testimony without requiring service of a subpoena or other legal process, and turning over to the Company all relevant Company documents which are or may have come into Employee's possession during his employment); *provided*, *however*, that any such request by the Company shall not be unduly burdensome or interfere with Employee's personal schedule or ability to engage in gainful employment, consulting or other work, and the Company shall pay, upon invoicing by Employee, all reasonably incurred fees for his time in so cooperating (which shall not exceed one thousand dollars ($1,000) per eight hour day), and reimburse Employee for his actual, reasonable, out-of-pocket expenses (including without limitation, any and all reasonable attorney's fees and costs) incurred in connection with providing any such cooperation.

IN WITNESS WHEREOF, the undersigned have caused this Transition and Separation Agreement to be duly executed and delivered as of the date indicated next to their respective signatures below.

DATED: 11/05/2025

/s/ David Rosenbaum
David P. Rosenbaum, Ph.D.

ARDELYX, INC.

DATED: 11/04/2025

By: /s/ Mike Raab
Mike Raab, President & CEO

EXHIBIT A

GENERAL RELEASE OF CLAIMS

This General Release of Claims ("Release") is entered into as of , between David P. Rosenbaum, Ph.D. ("Employee") and Ardelyx, Inc. (the "Company") (collectively referred to herein as the "Parties"), effective the eighth (8th) day after Employee's signature hereto (the "Effective Date"), unless Employee revokes his acceptance of this Release as provided in Paragraph 1(c) below.

1. Employee's Release of the Company.

(a) Employee, on his own behalf and on behalf of his family members, heirs, executors, administrators, agents, and assigns, hereby and forever releases the Company and its current and former officers, directors, employees, agents, investors, attorneys, affiliates, divisions, and subsidiaries, and predecessor and successor corporations and assigns (the "Releasees") from, and agrees not to sue concerning, or in any manner to institute, prosecute, or pursue, any claim, complaint, charge, duty, obligation, or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Employee may possess against any of the Releasees arising from any omissions, acts, facts, or damages that have occurred up until and including the date Employee signs this Release, including, without limitation:

(i) any and all claims relating to or arising from Employee's employment relationship with Company and the termination of that relationship;

(ii) any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

(iii) any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Labor Standards Act, except as prohibited by law; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967 (the "ADEA"); the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act, except as prohibited by law; the Sarbanes-Oxley Act of 2002, except as prohibited by law; the Uniformed Services Employment and Reemployment Rights Act; Massachusetts Fair Employment Practices Law, Mass. Gen. Laws ch. 151B, §1 et seq.; Massachusetts Sexual Harassment Law, Mass. Gen. Laws ch. 214, §1C; Massachusetts Equal Pay Law, Mass. Gen. Laws ch. 149, §105A-C; Massachusetts Family and Medical Leave Law, Mass. Gen. Laws ch. 149, §52D; and Massachusetts WARN Laws, Mass. Gen. Laws ch. 149, §182 and Mass. Gen. Laws ch. 151A, §71A-G;

(iv) any and all claims for violation of the federal or any state constitution;

(v) any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

(vi) any claim for any loss, cost, damage or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Employee as a result of the Transition and Separation Agreement entered into between the Parties as of [_____], 2025 (the "Transition and Separation Agreement").

(vii) any claim for breach of contract or breach of the implied covenant of good faith and fair dealing; and

(viii) any and all claims for attorneys' fees and costs.

(b) Employee agrees that the release set forth in this Section shall be and remain in effect in all respects as a complete general release as to the matters released. This release does not extend to any obligations incurred under the Transition and Separation Agreement and the agreements evidencing Employee's equity awards (as deemed amended by the Transition and Separation Agreement). This release does not release claims or rights that cannot be released as a matter of law, including, but not limited to, Employee's right to bring to the attention of the Equal Employment Opportunity Commission or California Department of Fair Employment and Housing claims of discrimination, harassment or retaliation; provided, however, that Employee does release his right to obtain damages for any such claims. This release does not release claims or rights that Employee may have as a shareholder of the Company or for vested benefits under any benefit plan or to continued participation in any such plan pursuant to the terms thereof or applicable law.

(c) Acknowledgment of Waiver of Claims under ADEA. Employee acknowledges that he is waiving and releasing any rights he may have under the ADEA, and that the waiver and release set forth in this Release is knowing and voluntary. Employee acknowledges that the waiver and release set forth in this Release does not apply to any rights or claims that may arise under the ADEA after the Effective Date of this Release. Employee acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Employee was already entitled. Employee further acknowledges that he has been advised by this writing that: (i) he should consult with an attorney prior to executing this Release; (ii) he has twenty-one (21) days within which to consider this Release; (iii) he has seven (7) days following his execution of this Release to revoke this Release; (iv) this Release shall not be effective until after the revocation period has expired and Employee will not receive the Payments and other benefits provided by Section 3, nor the benefits described in Section 6 relating to the continued and/or accelerated vesting of stock options and restricted stock unit awards during the Vesting Period (as defined in the Transition and Separation Agreement) unless and until the revocation period has expired; and (v) nothing in this Release prevents or precludes Employee from challenging or seeking a determination in good faith of the validity of the waiver and release set forth in this Release under the ADEA, nor does it impose any condition precedent, penalties, or costs for doing so, unless specifically authorized by federal law. In the event Employee signs this Release and returns it to the Company's General Counsel in less than the 21-day period identified above, Employee hereby acknowledges that he has freely and voluntarily chosen to waive the time period allotted for considering this Release. To revoke his acceptance of this Release, Employee must contact the Company's General Counsel by email at egrammer@ardelyx.com no later than 5 p.m. ET on the 7th day following Employee's signature of this Release.

2. Employee Representations. Employee represents and warrants that:

(a) To Employee's knowledge, Employee has returned to the Company all Company property in Employee's possession and if he discovers additional Company property in his possession he will promptly return it to the Company;

(b) Except as Employee has informed the Company in writing, Employee is not owed wages, commissions, bonuses or other compensation, other than any payments and benefits that become due under Section 3 and 6 of the Transition and Separation Agreement;

(c) During the course of Employee's employment Employee did not sustain any injuries for which Employee might be entitled to compensation pursuant to worker's compensation law or Employee has disclosed any injuries of which he is currently, reasonably aware for which he might be entitled to compensation pursuant to worker's compensation law;

(d) From the date Employee executed the Transition and Separation Agreement through the date Employee executes this Release, Employee has not made any disparaging comments about the Company, nor will Employee do so in the future;

(e) Employee has not initiated any adversarial proceedings of any kind against the Company or against any other person or entity released herein, nor will Employee do so in the future with respect to any claims released hereby, except as specifically allowed by this Release; and

(f) Employee has brought to the attention of the Chief Compliance Officer all matters of which he gained personal knowledge in the course of his employment by the Company and that he would have reasonable grounds to believe are a violation of the Company's compliance policies.

3. Continuing Obligations. Employee reaffirms his obligations under the Transition and Separation Agreement and under the Confidential Information Agreement (as defined in the Transition and Separation Agreement).

4. Cooperation with the Company. Employee reaffirms his obligations to cooperate with the Company pursuant to Section 16 of the Transition and Separation Agreement.

5. Severability. The provisions of this Release are severable. If any provision is held to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provision.

6. Choice of Law. This Release shall in all respects be governed and construed in accordance with the laws of the Commonwealth of Massachusetts, including all matters of construction, validity and performance, without regard to conflicts of law principles.

7. Integration Clause. This Release and the Transition and Separation Agreement, the Confidential Information Agreement, the agreements evidencing Employee's equity awards (as deemed amended by the Transition and Separation Agreement) contain the Parties' entire agreement with regard to the transition and separation of Employee's employment, and supersede and replace any prior agreements as to those matters, whether oral or written, including without limitation, the Prior Agreement (as defined in the Transition and Separation Agreement). This Release may not be changed or modified, in whole or in part, except by an instrument in writing signed by Employee and the President & Chief Employee Officer of the Company.

8. Execution in Counterparts. This Release may be executed in counterparts with the same force and effectiveness as though executed in a single document. Facsimile signatures shall have the same force and effectiveness as original signatures.

9. Intent to be Bound. The Parties have carefully read this Release in its entirety; fully understand and agree to its terms and provisions; and intend and agree that it is final and binding on all Parties.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed the foregoing on the dates shown below.

EMPLOYEE	ARDELYX, INC.
TO BE SIGNED AFTER THE RESIGNATION DATE	TO BE SIGNED AFTER THE RESIGNATION DATE
David P. Rosenbaum, Ph.D	By: Mike Raab Title: President & CEO
Date:	Date:

Exhibit 10.11

TRANSITION AND SEPARATION AGREEMENT

This Transition and Separation Agreement (the "Agreement") is entered into by and between Elizabeth Grammer ("Executive") and Ardelyx, Inc., a Delaware corporation (the "Company"), effective as of the Effective Date set forth in Section 6(d) below, with reference to the following facts:

A. Executive, who currently serves as the Company's Chief Legal & Administrative Officer, has notified the Company of her intent to retire from such positions effective as of December 31, 2025 (the "Retirement Date").

B. At the Company's request, Executive has agreed to serve as General Counsel for a period of time following Executive's Retirement Date and, thereafter, as a Senior Advisor to the Company to help transition her duties and responsibilities and provide such other support as reasonably requested by the Company.

C. Executive is party with the Company to an offer letter dated as of November 21, 2012 (the "Offer Letter") and a Third Amended and Restated Change in Control Severance Agreement entered into as of April 29, 2025 (the "Severance Agreement").

D. Executive and the Company want to end their relationship amicably and also to establish the obligations of the parties including, without limitation, Executive's service as General Counsel and Senior Advisor and all amounts due and owing to Executive.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties agree as follows:

1. Role Transition. Executive and the Company acknowledge and agree that, effective as of the Retirement Date, Executive will cease to serve as the Company's Chief Legal and Administrative Officer and shall transition to the non-executive officer position of General Counsel until a successor is appointed or such earlier date mutually agreed between Executive and the Company (such date, the "Transition Date") at which time Executive shall transition to the role of Senior Advisor to the Company. Executive acknowledges that Executive status as an officer of the Company and each of its subsidiaries shall terminate as of the Retirement Date. Executive agrees to execute such additional documentation as the Company determines is necessary or appropriate to effect Executive's cessation of service as an officer, provided that any such documentation is consistent with this Agreement.

2. Employment Period. During the period (the "Employment Period") commencing on the Retirement Date and ending on the earliest of (i) the first anniversary of the Transition Date (the "Planned Separation Date"), (ii) the date the Company terminates Executive's employment for Cause (as defined in the Severance Agreement) or (iii) the date Executive voluntarily resigns from her employment with the Company (such earliest date, the "Separation Date"), Executive shall remain employed by the Company. Upon the Separation Date, Executive's employment with the Company shall terminate and Executive shall cease to constitute an employee.

(a) *Duties*. Between the Retirement Date and the Transition Date, Executive shall have the duties and responsibilities normally associated with the position of General Counsel and such other duties and responsibilities as reasonably assigned by the

Company's Chief Executive Officer. Between the Transition Date and the Separation Date, Executive shall provide transition services in Executive's areas of expertise and have such duties and responsibilities as reasonably assigned by the Company's Chief Executive Officer.

(b) *Salary and Benefits Continuation*. During the Employment Period, Executive will continue to be paid base salary at the rate in effect on the date of this Agreement in accordance with the Company's regular payroll procedures and be eligible for all employee benefit plans available to senior executives of the Company in accordance with their terms. All payments made to Executive during the Employment Period will be subject to required withholding taxes and authorized deductions.

(c) *Bonus*. Executive will remain eligible to be paid Executive's annual bonus for 2025, with the amount of such bonus determined consistent with other executives of the Company and paid at the same time bonuses are paid to other executives of the Company, subject to required withholding taxes. Executive will be eligible for a discretionary bonus amount under the Company's annual bonus program with respect to the 2026 calendar year for the portion of the year Executive serves as General Counsel, with any such bonus to be paid at the same time 2026 bonuses are paid to other Company executives, and subject to required withholding taxes.

(d) *Equity Awards*. During the Employment Period, Executive's outstanding, unvested equity awards (the "Equity Awards") shall continue to vest and, if applicable, become exercisable and the restrictions thereupon shall lapse in accordance with their original vesting schedules based on Executive's continued services.

(e) *Protection of Information*. Executive reaffirms Executive's commitment to remain in compliance with that certain Proprietary Information and Invention Assignment Agreement entered into between Executive and the Company (the "Confidentiality Agreement") during the Employment Period. Without limiting the foregoing, Executive acknowledges and agrees that, during the Employment Period, Executive shall not, directly or indirectly, become employed by or provide assistance to any competitor of the Company.

(f) *SEC Reporting.* Executive acknowledges that to the extent required by the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Executive will have continuing obligations under Section 16(a) and 16(b) of the Exchange Act to report matching transactions, if any, in Company common stock for up to six (6) months following the Retirement Date. Executive further acknowledges that any transactions by Executive involving Company securities will remain subject to securities laws in all respects, including, without limitation, laws regarding trading on the basis of material nonpublic information.

3. Consulting Period. In the event the Separation Date does not precede the Planned Separation Date, then during the period (the "Consulting Period") commencing on the Separation Date and ending on the earliest of the second anniversary of the Transition Date, the date Executive terminates consulting services for any reason or the date the Company terminates the consulting services for Cause, Executive shall continue to serve the Company as a Senior Advisor as an independent contractor.

(a) *Duties*. During the Consulting Period, Executive shall continue to provide transition services in Executive's areas of expertise and such other services as are reasonably requested by the Company's Chief Executive Officer. During the Consulting Period, Executive agrees to remain in compliance with the Confidentiality Agreement. During the Consulting Period, Executive may become an employee or consultant of any other company, *provided*, that Executive acknowledges and agrees that, during the Consulting Period, Executive shall not, directly or indirectly, become employed by or provide assistance to any company that is a competitor to the Company.

(b) *Consulting Fees*. In exchange for the performance of services during the first nine (9) months of the Consulting Period, the Company shall pay Executive a monthly retainer for all services provided, the amount of which will be set on the or around the Separation Date and based on prevailing market rates as of such date, as mutually agreed between the Company and Executive, provided, that in no event shall the monthly retainer fee exceed Executive's base salary as in effect as of the Separation Date.

(c) *Continued Healthcare*. If Executive timely elects to receive and retain continued healthcare coverage pursuant to the provisions of Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), the Company shall directly pay, or reimburse Executive for, the premium for Executive and Executive's covered dependents from the Separation Date through the earlier of (i) the end of the Consulting Period and (ii) the date Executive and Executive's covered dependents, if any, become eligible for healthcare coverage under another employer's plan(s). After the Company ceases to pay premiums pursuant to the preceding sentence, Executive may, if eligible, elect to continue healthcare coverage at Executive's expense in accordance with the provisions of COBRA. Notwithstanding the foregoing, (i) if any plan pursuant to which such benefits are provided is not, or ceases prior to the expiration of the period of continuation coverage to be, exempt from the application of Section 409A of the Internal Revenue Code of 1986, as amended, (the "Code") under Treasury Regulation Section 1.409A-1(a)(5), or (ii) the Company is otherwise unable to continue to cover Executive under its group health plans without penalty under applicable law (including without limitation, Section 2716 of the Public Health Service Act), then, in either case, an amount equal to each remaining Company subsidy shall thereafter be paid to Executive in substantially equal monthly installments. After the Company ceases to pay premiums pursuant to this Section 4(c), Executive may, if eligible, elect to continue healthcare coverage at Executive's expense in accordance with the provisions of COBRA. Executive shall notify the Company immediately if Executive becomes covered by a group health plan of a subsequent employer.

(d) *Equity Awards*. During the Consulting Period, Executive's outstanding, unvested Equity Awards shall continue to vest and, if applicable, become exercisable and the restrictions thereupon shall lapse in accordance with their original vesting schedules, subject to Executive continuing to provide the Transition Services to the Company.

(e) *Independent Contractor Status*. Executive and the Company acknowledge and agree that, during the Consulting Period, Executive shall be an independent contractor. During the Consulting Period and thereafter, Executive shall not be an agent or employee of the Company and shall not be authorized to act on behalf of the Company.

Executive agrees to indemnify and hold the Company and the other entities released herein harmless for any tax claims or penalties resulting from any failure by Executive to make required personal income and self-employment tax payments.

4. Final Paycheck; Payment of Accrued Wages and Expenses. As soon as administratively practicable on or after the Separation Date, the Company will pay Executive all accrued but unpaid base salary and any accrued but unpaid paid time off, subject to standard payroll deductions and withholdings. The Company will also reimburse Executive for all outstanding expenses incurred prior to the Separation Date which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Company's requirements with respect to reporting and documenting such expenses. Executive is entitled to these payments regardless of whether Executive executes this Agreement.

5. Consideration for Release. Without admission of any liability, fact or claim, the Company hereby agrees, subject to (i) this Agreement timely becoming effective and irrevocable, (ii) Executive's continued services through the Planned Separation Date; (iii) the delivery to the Company of a copy of the General Release of Claims attached hereto as Exhibit A (the "Release of Claims") that is signed by Executive on or after the Separation Date and becomes effective and irrevocable within 30 days after the Separation Date, and (iv) Executive not being in material breach of Executive's obligations under this Agreement, to pay to Executive an amount equal to one month of Executive's base salary as in effect as of the Retirement Date, less required withholding taxes, on the first payroll date after the date the Release of Claims becomes effective and irrevocable.

6. Executive's Release of the Company. Executive understands that by agreeing to the release provided by this Section 6, Executive is agreeing not to sue, or otherwise file any claim against, the Company or any of its directors, officers, employees, investors or other agents for any reason whatsoever based on anything that is the subject of this release and that has occurred as of the date Executive signs this Agreement.

(a) *Released Claims.* On behalf of Executive and Executive's heirs, assigns, executors, administrators, trusts, spouse and estate, Executive hereby releases and forever discharges the "Releasees" hereunder, consisting of the Company and each of its owners, affiliates, subsidiaries, predecessors, successors, assigns, agents, directors, officers, partners, employees, and insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, loss, cost or expense, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "Claims"), which Executive now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date Executive signs this Agreement, including, without limiting the generality of the foregoing, any Claims arising out of, based upon, or relating to Executive's hire, employment, remuneration or termination by the Releasees, or any of them, Claims arising under federal, state, or local laws relating to employment, Claims of any kind that may be brought in any court or administrative agency, including any Claims arising under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000, et seq.; Americans with Disabilities Act, as amended, 42 U.S.C. § 12101 et seq.; the Rehabilitation Act of 1973, as

amended, 29 U.S.C. § 701 et seq.; the Age Discrimination in Employment Act ("ADEA"), as amended, 29 U.S.C. § 621, et seq.; Civil Rights Act of 1866, and Civil Rights Act of 1991; 42 U.S.C. § 1981, et seq.; Equal Pay Act, as amended, 29 U.S.C. § 206(d); regulations of the Office of Federal Contract Compliance, 41 C.F.R. Section 60, et seq.; the Family and Medical Leave Act, as amended, 29 U.S.C. § 2601 et seq.; the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 et seq.; the Employee Retirement Income Security Act, as amended, 29 U.S.C. § 1001 et seq.; the Worker Adjustment and Retraining Notification Act, as amended, 29 U.S.C. § 2101 et seq.; the Massachusetts Fair Employment Practices Act., the Massachusetts Civil Rights Act, the Massachusetts Equal Rights Act, the Massachusetts Equal Pay Act, the Massachusetts Labor and Industries Act, Massachusetts Right of Privacy law), the Massachusetts Parental Leave Act, the Massachusetts Small Necessities Leave Act and any other federal, state or local laws of similar effect; the employment and civil rights laws of Massachusetts; Claims for breach of implied or express contract; Claims arising in tort, including, without limitation, Claims of wrongful dismissal or discharge, discrimination, harassment, retaliation, fraud, misrepresentation, defamation, libel, slander, infliction of emotional distress, violation of public policy, and/or breach of the implied covenant of good faith and fair dealing; and Claims for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney's fees.

(b) *Unreleased Claims.* Notwithstanding the generality of the foregoing, Executive does not release the following claims (the "Unreleased Claims"):

(i) Claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law;

(ii) Claims for workers' compensation insurance benefits under the terms of any worker's compensation insurance policy or fund of the Company;

(iii) Claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA;

(iv) Claims to accrued but unpaid base salary, accrued but unpaid paid time off or any benefit entitlements vested as of the date Executive signs this Agreement, pursuant to written terms of any Company or affiliate employee benefit plan, program, or policy, including to vested stock options;

(v) Claims for indemnification under any indemnification agreement, the Company's bylaws or other organizational documents, applicable directors' and officers' insurance coverage, or any applicable law;

(vi) Claims for rights that cannot be waived as a matter of law;

(vii) Executive's right to enforce the terms of this Agreement; and

(viii) Executive's right to bring to the attention of the Equal Employment Opportunity Commission claims of discrimination; *provided*, *however*, that Executive does release Executive's right to secure any damages for alleged discriminatory treatment.

(c) *ADEA/OWBPA Waiver and Acknowledgement.* Executive understands that the release set forth in Section 6 includes a release of claims Executive may have under the ADEA against any of the Releasees that may have existed on or prior to the date upon which Executive executes this Agreement. Executive understands that the ADEA is a federal statute that prohibits discrimination on the basis of age. Executive wishes to waive any and all claims under the ADEA that Executive may have against any of the Releasees as of the date upon which Executive executes this Agreement and hereby waives such claims. Executive understands that claims under the ADEA that may arise after the date on which Executive executes this Agreement are not waived. Executive acknowledges that Executive is receiving consideration to which Executive is not already entitled for the waiver of any and all claims under the ADEA. Executive is herein advised to consult with an attorney prior to signing this Agreement. In accordance with the Older Workers Benefit Protection Act of 1990, Executive has been advised of the following:

(i) Executive should consult with an attorney before signing this Agreement;

(ii) Executive has been given at least twenty-one (21) days after the date on which Executive received a copy of this Agreement to consider this Agreement (the "Review Period"); and

(iii) Executive has seven (7) days after signing this Agreement to revoke it (the "Revocation Period"). If Executive wishes to revoke this Agreement, Executive must deliver notice of Executive's revocation in writing, no later than 11:59 p.m. PT on the 7th day following Executive's execution of this Agreement to James Brady at jbrady@ardelyx.com. Executive understands that if Executive revokes this Agreement, it will be null and void in its entirety, and Executive will not be entitled to any payments or benefits provided in this Agreement that are not otherwise required by applicable law.

(d) Executive has been advised that this Agreement will not become effective or enforceable until after a timely signed Agreement has been timely delivered to the Company and the Revocation Period has expired with no revocation. If Executive does not revoke acceptance within the Revocation Period, Executive's acceptance of this Agreement shall become binding and enforceable on the eighth day after Executive timely signs this Agreement (the "Effective Date").

7. Non-Disparagement, Transition and Return of Company Property.

(a) *Mutual Non-Disparagement*. Executive agrees that Executive shall not disparage, criticize or defame the Company, its affiliates and their respective affiliates, directors, officers, agents, partners, stockholders, employees, products, services, technology or business, either publicly or privately. The Company agrees that it shall not, and shall instruct its officers and directors to not, disparage, criticize or defame Executive. Nothing in this Section 7(a) shall have application to any evidence or testimony required by any court, arbitrator or government agency.

(b) *Transition*. Each of the Company and Executive shall use their respective reasonable efforts to cooperate with each other in good faith to facilitate a smooth transition of Executive's duties to other executive(s) of the Company.

(c) *Return of Company Property*. On or before the end of the Consulting Period, Executive shall turn over to the Company all files, memoranda, records, and other documents, and any other physical or personal property which are the property of the Company and which Executive had in Executive's possession, custody or control at the time Executive signed this Agreement.

8. Termination of Agreement. Executive and the Company agree that this fixed-term Agreement will continue through the second anniversary of the Transition Date and may only be terminated prior by the Company for Cause. In the event the Company terminates this Agreement prior to the second anniversary of the Transition Date for any reason other than Cause, then Executive shall be entitled to liquidated damages in an amount equal to the remaining contractual payments due hereunder through the second anniversary of the Transition Date, including the acceleration of the vesting of Equity Awards that would have vested as of the second anniversary of the Transition Date, provided, that the payment of liquidated damages pursuant to this Section 8 shall be conditioned on Executive's delivery to the Company of a release of claims consistent with Section 6 of this Agreement that becomes effective and irrevocable within 30 days following such termination. In the event that the Agreement is terminated by the Company without Cause before the retainer rate is set under Section 3(b), for purposes of calculating liquidated damages, the retainer rate shall be half of the Executive's base salary in effective during the Employment Period.

9. Executive Representations. Executive warrants and represents that (a) Executive has not filed or authorized the filing of any complaints, charges or lawsuits against the Company or any affiliate of the Company with any governmental agency or court, and that if, unbeknownst to Executive, such a complaint, charge or lawsuit has been filed on Executive's behalf, Executive will immediately cause it to be withdrawn and dismissed, (b) Executive has been paid all compensation, wages, bonuses, commissions, and/or benefits to which Executive may be entitled and no other compensation, wages, bonuses, commissions and/or benefits are due to Executive, except as provided in this Agreement, (c) Executive has no known workplace injuries or occupational diseases and has been provided and/or has not been denied any leave requested under the Family and Medical Leave Act or any similar state law, (d) the execution, delivery and performance of this Agreement by Executive does not and will not conflict with, breach, violate or cause a default under any agreement, contract or instrument to which Executive is a party or any judgment, order or decree to which Executive is subject, and (e) Executive is not aware of any violations of the Company's anti-harassment or anti-discrimination policies that Executive has not already disclosed to the Company pursuant to the Company's internal reporting procedure, (f) Executive will maintain, not disclose and not use any confidential and proprietary information of the Company or any of its affiliates that was in Executive's possession or control as a result of Executive's employment or engagement by the Company or any of its affiliates, provided, however, such confidentiality obligations shall cease to exist for any information that becomes publicly available without a breach of this Agreement or any other agreement or obligation to the Company or any of its affiliates, (g) Executive acknowledges that Executive has carefully read and fully understands all of the provisions of this Agreement and that Executive is voluntarily and knowingly entering into this Agreement, and (h) upon the execution and delivery of this Agreement by the Company and

Executive, this Agreement will be a valid and binding obligation of Executive, enforceable in accordance with its terms.

10. No Assignment by Executive. Executive warrants and represents that no portion of any of the matters released herein, and no portion of any recovery or settlement to which Executive might be entitled, has been assigned or transferred to any other person, firm or corporation not a party to this Agreement, in any manner, including by way of subrogation or operation of law or otherwise. If any claim, action, demand or suit should be made or instituted against the Company or any other Releasee because of any actual assignment, subrogation or transfer by Executive, Executive agrees to indemnify and hold harmless the Company and all other Releasees against such claim, action, suit or demand, including necessary expenses of investigation, attorneys' fees and costs. In the event of Executive's death, this Agreement shall inure to the benefit of Executive and Executive's executors, administrators, heirs, distributees, devisees, and legatees. None of Executive's rights or obligations may be assigned or transferred by Executive, other than Executive's rights to payments hereunder, which may be transferred only upon Executive's death by will or operation of law.

11. Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Commonwealth of Massachusetts or, where applicable, United States federal law, in each case, without regard to any conflicts of laws provisions or those of any other state or commonwealth.

12. Dispute Resolution. Except as excluded herein below, any controversy, dispute or claim arising out of or relating to this Agreement, or breach thereof, or Executive's employment with or termination of employment from the Company (each, a "Covered Claim") shall be resolved by final and binding arbitration administered by JAMS. The arbitration shall be conducted by a single, neutral arbitrator, pursuant to JAMS's Employment Arbitration Rules & Procedures, available at https://www.jamsadr.com/rules-employment-arbitration/English, as in effect at the time of the initiation of arbitration, which the Company will provide to Executive upon reasonable request, in the county in which Executive currently works or last worked for the Company. Notwithstanding anything in this Agreement to the contrary, the arbitration provisions of this Agreement shall be governed by and enforceable pursuant to the Federal Arbitration Act, and, in all other respects, the arbitrator shall apply the substantive laws of California or applicable Federal law, with the same statutes of limitation and available remedies that would apply if the claims were brought in a court of law of competent jurisdiction. The costs unique to arbitration, including the arbitration administrative fees, arbitrator compensation and expenses, and any costs of any witnesses call by the arbitrator, that would not be incurred in a court proceeding shall be borne by the Company. Unless otherwise ordered by the arbitrator under applicable law, the Company and Executive shall each bear its, their, his, or her own expenses, such as expert witness fees, filing fees, and attorneys' fees and costs. Nothing herein shall prevent the Company or Executive from seeking a statutory award of reasonable attorneys' fees and costs under applicable law. THE COMPANY AND EXECUTIVE RECOGNIZE THAT, BY AGREEING TO ARBITRATE THEIR DISPUTES, EACH WAIVE ITS, THEIR, HIS, OR HER RIGHT TO A TRIAL BY JURY OF ANY COVERED CLAIM. THE COMPANY AND EXECUTIVE WAIVE ITS, THEIR, HIS, OR HER RIGHT TO BRING ANY COVERED CLAIM AS PART OF OR IN CONNECTION WITH A CLASS OR COLLECTIVE ACTION. Notwithstanding the foregoing, this section shall not preclude either party from seeking a temporary restraining order or a preliminary injunction from a court of competent jurisdiction if such relief is not available in a timely fashion

through arbitration. Further, this arbitration agreement shall not apply to: (a) claims for unemployment and workers' compensation benefits; (b) sexual harassment and sexual assault disputes arising under federal, state, local, or tribal law, unless Executive elects to arbitrate such disputes; (c) claims arising under the National Labor Relations Act or which are brought before the National Labor Relations Board; (d) claims brought before the Equal Employment Opportunity Commission or similar state or local agency, if Executive is required to exhaust Executive's administrative remedies; provided, that any appeal from an award or denial of an award by any such agency or any further action upon receipt of a right-to-sue letter shall be arbitrated pursuant to the terms of this Agreement; and (e) any other claim, which by law cannot be subject to mandatory arbitration.

13. Miscellaneous. This Agreement, collectively with the Confidentiality Agreement, any indemnification agreement between Executive and the Company and any agreements evidencing Executive's Equity Awards, comprises the entire agreement between the parties with regard to the subject matter hereof and supersedes, in their entirety, any other agreements between Executive and the Company with regard to the subject matter hereof, including, without limitation, the Offer Letter and Severance Agreement. Executive acknowledges that there are no other agreements, written, oral or implied, and that Executive may not rely on any prior negotiations, discussions, representations or agreements. This Agreement may be modified only in writing, and such writing must be signed by both parties and recited that it is intended to modify this Agreement. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

14. Company Assignment and Successors. The Company shall assign its rights and obligations under this Agreement to any successor to all or substantially all of the business or the assets of the Company (by merger or otherwise). This Agreement shall be binding upon and inure to the benefit of the Company and its successors, assigns, personnel and legal representatives.

15. Section 409A.

(a) Exempt from Section 409A. It is intended that payments and benefits under this Agreement comply with, or be exempt from, the provisions of Section 409A of the Code and the Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date of this Agreement ("Section 409A"). This Agreement will be interpreted and administered in a manner consistent with this intent. Each payment and each provision of benefits described in this Agreement will be considered a separate payment and not one of a series of payments for purposes of Section 409A. In no event will any payment under this Agreement that constitutes "nonqualified deferred compensation" for purposes of Section 409A be subject to offset by any other amount unless otherwise permitted by Section 409A.

(b) Specific Exemptions. If any reimbursements or in-kind benefits provided by the Company or any Releasee pursuant to this Agreement would constitute "nonqualified deferred compensation" for purposes of Section 409A, such reimbursements or in- kind benefits will be subject to the following rules: (A) the amounts to be reimbursed, or the in-kind benefits to be provided, will be determined pursuant to the terms of the applicable benefit plan, policy or agreement and will be limited to Executive's lifetime and the lifetime of Executive's eligible dependents; (B) the amounts eligible for reimbursement, or the in-kind

benefits provided, during any calendar year may not affect the expenses eligible for reimbursement, or the in-kind benefits provided, in any other calendar year; (C) any reimbursement of an eligible expense will be made on or before the last day of the calendar year following the calendar year in which the expense was incurred; (D) Executive's right to an in-kind benefit or reimbursement is not subject to liquidation or exchange for cash or another benefit and (E) if Executive is a "specified employee" within the meaning of Section 409A, no payments of any of such severance or other benefit shall be made for six (6) months plus one (1) day after the "separation from service," or, if earlier, upon Executive's death (the "New Payment Date"). The aggregate of any such payments that would have otherwise been paid during the period between the "separation from service" and the New Payment Date shall be paid to Executive in a lump sum on the New Payment Date.

16. Taxes. Executive understands and agrees that all payments under this Agreement will be subject to appropriate tax withholding and other deductions. To the extent any taxes may be payable by Executive for the benefits provided to Executive by this Agreement beyond those withheld by the Company, Executive agrees to pay them.

17. Maintaining Confidential Information. Nothing in this Agreement or the Confidentiality Agreement will be construed to prohibit Executive from (i) pursuing unemployment or workers compensation benefits; (ii) filing a charge or complaint with the Equal Employment Opportunity Commission ("EEOC"), the National Labor Relations Board ("NLRB"), or any similar state government agency or commission, provided, however, Executive releases and waives Executive's right to receive damages or other relief in connection with any such matter to the maximum extent permitted by applicable law; (iii) communicating with, cooperating with, or reporting wrongdoing to the Securities and Exchange Commission ("SEC"), the Financial Industry Regulatory Authority, the EEOC, the NLRB, the Occupational Safety and Health Administration, the Commodity Futures Trading Commission, the Department of Justice ("DOJ"), or any other federal, state or local government agency or commission (collectively, "Government Agencies"), or otherwise participating in any investigation or proceeding that may be conducted by a Government Agency, including providing documents or other information, without notice to the Company; (iv) receiving a reward for information provided to the SEC, the DOJ or any other Government Agency; (v) exercising any rights Executive may have under Section 7 of the U.S. National Labor Relations Act; (vi) testifying pursuant to a court order, subpoena, or written request from an administrative agency or legislature; (vii) discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination based on a protected characteristic or any other conduct that Executive has reason to believe is unlawful; or (viii) engaging in any other protected conduct or filing claims that cannot be waived by applicable law. Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary in the Confidentiality Agreement or this Agreement: (i) Executive shall not be in breach of the Confidentiality Agreement or this Agreement, and shall not be held criminally or civilly liable under any federal or state trade secret law, (x) for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (y) for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (ii) if Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney, and may use the trade secret information in the court

proceeding, if Executive files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

18. Executive's Cooperation. After the end of the Consulting Period, Executive shall cooperate with the Company and its affiliates, upon the Company's reasonable request, with respect to any internal investigation or administrative, regulatory or judicial proceeding involving matters within the scope of Executive's duties and responsibilities to the Company or its affiliates during Executive's employment with the Company (including, without limitation, Executive being available to the Company upon reasonable notice for interviews and factual investigations, appearing at the Company's reasonable request to give testimony without requiring service of a subpoena or other legal process, and turning over to the Company all relevant Company documents which are or may have come into Executive's possession during Executive's employment); *provided*, *however*, that (i) any such request by the Company shall not be unduly burdensome or interfere with Executive's personal schedule or ability to engage in gainful employment and (ii) this provision shall not apply to any such investigation or proceeding that arises out of or relates to a dispute between Executive and the Company and/or any of its affiliates or if Executive's reasonable interests are adverse to the Company or its affiliates in any such investigation or proceeding.

(Signature page(s) follow)

IN WITNESS WHEREOF, the undersigned have caused this Transition and Separation Agreement to be duly executed and delivered as of the date indicated next to their respective signatures below.

DATED: 12/17/2025

/s/ Elizabeth Grammer

Elizabeth Grammer

ARDELYX, INC.

DATED: 12/16/2025

By: /s/ Mike Raab

Name: Mike Raab
Title: Chief Executive Officer

EXHIBIT A

GENERAL RELEASE OF CLAIMS

This General Release of Claims ("Release") is entered into as of _____, 2027, between Elizabeth Grammer ("Executive") and Ardelyx, Inc., a Delaware corporation (the "Company"), effective as of the eighth (8th) day after the date of Executive's signature hereto.

1. Executive's Release of the Company. Executive understands that by agreeing to this Release, Executive is agreeing not to sue, or otherwise file any claim against, the Company or any of its directors, officers, employees, investors or other agents for any reason whatsoever based on anything that is the subject of this Release and that has occurred as of the date Executive signs this Release.

(a) On behalf of Executive and Executive's heirs, assigns, executors, administrators, trusts, spouse and estate, Executive hereby releases and forever discharges the "Releasees" hereunder, consisting of the Company and each of its owners, affiliates, subsidiaries, predecessors, successors, assigns, agents, directors, officers, partners, employees, and insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, loss, cost or expense, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "Claims"), which Executive now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof, including, without limiting the generality of the foregoing, any Claims arising out of, based upon, or relating to Executive's hire, employment, remuneration or termination by the Releasees, or any of them, Claims arising under federal, state, or local laws relating to employment, Claims of any kind that may be brought in any court or administrative agency, including any Claims arising under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000, et seq.; Americans with Disabilities Act, as amended, 42 U.S.C. § 12101 et seq.; the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 701 et seq.; the Age Discrimination in Employment Act, as amended, 29 U.S.C. § 621, et seq.; Civil Rights Act of 1866, and Civil Rights Act of 1991; 42 U.S.C. § 1981, et seq.; Equal Pay Act, as amended, 29 U.S.C. § 206(d); regulations of the Office of Federal Contract Compliance, 41 C.F.R. Section 60, et seq.; the Family and Medical Leave Act, as amended, 29 U.S.C. § 2601 et seq.; the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. § 201 et seq.; the Employee Retirement Income Security Act, as amended, 29 U.S.C. § 1001 et seq.; the Worker Adjustment and Retraining Notification Act, as amended, 29 U.S.C. § 2101 et seq.; the Massachusetts Fair Employment Practices Act., the Massachusetts Civil Rights Act, the Massachusetts Equal Rights Act, the Massachusetts Equal Pay Act, the Massachusetts Labor and Industries Act, Massachusetts Right of Privacy law), the Massachusetts Parental Leave Act, the Massachusetts Small Necessities Leave Act and any other federal, state or local laws of similar effect; the employment and civil rights laws of Massachusetts; Claims for breach of implied or express contract; Claims arising in tort, including, without limitation, Claims of wrongful dismissal or discharge, discrimination, harassment, retaliation, fraud, misrepresentation, defamation, libel, slander, infliction of emotional distress, violation of public policy, and/or breach of the implied covenant of good faith and fair dealing; and Claims for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney's fees.

(b) Notwithstanding the generality of the foregoing, Executive does not release the following claims:

(i) Claims to enforce Executive's rights under the Transition and Separation Agreement entered into between the Company and Executive on [_____], 2025 (the "Transition and Separation Agreement").

(ii) Claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law;

(iii) Claims for workers' compensation insurance benefits under the terms of any worker's compensation insurance policy or fund of the Company;

(iv) Claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA;

(v) Claims to accrued but unpaid base salary, accrued but unpaid paid time off or any benefit entitlements vested as the date of Executive's employment termination, pursuant to written terms of any Company or affiliate employee benefit plan, program or policy, including to vested stock options;

(vi) Claims for indemnification under any indemnification agreement, the Company's Bylaws or other organizational documents, applicable directors' and officers' insurance coverage, or any other applicable law;

(vii) Executive's right to enforce the terms of this Agreement; and

(viii) Executive's right to bring to the attention of the Equal Employment Opportunity Commission claims of discrimination; *provided*, *however*, that Executive does release Executive's right to secure any damages for alleged discriminatory treatment.

(c) *Acknowledgement.* In accordance with the Older Workers Benefit Protection Act of 1990, Executive has been advised of the following:

(i) Executive should consult with an attorney before signing this Agreement;

(ii) Executive has been given at least twenty-one (21) days to consider this Agreement;

(iii) Executive has seven (7) days after signing this Agreement to revoke it. If Executive wishes to revoke this Agreement, Executive must deliver notice of Executive's revocation in writing, no later than 5:00 p.m. on the 7th day following Executive's execution of this Release to [_____], email: [_____@_____]. Executive understands that if Executive revokes this Release, it will be null and void in its entirety, and Executive will not be entitled to any payments or benefits provided in the Transition and Separation Agreement, other than as provided in Section 3 thereof.

2. Executive Representations. Executive warrants and represents that (a) Executive has not filed or authorized the filing of any complaints, charges or lawsuits against the Company or any of its affiliates with any governmental agency or court, and that if, unbeknownst to Executive, such a

complaint, charge or lawsuit has been filed on Executive's behalf, Executive will immediately cause it to be withdrawn and dismissed, (b) Executive has been paid all compensation, wages, bonuses, commissions, and/or benefits to which Executive may be entitled and no other compensation, wages, bonuses, commissions and/or benefits are due to Executive, except as provided in Sections 5 of the Transition and Separation Agreement, (c) Executive has no known workplace injuries or occupational diseases and has been provided and/or has not been denied any leave requested under the Family and Medical Leave Act or any similar state law, (d) the execution, delivery and performance of this Release by Executive does not and will not conflict with, breach, violate or cause a default under any agreement, contract or instrument to which Executive is a party or any judgment, order or decree to which Executive is subject, and (e) upon the execution and delivery of this Release by the Company and Executive, this Release will be a valid and binding obligation of Executive, enforceable in accordance with its terms.

3. Maintaining Confidential Information. Executive reaffirms Executive's obligations under the Confidential Information Agreement (as defined in the Transition and Separation Agreement). Executive acknowledges and agrees that the payments and benefits provided in Section 4 of the Transition and Separation Agreement shall be subject to Executive's continued compliance with Executive's obligations under the Confidential Information Agreement.

4. Cooperation With the Company. Executive reaffirms Executive's obligations to cooperate with the Company pursuant to Section 14 of the Transition and Separation Agreement.

5. Severability. The provisions of this Release are severable. If any provision is held to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provision.

6. Choice of Law. This Release shall in all respects be governed and construed in accordance with the laws of the Commonwealth of Massachusetts, including all matters of construction, validity and performance, without regard to conflicts of law principles.

7. Integration Clause. This Release and the Transition and Separation Agreement contain the Parties' entire agreement with regard to the transition and separation of Executive's employment, and supersede and replace any prior agreements as to those matters, whether oral or written. This Release may not be changed or modified, in whole or in part, except by an instrument in writing signed by Executive and the Chief Executive Officer of the Company.

8. Execution in Counterparts. This Release may be executed in counterparts with the same force and effectiveness as though executed in a single document. Facsimile signatures shall have the same force and effectiveness as original signatures.

9. Intent to be Bound. The Parties have carefully read this Release in its entirety; fully understand and agree to its terms and provisions; and intend and agree that it is final and binding on all Parties.

(*Signature page(s) follow*)

IN WITNESS WHEREOF, the undersigned have caused this General Release of Claims to be duly executed and delivered as of the date indicated next to their respective signatures below.

DATED: _____

_____
Elizabeth Grammer

ARDELYX, INC.

DATED: _____

By: _____
Name:
Title:

ARDELYX, INC.
FIFTH AMENDED AND RESTATED
NON-EMPLOYEE DIRECTOR COMPENSATION PROGRAM

Non-employee members of the board of directors (the "***Board***") of Ardelyx, Inc. (the "***Company***") shall be eligible to receive cash and equity compensation as set forth in this Non-Employee Director Compensation Program (this "***Program***"), which was adopted pursuant to the Board's resolutions on May 23, 2014, and amended pursuant to the Board's resolutions on the dates set forth below. The cash and equity compensation described in this Program shall be paid or be made, as applicable, automatically and without further action of the Board, to each member of the Board who is not an employee of the Company or any parent or subsidiary of the Company (each, a "***Non-Employee Director***") who may be eligible to receive such cash or equity compensation, unless such Non-Employee Director declines the receipt of such cash or equity compensation by written notice to the Company. This Program shall remain in effect until it is revised or rescinded by further action of the Board. This Program may be amended, modified or terminated by the Board at any time in its sole discretion. The terms and conditions of this Program shall supersede any prior cash and/or equity compensation arrangements for service as a member of the Board between the Company and any of its Non-Employee Directors. This Program, as amended and restated herein, shall become effective on December 10, 2025 (the "***Effective Date***").

1. Cash Compensation.

(a) Annual Retainers. Each Non-Employee Director shall be eligible to receive an annual retainer of $50,000 for service on the Board.

(b) Additional Annual Retainers. In addition, a Non-Employee Director shall receive the following annual retainers:

(i) Chairman of the Board. A Non-Employee Director serving as Chairman of the Board shall receive an additional annual retainer of $40,000 for such service.

(ii) Audit Committee. A Non-Employee Director serving as Chairperson of the Audit Committee shall receive an additional annual retainer of $20,000 for such service. A Non-Employee Director serving as a member of the Audit Committee (other than the Chairperson) shall receive an additional annual retainer of $10,000 for such service.

(iii) Compensation Committee. A Non-Employee Director serving as Chairperson of the Compensation Committee shall receive an additional annual retainer of $15,000 for such service. A Non-Employee Director serving as a member of the Compensation Committee (other than the Chairperson) shall receive an additional annual retainer of $7,500 for such service.

(iv) Nominating and Corporate Governance Committee. A Non-Employee Director serving as Chairperson of the Nominating and Corporate Governance Committee shall receive an additional annual retainer of $10,000 for such service. A Non-Employee Director serving as a member of the Nominating and Corporate Governance

Committee (other than the Chairperson) shall receive an additional annual retainer of $5,000 for such service.

(c) Payment of Retainers. The annual retainers described in Sections 1(a) and 1(b) (the "***Annual Retainers***") shall be paid by the Company in a single cash lump sum immediately following the Effective Date and on the date of each annual meeting of the Company's stockholders after the Effective Date. In the event a Non-Employee Director is initially elected or appointed to the Board or a committee thereunder on a date other than the date of an annual meeting of the Company's stockholders, the Annual Retainers paid to such Non-Employee Director shall be paid on the date of election or appointment, prorated to reflect the number of months (rounded up to the next whole month) remaining until the next annual meeting of the Company's stockholders.

(d) Election to Receive Restricted Stock Units in Lieu of Annual Retainers.

Non-Employee Directors shall have the ability to elect to receive the Annual Retainers in an award of restricted stock units (a "***Retainer RSU Award***") in lieu of cash pursuant to an election form provided by the Company for such purpose. In the event that a Non-Employee Director timely makes an election to receive the Annual Retainers in Retainer RSU Award in lieu of cash, on the annual meeting of the Company's stockholders, he or she will automatically be granted that number of fully vested restricted stock units calculated by dividing the aggregate amount of the Annual Retainers by the Fair Market Value (as defined in the Equity Plan (as defined below)) of a share of Company common stock on the date of grant, rounded down to the nearest whole restricted stock unit. The Retainer RSU Awards shall be granted under and shall be subject to the terms and provisions of the Company's Amended and Restated 2014 Equity Incentive Award Plan or any other applicable Company equity incentive plan then-maintained by the Company (such plan, as may be amended from time to time, the "***Equity Plan***"). In the event of any inconsistency between the Equity Plan and this Program, the terms of this Program shall control.

(i) Election Method. Each Retainer RSU Election must be submitted to the Company in the form and manner specified by the Board. Non-Employee Directors must complete and deliver the election form to the Company no later than 15 days prior to the next annual meeting of the Company's stockholders, provided, that in the event the Board determines to permit the deferral of Retainer RSU Awards pursuant to Section 2(c), then the election to receive a Retainer RSU Award in lieu of cash must comply with the following timing requirements:

A. Initial Retainer RSU Election. Each Non-Employee Director as of the date deferrals of restricted stock units are first permitted pursuant to Section 2(c) and each individual who first becomes a Non-Employee Director after the date such deferrals are first permitted may make a Retainer RSU Election with respect to the Annual Retainer scheduled to be paid after the Effective Date and in the same calendar year as such date or such individual first becomes a Non-Employee Director (the "***Initial Retainer RSU Election***"). The Initial Retainer RSU Election must be submitted to the Company before the thirtieth day after deferrals of restricted stock units are first permitted or on or before the date that the individual first becomes a Non-Employee Director (the "***Initial Election Deadline***"), and

the Initial Retainer RSU Election shall become final and irrevocable as of the Initial Election Deadline.

B. Annual Retainer RSU Election. No later than December 31 of each calendar year, or such earlier deadline as may be established by the Board, in its discretion (the "***Annual Election Deadline***"), each individual who is a Non-Employee Director as of immediately before the Annual Election Deadline may make a Retainer RSU Election with respect to the Annual Retainer relating to services to be performed in the following calendar year (the "***Annual Retainer RSU Election***"). The Annual Retainer RSU Election must be submitted to the Company on or before the applicable Annual Election Deadline and shall become final and irrevocable for the subsequent calendar year as of the applicable Annual Election Deadline.

2. Equity Compensation. Non-Employee Directors shall be granted the equity awards described below. The awards described below shall be granted under and shall be subject to the terms and provisions of the Equity Plan and shall be granted subject to the execution and delivery of award agreements, including attached exhibits, in substantially the forms previously approved by the Board. All applicable terms of the Equity Plan apply to this Program as if fully set forth herein, and all grants of stock options hereby are subject in all respects to the terms of the Equity Plan. In the event of any inconsistency between the Equity Plan and this Program, the terms of this Program shall control.

(a) Initial Awards. Each Non-Employee Director who is initially elected or appointed to the Board after the Effective Date shall be eligible to receive, on the date of such initial election or appointment, an equity grant comprised of an option to purchase shares of the Company's common stock (the "***Initial Option Award***") and an award of restricted stock units (the "***Initial RSU Award***" and together with the Initial Option Award, the "***Initial Awards***") with the split of the Initial Option Award and Initial RSU Award determined by the Board such that the aggregate grant date Fair Market Value of the Initial Awards is $450,000, but with a maximum number of shares of 200,000 shares of the Company's common stock. No Non-Employee Director shall be granted more than one Initial Award.

(b) Subsequent Awards. A Non-Employee Director who (i) has been serving on the Board for at least six months as of the date of any annual meeting of the Company's stockholders after the Effective Date and (ii) will continue to serve as a Non-Employee Director immediately following such meeting, shall be automatically granted, on the date of such annual meeting, an equity grant comprised of an option to purchase shares of the Company's common stock (the "***Subsequent Option Award***") and an award of restricted stock units (the "***Subsequent RSU Award***" and together with the Subsequent Option Award, the "***Subsequent Awards***") with the split of the Subsequent Option Award and Subsequent RSU Award determined by the Board such that the aggregate grant date Fair Market Value of the Subsequent Awards is $300,000, but covering a maximum of 100,000 shares of the Company's common stock. For the avoidance of doubt, a Non-Employee Director elected for the first time to the Board at an annual meeting of the Company's stockholders shall only receive Initial Awards in connection with such election, and shall not receive any Subsequent Awards on the date of such meeting as well.

(c) Election to Defer Issuances of Restricted Stock Units. The Board may, in its discretion, provide each Non-Employee Director with the opportunity to defer the issuance of the shares underlying the Retainer RSU Awards, Initial RSU Awards, and Subsequent RSU Awards, that would otherwise be issued to the Non-Employee Director in connection with the vesting or grant of the restricted stock units until the earliest of a fixed date properly elected by the Non-Employee Director, the Non-Employee Director's Termination of Service or a Change in Control (each as defined in the Equity Plan). Any such deferral election ("***Deferral Election***") shall be subject to such rules, conditions and procedures as shall be determined by the Board, in its sole discretion, which rules, conditions and procedures shall at all times comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended from time to time, unless otherwise specifically determined by the Board. If an individual elects to defer the delivery of the shares underlying the Retainer RSU Awards, Initial RSU Awards, and Subsequent RSU Awards, settlement of the deferred restricted stock units shall be made in accordance with the terms of the Deferral Election.

(i) Election Method. Each Deferral Election must be submitted to the Company in the form and manner specified by the Board. Deferral Elections must comply with the following timing requirements:

A. Initial Deferral Election. During the thirty-day period immediately following the date the Board first determines to permit deferrals under this Program each Non-Employee Director and, solely in respect of each individual who first becomes a Non-Employee Director after the Effective Date, such Non-Employee Director may make a Deferral Election with respect to the Non-Employee Director's Initial RSU Award, Subsequent RSU Awards and Retainer RSU Awards that otherwise would be granted after the date of such election and in the same calendar year as the date deferrals are first permitted or such individual first becomes a Non-Employee Director (the "***Initial Deferral Election***"). The Initial Deferral Election must be submitted to the Company on or before the Initial Election Deadline, and the Initial Deferral Election shall become final and irrevocable as of the Initial Election Deadline.

B. Annual Deferral Election. No later than the Annual Election Deadline, each individual who is a Non-Employee Director as of immediately before the Annual Election Deadline may make a Deferral Election with respect to the Subsequent RSU Award and Retainer RSU Awards to be granted in the following calendar year (the "***Annual Deferral Election***"). The Annual Deferral Election must be submitted to the Company on or before the applicable Annual Election Deadline and shall become final and irrevocable for the subsequent calendar year as of the applicable Annual Election Deadline.

(d) Termination of Service of Employee Directors. Members of the Board who are employees of the Company or any parent or subsidiary of the Company who subsequently terminate their service with the Company and any parent or subsidiary of the Company and remain on the Board will not receive an Initial Award pursuant to Section 2(a) above, but to the extent that they are otherwise eligible, will be eligible to receive, after termination from service with the Company and any parent or subsidiary of the Company, Subsequent Awards as described in Section 2(b) above.

(e) Terms of Awards Granted to Non-Employee Directors.

(i) Purchase Price. The per share exercise price of each option granted to a Non-Employee Director shall equal the Fair Market Value of a share of common stock on the date the option is granted.

(ii) Vesting. Each Initial Option Award shall vest and become exercisable with respect to 1/36th of the shares subject to the Initial Option Award on each monthly anniversary of the date of grant, subject to the Non-Employee Director continuing in service on the Board through each such vesting date. Each Initial RSU Award shall vest with respect to 1/12th of the shares on each designated Company quarterly vest date following the date of grant, subject to the Non-Employee Director continuing in service on the Board through each such vesting date. Each Subsequent Option Award shall vest and become exercisable with respect to 1/12th of the shares subject to the Subsequent Option Award on each monthly anniversary of the date of grant, which vesting will accelerate in full immediately prior to the next annual meeting of the Company's stockholders after the date of grant to the extent unvested as of such date, subject to the Non-Employee Director continuing in service on the Board through each such vesting date. Each Subsequent RSU Award shall vest with respect to 1/4th of the shares on each designated Company quarterly vest date following the date of grant, subject to the Non-Employee Director continuing in service on the Board through each such vesting date. Unless as otherwise specified herein, no portion of an Initial Award or Subsequent Award which is unvested and/or unexercisable at the time of a Non-Employee Director's termination of service on the Board shall become vested and/or exercisable thereafter. All of a Non-Employee Director's Initial Awards and Subsequent Awards, and any other stock options or other equity-based awards outstanding and held by the Non-Employee Director, shall vest in full immediately prior to the occurrence of a Change in Control, to the extent outstanding at such time.

(iii) Term. The term of each stock option granted to a Non-Employee Director shall be ten (10) years from the date the option is granted.

(iv) Equity Plan. In the event of any inconsistency between the Equity Plan and this Program, the terms of this Program shall control.

3. Reimbursements. The Company shall reimburse each Non-Employee Director for all reasonable, documented, out-of-pocket travel and other business expenses incurred by such Non-Employee Director in the performance of his or her duties to the Company in accordance with the Company's applicable expense reimbursement policies and procedures as in effect from time to time.

* * * * *

Adopted pursuant to Board resolution: May 23, 2014

Amended pursuant to Board resolution:

March 3, 2017; March 14, 2019; March 11, 2021; June 15, 2022; December 5, 2023; January 9, 2025; April 28, 2025 and December 10, 2025

CERTAIN INFORMATION IDENTIFIED BY "[***]" HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE OF INFORMATION THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Exhibit 10.24(a)

Confidential

LICENSE AGREEMENT
BY AND BETWEEN
KYOWA HAKKO KIRIN CO., LTD.
AND
ARDELYX, INC.
November 27, 2017

Confidential

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EXHIBITS

Confidential

LICENSE AGREEMENT

This License Agreement (the "**Agreement**") is entered into as of the November 27, 2017 (the "**Effective Date**") by and between Kyowa Hakko Kirin Co., Ltd., a Japanese corporation with a place of business at 1-9-2 Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan ("**KHK**") and **Ardelyx, Inc.**, a Delaware corporation having its principal place of business at 34175 Ardenwood Boulevard, Fremont, California United States of America 94555 ("**Ardelyx**"). Ardelyx and KHK are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

WHEREAS, KHK is a pharmaceutical company engaged in the research, development and commercialization of products useful in the amelioration, treatment or prevention of human diseases and conditions;

WHEREAS, Ardelyx is a biotechnology company developing a certain proprietary compound known as tenapanor, having the structure set forth on **Exhibit A** for use in the treatment of human diseases and disorders;

WHEREAS, KHK and Ardelyx desire to establish a license agreement for the further development and commercialization of tenapanor (or its back-up compound(s)), with the objective of providing pharmaceutical products to patients derived from application of the expertise of each of Ardelyx and KHK.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I.
DEFINITIONS AND CONSTRUCTION

The following terms shall have the following meanings as used in this Agreement:

Section 1.01 "**Additional Indication**" shall have the meaning assigned in Section 2.07(a).

Section 1.02 "**Additional Patents**" means the Patents listed in **Exhibit C**, and any Patents issuing after the Effective Date in the Territory claiming priority to any such Patents listed on **Exhibit C**.

Section 1.03 "**Affiliate**" means with respect to either Party, any Person controlling, controlled by or under common control with such Party, from time to time and for so long as such control exists. For purposes of this definition of Affiliate, "control" (and, with correlative meanings, the terms "controlled by" and "under common control with") means (a) direct or indirect ownership of more than fifty percent (50%) of the stock or shares having the right to vote for the election of directors of a Person or (b) the possession, directly or indirectly, of the power to direct, or cause the direction of, the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

Section 1.04 "**Annual Net Sales**" means the Net Sales made during any given Calendar Year.

Section 1.05 "**Anti-Corruption Laws**" means the U.S. Foreign Corrupt Practices Act, as amended, the UK Bribery Act 2010, as amended, and any other applicable anti-corruption laws and laws for the prevention of fraud, racketeering, money laundering or terrorism.

Section 1.06 "**Applicable Laws**" means all applicable statutes, ordinances, codes, executive or governmental orders, laws, rules and regulations of any jurisdiction where either Party operates or does business, including without limitation, any rules, regulations, guidelines or other requirements of Regulatory Health Authorities, that may be in effect from time to time.

Section 1.07 "**Ardelyx** [***] **Know-How**" means Know-How that [***]; provided, that, (i) such Know-How is used by [***] a Licensed Compound or a Licensed Product, (ii) such Know-How is [***] for a Licensed Product or Licensed Compound, or (iii) such Know-How [***] a Licensed Product in the Field. Ardelyx [***] Know-How specifically excludes any Excluded Know-How.

Section 1.08 "**Ardelyx** [***] **Patents**" means all Patents that [***] (i) inventions that [***] of a Licensed Compound or a Licensed Product, (ii) [***] for a Licensed Product or Licensed Compound (collectively (i) and (ii) "**Ardelyx** [***]"), or (iii) is [***] a Licensed Product in the Field ("**Ardelyx** [***] **Use Patents**"). Ardelyx [***] Patents specifically excludes Excluded Patents.

Section 1.09 Ardelyx [***] **Technology**" means Ardelyx [***] Know-How and Ardelyx [***] Patents.

Section 1.10 "**Ardelyx Controlled Patents**" shall have the meaning assigned in Section 8.02(a).

Section 1.11 "**Ardelyx Development Data**" means Development Data that (i) Ardelyx or its Affiliates Control as of the Effective Date, or (ii) that comes into the Control of Ardelyx or its Affiliates after the Effective Date, and in the case of each of (i) and (ii), that is necessary or useful to Exploit any Licensed Compound or Licensed Product pursuant to the rights granted to KHK under this Agreement.

Section 1.12 "**Ardelyx Sole Invention Patent**" means any Patent claiming Sole Program Know-How owned solely by Ardelyx or its Affiliates.

Section 1.13 Ardelyx Sole Invention Process and Formulation Patents" means all Ardelyx Sole Invention Patents which claim the Manufacture or formulation of a Licensed Compound or a Licensed Product.

Section 1.14 "**Ardelyx Sole Invention Use Patents**" means all Ardelyx Sole Invention Patents which claim methods for using a Licensed Product in the Field.

Section 1.15 "**Ardelyx Trademark**" shall have the meaning assigned in Section 8.05(a).

Section 1.16 "**Backup Licensed Compounds**" means (i) any compound, other than the Lead Licensed Compound, that is claimed by the Compound Patent(s) and (ii) any [***] of any such compound described in (i) that Ardelyx or its Affiliates may Develop during the Term.

Section 1.17 "**Bankruptcy Code**" means Title 11, United States Code, as amended, or analogous provisions of Applicable Laws outside the United States.

Section 1.18 "**Breaching Party**" shall have the meaning assigned in Section 11.02(a).

Section 1.19 "**Business Day**" means any day other than (a) a Saturday or a Sunday or (b) a day on which commercial banking institutions are authorized or required by Applicable Laws to be closed in New York City, New York or in Japan.

Section 1.20 "**Calendar Quarter**" means each successive period of three (3) consecutive calendar months commencing on 1st January, 1st April, 1st July and 1st October.

Section 1.21 "**Calendar Year**" means each successive period of twelve (12) consecutive calendar months commencing on 1st January.

Section 1.22 "**Clinical Trials**" means any clinical study of a pharmaceutical product on human subjects to assess the dosing, safety and/or efficacy of such pharmaceutical product, including but not limited to phase 1 clinical trials, phase 2 clinical trials and phase 3 clinical trials and, if imposed by the Regulatory Authorities as a condition to Regulatory Approval, phase 4 clinical trials. For the avoidance of doubt, post-marketing surveillance clinical studies are not Clinical Trials.

Section 1.23 "**Combination Product**" means a product in form suitable for human or animal applications containing a Licensed Compound as an active ingredient and containing one or more other active ingredients, that is sold either as a fixed dose or as separate doses in a single package; provided, that if any other active ingredient is Controlled by Ardelyx and is not a Licensed Compound, it is understood that KHK is not being granted any license under any Intellectual Property Rights to Exploit such other active ingredient.

Section 1.24 "**Commercialization**" means all activities undertaken relating to the import, marketing, promotion, pricing and reimbursement, detailing, medical education and medical liaison activities, shipping, handling, offering for sale and selling, customer service and support of a Licensed Product, advertising, education, planning, marketing, promotion, distribution, market and product support, and post-marketing surveillance.

Section 1.25 "**Commercialization Plan**" shall have the meaning assigned in Section 3.05.

Section 1.26 "**Commercialize**" means the conduct of Commercialization activities.

Section 1.27 "**Commercially Reasonable Efforts**" means the efforts and resources typically used by pharmaceutical companies to perform the obligations at issue, which efforts shall not be less than those efforts made or resources expended by the performing Party with respect to other products owned by it or to which it has similar rights, which product is at a similar stage of

development or product life and is of similar market and commercial potential, taking into account [***] efficacy, safety, the competitiveness of the market place, the proprietary position of the products, the regulatory structure involved, the profitability of the applicable products [***].

Section 1.28 "[***]" shall have the meaning assigned in [***].

Section 1.29 "**Comparable Licensed Product**" shall have the meaning assigned in Section 6.05.

Section 1.30 "**Compound Patents**" means the Patents listed in **Exhibit B**, and any Patents issuing after the Effective Date in the Territory claiming priority to any such Patents listed on **Exhibit B**.

Section 1.31 "**Confidential Information**" means nonpublic information and materials (including Information) of a Party that is disclosed or furnished in connection with this Agreement (whether oral or in writing or in any other form) by or on behalf of such Party to the other Party, its Affiliates or any of its designees before, on or after the Effective Date. Except as otherwise expressly provided in this Agreement. Ardelyx Development Data shall be the Confidential Information solely of Ardelyx and KHK Development Data shall be the Confidential Information solely of KHK. Joint Know-How and the terms and conditions of this Agreement shall be the Confidential Information jointly of the Parties.

Section 1.32 "**Control**" means, with respect to an item of Know-How, Patent or other Intellectual Property Rights, the ability and authority of a Party or its Affiliates, whether arising by ownership, possession, or pursuant to a license or sublicense, to grant licenses, sublicenses, or other rights to the other Party under or to such item of Know-How, Patent or Intellectual Property Rights as provided for in this Agreement without breaching the terms of any agreement between such Party and any Third Party.

Section 1.33 "**Cost of Goods**" means amounts [***], as the case may be, in all cases recorded in accordance with GAAP, wherein any estimates of the components of cost of goods that are adjusted in accordance with GAAP after invoicing KHK shall be provided in the following invoice with appropriate explanation as to the reason for the adjustment of estimates.

Section 1.34 "**Develop**" means the conduct of Development activities.

Section 1.35 "**Development**" means all activities relating to obtaining Regulatory Approval of a Licensed Product, Licensed Product line extensions, alternative delivery systems and new indications therefor, and all activities relating to developing the ability to Manufacture the same. This includes, for example, (a) nonclinical testing, toxicology, formulation, clinical studies, and regulatory affairs, (b) manufacturing process development for finished forms of Licensed Products, CMC drug product development and manufacturing and quality assurance technical support activities prior to the First Commercial Sale of a Licensed Product anywhere in the Territory and (c) the conduct of advisory boards with relevant experts, e.g. clinical experts or payer representatives. Development shall [***]. For the avoidance of doubt, Development in the Territory includes all activities relating to obtaining Regulatory Approval of the Licensed Product in the Field in the Territory, such as nonclinical and clinical studies and any CMC drug product development that may be necessary for the Territory, as well as conducting *in vitro*, *in vivo* or *in*

silico studies for the purposes of determining which indication to pursue or of supporting Commercialization of the Licensed Product in the Field in the Territory.

Section 1.36 "**Development API Supply**" shall have the meaning assigned in Section 5.01(a).

Section 1.37 "**Development Data**" means any and all research data, pharmacology data, chemistry, manufacturing and control data, nonclinical data, clinical data and all other documentation (including raw data).

Section 1.38 "**Development Plan**" shall have the meaning assigned in Section 3.04.

Section 1.39 "**Development Product Supply**" shall have the meaning assigned in Section 5.01(a).

Section 1.40 "[***]" shall have the meaning assigned in [***].

Section 1.41 "**Distributor**" shall have the meaning assigned in Section 2.03.

Section 1.42 "**Drug Approval Application**" means an application for Regulatory Approval required before commercial sale or use of a Licensed Product as a drug in a regulatory jurisdiction.

Section 1.43 "**Effective Date**" shall have the meaning assigned in the first paragraph of this Agreement.

Section 1.44 "**Excluded Know-How**" means Know-How related to Ardelyx's proprietary platform technology known as Ardelyx Primary Enterocyte and Colonocyte Culture System.

Section 1.45 "**Excluded Patents**" means any Patents claiming aspects of Ardelyx's proprietary platform technology known as Ardelyx Primary Enterocyte and Colonocyte Culture System.

Section 1.46 "**Exploit**" means to Develop, Manufacture, have Manufactured, Commercialize a product or process.

Section 1.47 "**Exploitation**" means the act of Exploiting a product or process.

Section 1.48 "**FDA**" means the United States Food and Drug Administration or any successor thereto.

Section 1.49 "**FFDCA**" means the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301, et seq., as amended from time to time.

Section 1.50 "**Field**" means the treatment of any cardiorenal diseases and conditions, but excluding cancer.

Section 1.51 "**Filing**" means, with respect to a submission to a Regulatory Health Authority, the date that such submission is confirmed to have been received by the relevant Regulatory Health Authority.

Section 1.52 "**First Commercial Sale**" means, with respect to any Licensed Product, the first *bona fide* arm's length sale for monetary value by KHK, its Affiliates, or its Sublicensees to a Third Party of such Licensed Product in the Territory; provided, however, that in no event shall any sale or distribution of a Licensed Product for use in a Clinical Trial or any sampling or similar uses or any sales prior to receipt of all Regulatory Approvals necessary to commence regular commercial sales be deemed a First Commercial Sale.

Section 1.53 "**FTE**" means a full time equivalent person year of eighteen hundred and eighty (1,880) hours of scientific, technical or operational work (excluding administrative services).

Section 1.54 "**GAAP**" means United States Generally Accepted Accounting Principles, consistently applied.

Section 1.55 "**GCP**" or "**Good Clinical Practices**" means the current standards, practices and procedures for clinical trials for pharmaceuticals, as set forth in the United States Code of Federal Regulations, ICH guidelines and applicable regulations, laws or rules as promulgated thereunder, as amended from time to time, and such comparable standards, practices and procedures promulgated by any Regulatory Authority in the Territory.

Section 1.56 "**Generic Product**" means with respect to a Licensed Product in the Territory a product (a) that is sold in the Territory by a Third Party who is not a Sublicensee or a Distributor selling such product under authorization from KHK or its Affiliates, (b) that has received Regulatory Approval necessary for sale in the Territory, (c) that [***] and (d) that contains as the active ingredient the same compound (or, solely for products that are described by subsection (c)(ii), an equivalent salt thereof), as is contained in such Licensed Product.

Section 1.57 "**GLP**" or "**Good Laboratory Practices**" means good laboratory practices required under the regulations set forth in 21 C.F.R. Part 58, as in effect during the Term, and the requirements thereunder imposed by the FDA, and the equivalent practices promulgated by any Regulatory Authority in any jurisdiction.

Section 1.58 "**GMP**" or "**Good Manufacturing Practices**" means the current good manufacturing practices required under the applicable regulations set forth in 21 C.F.R. Subchapter C (Drugs) and Subchapter H (Medical Devices), including without limitation Parts 210–211, 808, 812, and 820, and the requirements thereunder imposed by the FDA, the EU/PIC guidelines (and the corresponding national laws and regulations), and the laws, regulations, guidelines, guidance, pharmaceutical industry standards and requirements in force that apply to the Manufacture of each Licensed Compound or Licensed Product in any jurisdiction, all as amended from time to time.

Section 1.59 "**Government Official**" means any Person employed by or acting on behalf of a Governmental Body, government-controlled entity or public international organization.

Section 1.60 "**Governmental Body**" means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or entity and any court or other tribunal); or (d) self-regulatory organization (including the NASDAQ Global Market and the NASDAQ Global Select Market).

Section 1.61 "**IND**" means an Investigational New Drug application or the equivalent filed with or submitted to the relevant Regulatory Health Authority, including, for example, the FDA, for authorization to commence human clinical trials.

Section 1.62 "**Indirect Taxes**" means value added taxes, sales taxes, consumption taxes and other similar taxes.

Section 1.63 "**Information**" means (a) Development Data necessary or useful to Exploit the Licensed Compounds and/or Licensed Products, and (b) Know-How, other than Development Data, necessary or useful to Exploit the Licensed Compounds and/or Licensed Products.

Section 1.64 "**Initial Delivery of Development Data and Regulatory Documentation**" shall have the meaning assigned in Section 2.04(a).

Section 1.65 "**Initial Indication**" means [***].

Section 1.66 "**Intellectual Property Rights**" or "**IPR**" means Patents, Trademarks, service marks, Know-How, trade names, registered designs, design rights, copyrights (including rights in computer software), domain names, database rights and any rights or property similar to any of the foregoing in any part of the world, whether registered or not, together with the right to apply for the registration of any such rights.

Section 1.67 "**Joint Know-How**" shall have the meaning assigned in Section 8.01(a).

Section 1.68 "**Joint Patent**" means any Patent claiming any invention within the Joint Know-How.

Section 1.69 "Joint Project Team" means the committee described in Section 3.08.

Section 1.70 "**Joint Technology**" means collectively, Joint Patents and Joint Know-How.

Section 1.71 "**KHK** [***] **Know-How**" means Know-How (a) that [***]; provided, that, (i) such Know-How is used by [***] a Licensed Compound or a Licensed Product, (ii) such Know-How is [***] for a Licensed Product or Licensed Compound, or (ii) such Know-How [***] a Licensed Product.

Section 1.72 "**KHK** [***] **Patents**" means all Patents (a) that [***]; provided, that, such Patents claim (i) inventions that [***] a Licensed Compound or a Licensed Product, (ii) [***] for

a Licensed Product or Licensed Compound (collectively, "**KHK** [***]"), or (iii) is [***] a Licensed Product ("**KHK** [***] **Patents**").

Section 1.73 "**KHK** [***] **Technology**" means KHK [***] Know-How and KHK [***] Patents.

Section 1.74 "**KHK Development Data**" means any Development Data that comes into and under the Control of KHK or its Affiliates after the Effective Date that is necessary or useful to Exploit any Licensed Compound and/or Licensed Product outside the Territory or within the Territory and outside the Field.

Section 1.75 "**KHK Sole Invention Patent**" means any Patent claiming Sole Program Know-How owned solely by KHK.

Section 1.76 "**KHK Triggered Termination**" shall have the meaning assigned in Section 11.03.

Section 1.77 "**Know-How**" means all inventions, discoveries, data, information (including scientific, technical or regulatory information), trade secrets, processes, means, methods, practices, formulae, instructions, procedures, techniques, materials, technology, results, analyses, designs, drawings, computer programs, apparatuses, specifications, technical assistance, laboratory, nonclinical and clinical data (including laboratory notes and notebooks), and other material or know-how, in written, electronic or any other form, whether or not confidential, proprietary or patentable, including without limitation: development technology; biology, chemistry, pharmacology, toxicology, drug stability, Manufacturing and formulation, test procedures, synthesis, purification and isolation techniques, quality control data and information, methodologies and techniques; information regarding clinical and nonclinical safety and efficacy studies, including study designs and protocols, marketing studies, absorption, distribution, metabolism and excretion studies; assays and biological methodology.

Section 1.78 "**Knowledge**" means the good faith understanding of the officers of Ardelyx and its Affiliates, [***]. For clarity, for purposes of the representations and warranties set forth in Section 9.01(b), "**Knowledge**" will not include obligations to conduct any special searches or analyses such as, but not limited to, any analysis of Ardelyx's freedom to operate with respect to Patents relevant to Licensed Compounds or Licensed Products.

Section 1.79 "**Lead Licensed Compound**" means the compound of Ardelyx, known as tenapanor, having the structure set forth on **Exhibit A**, and any [***] of such compound.

Section 1.80 "**Lead Licensed Product**" means a Licensed Product containing the Lead Licensed Compound as an active ingredient.

Section 1.81 "**Licensed Compounds**" means the Lead Licensed Compound and any and all Backup Licensed Compounds.

Section 1.82 "**Licensed Know-How**" means (a) Know-How that Ardelyx or its Affiliates Control as of the Effective Date and (b) Sole Program Know-How owned by Ardelyx; provided that, such Know-How is necessary or useful to Exploit any Licensed Compound and/or Licensed

Product pursuant to the terms and conditions of this Agreement. Licensed Know-How specifically excludes the Ardelyx [***] Know-How and the Excluded Know-How.

Section 1.83 "**Licensed Patents**" means (a) the Compound Patents, (b) the Additional Patents, and (c) all Ardelyx Sole Invention Patents; provided that in the case of (b) and (c) above, such Patents claim any inventions necessary or useful for the Exploitation of the Licensed Compounds and/or Licensed Products pursuant to the terms and conditions of this Agreement. Licensed Patents exclude Ardelyx [***] Patents and the Excluded Patents.

Section 1.84 "**Licensed Product**" means any and all pharmaceutical preparations, compositions and formulations in forms suitable for human applications containing a Licensed Compound as an active ingredient.

Section 1.85 "**Licensed Technology**" means all Licensed Patents and Licensed Know-How.

Section 1.86 "**Losses**" means any and all direct or indirect liabilities, claims, actions, damages, losses or expenses, including interest, penalties, and reasonable lawyers' fees and disbursements. In calculating Losses, the legal duty to mitigate on the part of the Party suffering the Loss shall be taken into account.

Section 1.87 "**Manufacture**" or "**Manufacturing**" means activities in connection with the synthesis, manufacture, processing, formulating, testing (including, without limitation quality control, quality assurance, lot release testing, and development of any relevant analytical methods), bulk packaging or storage and delivery of Licensed Compound or Licensed Product.

Section 1.88 "**Manufacturing Option**" shall have the meaning assigned in Section 5.04.

Section 1.89 "**Material Anti-Corruption Law Violation**" means a violation of an Anti-Corruption Law relating to the subject matter of this Agreement which would, if it were publicly known, be reasonably expected to have a material adverse effect on the Party committing such violation or on the reputation of the other Party because of its relationship with the Party committing such violation.

Section 1.90 "**Materials**" means compounds, compositions of matter, intermediates or assays necessary or useful for the Development, Manufacture or Commercialization of Licensed Compounds or Licensed Products.

Section 1.91 "**Net Sales**" means the gross amount invoiced by a Party, its Affiliate and Sublicensees for sales of Licensed Products to a Third Party (including Distributors but excluding, for the avoidance of doubt, Sublicensees) less deductions for the following:

(a) customary trade, quantity discounts, including cash, settlement discounts, or chargebacks actually granted, allowed, or incurred in the ordinary course of business in connection with the sale of the Licensed Products;

(b) credits to customers, not in excess of the selling price of the Licensed Products, on account of defects, rejection, recalls, or return of the Licensed Products;

(c) Distributors' fees, rebates, or allowances actually granted or allowed, including without limitation government and managed care rebates;

(d) Indirect Taxes and excise taxes or customs duties paid by the selling entity and any other governmental charges imposed upon the sale; importation, use or distribution of the Licensed Products; and

(e) transportation costs, distribution expenses, special packaging and related insurance charges actually incurred.

Section 1.92 "**NHE-3**" means [***].

Section 1.93 "**Non-Breaching Party**" shall have the meaning assigned in Section 11.02(a).

Section 1.94 "**Other Ingredients**" shall have the meaning assigned in Section 6.05.

Section 1.95 "**Party Representatives**" shall have the meaning assigned in Section 9.04(a).

Section 1.96 "**Patent**" means (a) all national, regional and international patents and patent applications, including provisional patent applications, (b) all patent applications filed either from such patents, patent applications or provisional applications or from an application claiming priority from any of these, including divisionals, continuations, continuations-in-part, provisionals, converted provisionals, and continued prosecution applications, (c) any and all patents that have issued or in the future issue from the foregoing patent applications ((a) and (b)), including utility models, petty patents and design patents and certificates of invention, (d) any and all extensions or restorations by existing or future extension or restoration mechanisms, including revalidations, reissues, re-examinations and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications ((a), (b) and (c)), and (e) any similar rights, including so-called pipeline protection, or any importation, revalidation, confirmation or introduction patent or registration patent or patent of additions to any such foregoing patent applications and patents.

Section 1.97 "**Payments**" shall have the meaning assigned in Section 6.08.

Section 1.98 "**Person**" means any individual, sole proprietorship, corporation, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other similar entity or organization, including a government or political subdivision, department or agency of a government.

Section 1.99 "**Phase 2 Clinical Trial**" means any clinical study that is not intended to be used as a Pivotal Study for purposes of seeking Regulatory Approval and that is conducted on human patients who have the relevant disease or condition with primary endpoints to establish the efficacy of a Licensed Product for its intended use and to define warnings, precautions, and adverse reactions that may be associated with the pharmaceutical product in the dosage range to be prescribed. "Phase 2 Clinical Trial" shall include without limitation any clinical trial that would satisfy requirements of 21 C.F.R. § 312.21(b).

Section 1.100 "**Pivotal Trial**" or "**Pivotal Clinical Study**" means a randomized, well-controlled, appropriately powered pivotal human clinical study or studies as defined in 21 C.F.R. § 312.21(c), as amended, or its equivalent, as appropriate, in foreign jurisdictions, the results of which, if the pre-defined endpoints are met, are intended to provide data necessary to support Regulatory Approval for a Licensed Product in a particular country.

Section 1.101 "**Product Trademark**" shall have the meaning assigned in Section 8.05(a).

Section 1.102 "**Regulatory Approval**" means any and all approvals (including without limitation pricing and reimbursement approvals), product or establishment licenses, registrations, or authorizations of any regional, federal, state, or local Regulatory Health Authority, department, bureau, or other governmental entity, necessary to commercially distribute, sell or market a Licensed Product in a regulatory jurisdiction, including, where applicable, (a) pricing or reimbursement approval in such jurisdiction, (b) pre- and post-approval marketing authorizations (including any prerequisite Manufacturing approval or authorization related thereto), (c) labeling approval and (d) technical, medical and scientific licenses.

Section 1.103 "**Regulatory Authority**" means any court or government body, whether national, supra-national, federal, state, local, foreign or provincial, including any political subdivision thereof, including any department, commission, board, bureau, agency, or other regulatory or administrative governmental authority or instrumentality, and further including any quasi-governmental Person or entity exercising the functions of any of these.

Section 1.104 "**Regulatory Documentation**" means all applications, registrations, licenses, authorizations and approvals, all correspondence submitted to or received from Regulatory Health Authorities (including minutes and official contact reports relating to any communications with any Regulatory Health Authority) and all supporting documents, including documentation arising in the course of all clinical studies and tests, in each case relating to any Licensed Compounds or Licensed Products, including all INDs, Regulatory Approvals, regulatory drug lists, advertising and promotion documents, adverse event files and complaint files.

Section 1.105 "**Regulatory Exclusivity**" means any exclusive marketing rights or data exclusivity rights conferred by any Regulatory Health Authority in the Territory with respect to a Licensed Product other than Patents.

Section 1.106 "**Regulatory Health Authority**" means any applicable national (for example, FDA or Japan's Pharmaceuticals and Medical Devices Agency), supra-national, regional, state, provincial or local regulatory health authority, department, bureau, commission, council, or other government entity regulating or otherwise exercising authority with respect to the Exploitation of Licensed Compounds or Licensed Products in the Territory pursuant to the terms and conditions of this Agreement, including any such entity involved in the granting of Regulatory Approval for pharmaceutical products.

Section 1.107 "**Review Period**" shall have the meaning assigned in Section 7.08.

Section 1.108 "**Safety Agreement**" shall have the meaning assigned in Section 4.06.

Section 1.109 "**Senior Executives**" means (a) the Chief Executive Officer of Ardelyx and (b) the Chief Executive Officer of KHK or, in either case, an individual nominated by the relevant Chief Executive Officer.

Section 1.110 "**Sole Invention Patent**" means any Patent claiming any invention within the Sole Program Know-How.

Section 1.111 "**Sole Program Know-How**" shall have the meaning assigned in Section 8.01(a).

Section 1.112 "**Specifications**" means the specifications applicable to the Manufacture, packaging and labeling of Licensed Compound or Licensed Products in effect at a given time.

Section 1.113 "**Sublicensee**" shall have the meaning assigned in Section 2.02.

Section 1.114 "**Tax**" or "**Taxation**" means any form of tax or taxation, levy, duty, charge, social security charge, contribution or withholding of whatever nature (including any related fine, penalty, surcharge or interest) imposed by, or payable to, a Tax Authority.

Section 1.115 "**Tax Authority**" means any government, state or municipality, or any local, state, federal or other fiscal, revenue, customs, or excise authority, body or official anywhere in the world, authorized to levy Tax.

Section 1.116 "**Term**" shall have the meaning assigned in Section 11.01.

Section 1.117 "**Territory**" means Japan.

Section 1.118 "**Third Party**" means any Person other than Ardelyx or KHK, or their respective Affiliates.

Section 1.119 "**Third Party Claims**" shall have the meaning assigned in Section 12.01(a).

Section 1.120 "**Third Party Compensation**" shall have the meaning assigned in Section 6.04(e).

Section 1.121 "**Trademark**" means any registered trademark, application for registration thereof, trade name, service mark, service name, brand, domain name, trade dress, logo, slogan or other indicia of origin or ownership, including the goodwill and activities associated with each of the foregoing.

Section 1.122 "**Transfer Price**" means (i) with respect to Lead Licensed Compound, Lead Licensed Product, and placebo supplied by Ardelyx for KHK's [***], (ii) with respect to Lead Licensed Compound, Lead Licensed Product supplied by Ardelyx for KHK's [***] and (iii) with respect to Materials and any other physical materials that KHK requests that Ardelyx deliver and which Ardelyx agrees to deliver which are supplied by Ardelyx to KHK during the Term, [***].

Section 1.123 "**Valid Claim**" means (a) a claim of an issued and unexpired Patent within the Licensed Patents, Ardelyx [***] Patents, Joint Patents, or [***] covering a method of using

the Licensed Product as applicable, that has not been held unpatentable, invalid, or unenforceable by a court or other government agency of competent jurisdiction in an unappealable decision or has not been admitted to be invalid or unenforceable through reissue, re-examination, disclaimer, or otherwise or (b) a claim of a pending patent application within the Licensed Patents, Ardelyx [***] Patents, Joints Patents or [***] covering a method of using the Licensed Product, as applicable, which patent application has not been abandoned, finally rejected or expired without the possibility of appeal or re-filing. For purposes hereof, a claim in a patent application that has not been granted within [***] ([***]) years of the priority date for such claim shall not be considered to be a Valid Claim unless and until such claim issues thereafter such that it is included in subsection (a).

Section 1.124 "**Written Disclosure**" shall have the meaning assigned in Section 10.02.

Section 1.125 Construction. Except where the context requires otherwise, whenever used in this Agreement, the singular includes the plural, the plural includes the singular, the use of any gender is applicable to all genders and the word "**or**" has the inclusive meaning represented by the phrase "**and/or**". Whenever this Agreement refers to a number of days, unless otherwise specified, such number refers to calendar days. The term "**including**" or "**includes**" as used in this Agreement means including, without limiting the generality of any description preceding such term. The article, section, and subsection headings contained in this Agreement are for the purposes of convenience only and are not intended to define or limit the contents of such articles, sections, and subsections. The wording of this Agreement shall be deemed to be the wording mutually chosen by the Parties and no rule of strict construction shall be applied against any Party.

ARTICLE II.
GRANT OF RIGHTS AND LICENSES; EXCLUSIVITY

Section 2.01 Licenses to KHK.

(a) Subject to the terms of this Agreement, Ardelyx grants to KHK an exclusive right and license (including with regard to Ardelyx and its Affiliates, except with respect to the retained rights set forth in Section 2.05 below) under the (A) Licensed Technology, (B) Ardelyx's rights in the Joint Technology and (C) Ardelyx [***] Technology to (i) Develop, have Developed, Commercialize (but not Manufacture), have Commercialized (but not have Manufactured), import, and otherwise use the Licensed Products in Field in the Territory, and (ii) Manufacture, have Manufactured, package and have packaged the Licensed Products (but not the Licensed Compound) within or outside of the Territory, in the case of (i) and (ii), for the sole purpose of Developing and Commercializing Licensed Products, in each case in the Field and in the Territory.

(b) Effective as of the exercise of the Manufacturing Option under Section 5.04 Ardelyx hereby grants to KHK a non-exclusive license under the (i) Licensed Technology, (ii) Ardelyx's rights in the Joint Technology, and (iii) Ardelyx [***] Technology to Manufacture and to have Manufactured Lead Licensed Compound within or outside of the Territory, for the sole purpose of Developing and Commercializing Licensed Products in the Field and in the Territory. Effective as KHK's assumption of responsibility for the Manufacture of Licensed Compound (other than the Lead Licensed Compound) under Section 5.07, Ardelyx hereby grants to KHK a non-exclusive license under the (i) Licensed Technology, (ii) Ardelyx's rights in the Joint

Technology, and (iii) Ardelyx [***] Technology to Manufacture and to have Manufactured Licensed Compound (other than the Lead Licensed Compound) within or outside of the Territory, for the sole purpose of Developing and Commercializing Licensed Products in the Field and in the Territory.

(c) Ardelyx [***] (i) cause each of its licensees to grant back to Ardelyx, with a right to sublicense KHK without additional consideration [***] (A) Know-How that arises under [***] agreement with Ardelyx and such licensee; provided that such Know-How embodies or relates to [***] ("**Ardelyx Licensee** [***] **Know-How**") and (B) Patents that arise under [***] agreement between Ardelyx and such licensee; provided that such Patents claim [***], ("**Ardelyx Licensee** [***] **Patent**") (collectively (A) and (B), "**Ardelyx Licensee** [***] **Technology**") and (ii) [***] cause each of its licensees to grant back to Ardelyx, with a right to sublicense KHK without additional consideration [***] (A) Know-How that arises under [***] agreement with Ardelyx and such licensee; provided that [***] or [***] Know-How that arises under [***] agreement with Ardelyx and such licensee and that [***] ("**Ardelyx Licensee** [***] **Know-How**"), and (B) Patents that arise under [***] agreement between Ardelyx and such licensee; provided that such Patents claim the Ardelyx Licensee [***] Know-How ("**Ardelyx Licensee** [***] **Patents**") (collectively, (A) and (B), "**Ardelyx Licensee** [***] **Technology**"). [***] For clarity, Ardelyx Licensee [***] Know-How and Ardelyx Licensee [***] Patents are included in the [***] and in the [***], respectively. To the extent that Ardelyx has obtained a license, with the right to sublicense KHK without additional consideration to the Ardelyx Licensee [***] Know-How and the Ardelyx Licensee [***] Patents, the Ardelyx Licensee [***] Know-How and the Ardelyx Licensee [***] Patents are included in [***], and [***], respectively.

Section 2.02 Sublicenses.

(a) KHK shall have the right to grant sublicenses, through multiple tiers of sublicenses, under the licenses granted to KHK hereunder, to its Affiliates, and to any other Person with the prior written consent of Ardelyx, such consent not to be unreasonably withheld, delayed or conditioned. Notwithstanding the above, to the extent that KHK is unsuccessful, under Section 2.02(c) in obtaining from its Sublicensee, [***], a grant back to KHK, with a right to sublicense Ardelyx without additional consideration, of the KHK Sublicensee [***] Technology, KHK shall not have the right to grant such Sublicensee a sublicense under any Ardelyx [***], or under any Ardelyx [***] Know-How that Ardelyx, its Affiliates or licensees is using [***].

(b) Where KHK or its Affiliates grants such sublicense to a Person that is not an Affiliate of KHK, and such Person is not a Distributor, such Person shall be a "**Sublicensee**" for the purposes of this Agreement, and any Person to which a Sublicensee grants a further sublicense shall also be a Sublicensee; provided, however, that any Person that (i) is granted a sublicense under a license granted to KHK pursuant to Section 2.01 solely to enable such Person to provide Development services or contract manufacturing services for KHK, its Affiliates or Sublicensees and (ii) does not have the right to distribute, market or sell the Licensed Products shall not be a "**Sublicensee**" for purposes of this Agreement. KHK, its Affiliates and its Sublicensees shall ensure that all Persons to which they grant sublicenses comply with all terms and conditions of this Agreement. KHK shall remain liable for any action or failure to act by any Sublicensee, or any other Party that is granted a sublicense under the licenses granted in Section 2.01 by KHK, its Affiliates or its Sublicensees, if such action or failure to act by the Sublicensee, or other sublicensee,

would have constituted a breach of this Agreement if such action or failure were committed by KHK.

(c) KHK [***] (i) cause each of its Sublicensees to grant back to KHK, with a right to sublicense Ardelyx without additional consideration [***] (A) Know-How that arises under [***] agreement with KHK and such Sublicensee; provided that such Know-How embodies or relates to [***] ("**KHK Sublicensee** [***] **Know-How**") and (B) Patents that arise under [***] agreement between KHK and such Sublicensee; provided that such Patents claim [***]**,** ("**KHK Sublicensee** [***] **Patents**") (collectively (A) and (B), "**KHK Sublicensee** [***] **Technology**") and (ii) [***] cause each of its Sublicensees to grant back to KHK, with a right to sublicense Ardelyx without additional consideration [***] (A) Know-How that arises under [***] agreement with KHK and such Sublicensee; provided that [***] or [***] Know-How that arises under [***] agreement with KHK and such Sublicensee and that [***] ("**KHK Sublicensee** [***] **Know-How**"), and (B) Patents that arise under [***] agreement between KHK and such Sublicensee; provided that such Patents claim the KHK Sublicensee [***] Know-How ("**KHK Sublicensee** [***] **Patents**") (collectively, (A) and (B), "**KHK Sublicensee** [***] **Technology**"). For clarity, KHK Sublicensee [***] Know-How and KHK Sublicensee [***] Patents are included in KHK [***] Know-How and KHK [***] Patents, respectively. To the extent that KHK has obtained a license, with the right to sublicense Ardelyx without additional consideration, to the KHK Sublicensee [***] Know-How and the KHK Sublicensee [***] Patents, the KHK Sublicensee [***] Know-How and the KHK Sublicensee [***] Patents are included in KHK [***] Know-How, and KHK [***] Patents, respectively.

Section 2.03 Distributorships. KHK, its Affiliates and its Sublicensees shall have the right, in their sole discretion, to appoint any other Persons in the Territory to distribute, market and sell the Licensed Products, with or without packaging rights. In circumstances where such appointed Person purchases its requirements of Licensed Products from KHK, its Affiliates or its Sublicensees, but does not otherwise make any royalty or other payment to KHK, its Affiliates or its Sublicensees with respect to Intellectual Property Rights, and where such Person is not an Affiliate of KHK and neither KHK nor any of its Affiliates shares in the profits from, or has an equivalent interest in the proceeds from, the sale of Licensed Products by such Person, that Person shall be a "**Distributor**" for purposes of this Agreement. The term "packaging rights" in this Section 2.03 shall mean the right for the Distributor to package Licensed Products supplied in unpackaged bulk form into individual ready-for-sale packs. KHK shall remain liable for any action or failure to act by the Distributor, if such action or failure to act by the Distributor would have constituted a breach of this Agreement if such action or failure were committed by KHK.

Section 2.04 Provision of Development Data, Regulatory Documentation and Assistance.

(a) In the furtherance of the rights and licenses granted by Ardelyx to KHK under this Agreement, as soon as reasonably practicable, Ardelyx shall furnish [***], to KHK a data package in electronic format that shall include Development Data and Regulatory Documentation described on **Exhibit D** (the "**Initial Delivery of Development Data and Regulatory Documentation**"). Ardelyx shall, [***] provide KHK with the Initial Delivery of Development Data and Regulatory Documentation electronically in the formats of (i) CDISC (Clinical Data Interchange Standards

Consortium), and (ii) additionally, other formats, if any, in which Ardelyx files such data with the FDA.

(b) During the Term, [***], (i) as soon as reasonably practicable following request by KHK, Ardelyx shall provide KHK with copies of [***] additional Ardelyx Development Data and Regulatory Documentation specifically requested by KHK that [***] would be necessary or useful to Develop, Manufacture or Commercialize Licensed Products in the Field in the Territory, and (ii) as soon as reasonably practicable, Ardelyx shall disclose Ardelyx [***] Know-How and Sole Program Know-How that comes to Ardelyx's Control (or that are reasonably requested by KHK) and that have not previously been provided to KHK by Ardelyx. Subject to, and limited by, the provisions of Section 2.01(c) above relating specifically to Ardelyx's obligations with respect to Ardelyx Licensee [***] Technology and Ardelyx Licensee [***] Technology, Ardelyx shall (A) obtain rights and licenses from its licensees, research and clinical partners or other Third Parties with which Ardelyx conducts Development or Manufacturing with respect to the Licensed Compound and/or Licensed Product to grant Ardelyx such rights and licenses as necessary to enable Ardelyx to comply with the obligations set forth in this Section 2.04(b).

(c) During the Term, [***], (i) as soon as reasonably practicable following request by Ardelyx, KHK shall provide Ardelyx with copies of KHK Development Data and Regulatory Documentation specifically requested by Ardelyx and that [***] would be necessary or useful to Develop, Manufacture or Commercialize Licensed Products outside of the Territory, or outside of the Field in the Territory, and (ii) as soon as reasonably practicable, KHK shall disclose KHK [***] Technology and Sole Program Know-How that comes to KHK's Control (or that are reasonably requested by Ardelyx) and that have not previously been provided to Ardelyx by KHK. Subject to, and limited by, the provisions of Section 2.02(c) above relating specifically to KHK's obligations with respect to KHK Sublicensee [***] Technology and KHK Sublicensee [***] Technology, KHK shall obtain rights and licenses from KHK's Sublicensees, research and clinical partners or other Third Parties with which KHK conducts Development or Manufacturing with respect to the Licensed Compound and/or Licensed Product to grant KHK such rights and licenses as necessary to enable KHK to comply with the obligations set forth in this Section 2.04(c).

(d) [***], KHK, its Affiliates and its Sublicensees shall have the right to reference Regulatory Documentation of Licensed Products for the Initial Indication and any Additional Indication, to the extent such Regulatory Documentation are Controlled by Ardelyx, its Affiliates or licensees (including any future licensees), in connection with any Regulatory Approval that KHK or its Affiliates or Sublicensees may seek for Exploitation of Licensed Products in the Initial Indication and any Additional Indication in Field and in the Territory.

(e) [***], Ardelyx, its Affiliates and its licensees shall have the right to reference Regulatory Documentation for Licensed Products for the Initial Indication and any Additional Indication, to the extent such Regulatory Documentation are Controlled by KHK or its Affiliates or Sublicensees, in connection with any Regulatory Approvals that Ardelyx, its Affiliates or licensees (including those in the future) may seek for use of Licensed Products in the Initial Indication and any Additional Indication outside of the Territory, or outside of the Field in the Territory.

(f) In addition to the foregoing Section 2.04(a), Section 2.04(b) and Section 2.04(d), Ardelyx shall provide to KHK reasonable assistance as KHK may request in order to assist KHK in obtaining Regulatory Approval for the Licensed Product in the Territory; provided, however, that KHK shall (i) [***] and (ii) in the event that Ardelyx is required to spend any FTE hours in supporting KHK under this Section 2.04(f) for any purpose, including [***] KHK shall reimburse Ardelyx for such FTE hours spent by Ardelyx pursuant to this Section 2.04(f) at a rate of US $[***] annually or an hourly rate of US $[***]. Notwithstanding the foregoing, until KHK, its Affiliates or Sublicensees obtain Regulatory Approval for the Lead Licensed Product in the Territory, Ardelyx shall, [***] maintain or cause its contract manufacturing organizations and contract research organizations to maintain Ardelyx Development Data for the Licensed Product consisting of GMP, GCP and GLP data that Ardelyx is required to file with the FDA in order to obtain Regulatory Approval in the United States, and Ardelyx shall [***] of any such Ardelyx Development Data in connection with any Regulatory Documentation for the Lead Licensed Product. If any such GLP, GCP or GMP Ardelyx Development Data that Ardelyx is required to file with the FDA in order to obtain Regulatory Approval for the Lead Licensed Product in the United States is missing, destroyed or cannot be traced and any additional Clinical Trials or nonclinical studies are required to be conducted by KHK, its Affiliates or Sublicensees as a result thereof, the Parties shall discuss in good faith the possibility of [***].

Section 2.05 Rights Retained by Ardelyx. Notwithstanding the foregoing, Ardelyx retains the right under (i) the Licensed Technology, (ii) Ardelyx's rights in the Joint Technology and (iii) Ardelyx [***] Technology to Exploit the Licensed Compounds and the Licensed Products outside the Field and/or outside the Territory and to conduct any other activities expressly assigned to Ardelyx under this Agreement, including the Manufacturing of the Licensed Compound and the Lead Licensed Products.

Section 2.06 License to Ardelyx. KHK grants to Ardelyx an exclusive, fully paid, royalty free, sublicensable, irrevocable license under the KHK [***] Technology, any Sole Program Know-How owned by KHK, the KHK Sole Invention Patents, and KHK's interest in the Joint Technology to Exploit the Licensed Compounds and Licensed Products outside the Field and/or outside the Territory. Notwithstanding the above, [***].

Section 2.07 Additional Indication Development.

(a) If either Party, its Affiliates or licensees (or Sublicensees, in the case of KHK) elect to Develop a Licensed Product in the Field pursuant to the terms of this Agreement for an indication other than the Initial Indication ("**Additional Indication**"), and such Party (the "**Initiating Party**") conducts a Phase 2 Clinical Trial for such Additional Indication outside of the Territory in the case of Ardelyx or in the Territory in the case of KHK, the Party conducting such Phase 2 Clinical Trial shall share any and all Development Data generated therefrom ("**Phase 2 Data**") with the other Party (the "**Responding Party**"). Such Phase 2 Data shall be deemed Ardelyx Development Data if generated by Ardelyx, its Affiliates or licensees, or KHK Development Data if generated by KHK, its Affiliates or Sublicensees. Following the delivery of the Phase 2 Data, the Parties shall discuss in good faith whether to proceed with a Pivotal Clinical Study for the Additional Indication that would include both clinical sites in the Territory and clinical sites outside of the Territory, and such decision shall occur within the time frame presented by the Initiating Party when the Phase 2 Data is presented to the Responding Party, which time

frame shall be no more than [***] ([***]) days after the delivery of the Phase 2 Data unless the Parties shall agree otherwise. For clarity, (i) neither Party shall be obligated to proceed with a Pivotal Clinical Study regardless of whether it is the Initiating Party or the Responding Party, (ii) KHK, its Affiliates or its Sublicensees shall not be obligated to include any clinical sites outside of the Territory if KHK is the Initiating Party, and (iii) Ardelyx, its Affiliates or its licensees shall not be obligated to include any clinical sites within the Territory if Ardelyx is the Initiating Party. Should the Parties determine to proceed collaboratively with a Pivotal Clinical Study that includes both clinical sites in the Territory and clinical sites outside of the Territory, the mechanism set out in Sections 2.07(b) and 2.07(c) below shall apply.

(b) If Ardelyx is the Initiating Party and Ardelyx and KHK agree to proceed with a global Pivotal Clinical Study that includes both clinical sites in the Territory and clinical sites outside of the Territory, [***] shall [***] attributable to [***]. Either Party, and their respective Affiliates, licensees and Sublicensees, may use the data generated by the global Pivotal Clinical Study at no cost for the purposes of any regulatory submission in the Territory (in the case of KHK, its Affiliates and Sublicensees) or outside the Territory (in the case of Ardelyx, its Affiliates or licensees). KHK shall pay relevant milestone payments to the extent that the Additional Indication triggers milestone payments, as well as any applicable royalties and sales milestones. In the event that the Parties determine not to proceed with a global Pivotal Clinical Study that includes both clinical sites in the Territory and clinical sites outside of the Territory, Ardelyx may proceed with a Pivotal Clinical Study at its own cost outside the Territory without including clinical sites in the Territory**.** KHK, its Affiliates or Sublicensees may elect to pursue the Additional Indication by conducting a Pivotal Clinical Study or a bridging study at its own cost in the Territory. KHK shall pay relevant milestone payments to the extent that the Additional Indication triggers milestone payments, as well as any applicable royalties and sales milestones. Either Party, and their respective Affiliates, licensees and Sublicensees may use the data generated by the other Party (Ardelyx Development Data if generated by Ardelyx and KHK Development Data if generated by KHK) at no cost for the purposes of any regulatory submission in the Territory (in the case of KHK, its Affiliates and Sublicensees) or outside of the Territory (in the case of Ardelyx, its Affiliates or licensees),

(c) If KHK is the Initiating Party, and KHK and Ardelyx agree to proceed with a global Pivotal Clinical Study that includes both clinical sites in the Territory and clinical sites outside of the Territory, [***] shall [***] attributable to [***]. Either Party, and their respective Affiliates, licensees and Sublicensees, as the case may be, may use the data generated by the global Pivotal Clinical Study at no cost for the purposes of any regulatory submission in the Territory (in the case of KHK, its Affiliates or Sublicensees) or outside the Territory (in the case of Ardelyx, its Affiliates or licensees). KHK shall pay relevant milestone payments to the extent that the Additional Indication triggers such milestone payment, as well as any applicable royalties and sales milestones. In the event that the Parties determine not to proceed with a global Pivotal Clinical Study that includes both clinical sites in the Territory and clinical sites outside of the Territory, KHK may proceed with a Pivotal Clinical Study at its own cost, in the Territory. KHK shall pay relevant milestone payments to the extent that the Additional Indication triggers such milestones, as well as any applicable royalties and sales milestones. Ardelyx, its Affiliates or licensees may elect to pursue the Additional Indication by conducting its own Pivotal Clinical Study outside the Territory at Ardelyx's cost. In such circumstances, KHK may pursue the Additional Indication by conducting a bridging study in the Territory at its own cost. Either Party, and their respective

Affiliates, licensees and Sublicensees, may use the data generated by the other Party (Ardelyx Development Data if generated by Ardelyx and KHK Development Data if generated by KHK) at no cost for the purposes of any regulatory submission in the Territory (in the case of KHK, its Affiliates and Sublicensees) or outside the Territory (in the case of Ardelyx, its Affiliates or licensees).

Section 2.08 No Implied Rights. This Agreement confers no right, license, or interest by implication, estoppel, or otherwise under any Patents, Know-How, or other Intellectual Property Rights of either Party except as expressly set forth in this Agreement. Each Party hereby expressly retains and reserves all rights and interests with respect to Patents, Know-How, or other Intellectual Property Rights not expressly granted to the other Party hereunder. Without limiting the generality of the foregoing, no license or other rights are granted to KHK under this Agreement to any compounds claimed or disclosed in any Ardelyx [***] Patents or any Licensed Patents, other than the Lead Licensed Compound and the Backup Licensed Compounds.

Section 2.09 Exclusivity Term. KHK's exclusive licenses granted under Section 2.01, shall expire with respect to each separate Licensed Product on the date when KHK's obligation to pay royalties with respect to such Licensed Product expires pursuant to Section 6.04(d). Upon expiry of KHK's exclusive licenses with respect to a Licensed Product in the Territory, KHK's licenses with respect to such Licensed Product in the Territory shall become non-exclusive, fully paid-up, perpetual and irrevocable and the Net Sales of such Licensed Product in the Territory shall be excluded from the royalty and sales milestone calculations under Section 6.04 (including the thresholds and ceilings). KHK and its Affiliates and Sublicensees shall be allowed to continue exercising KHK's rights under the licenses granted in Section 2.01 with respect to such Licensed Product on a non-exclusive basis in the Territory with no further consideration to Ardelyx.

Section 2.10 Right of First Negotiation for Licensed Products Outside of the Field.

(a) Ardelyx hereby grants to KHK the exclusive right of first negotiation as set forth in this Section 2.10 with respect to the grant of rights to Develop and/or Commercialize outside of the Field in the Territory a Licensed Compound that is being Developed or Commercialized by KHK, its Affiliates or Sublicensees ("**ROFN Licensed Product**") in the Field in the Territory.

(b) During the Term, if Ardelyx decides to (i) Develop and/or Commercialize a ROFN Licensed Product outside of the Field in the Territory, or to grant a Third Party a license under the Licensed Technology, Ardelyx's rights in the Joint Technology and/or Ardelyx [***] Technology to Develop and/or Commercialize such ROFN Licensed Product outside of the Field in the Territory ("**Ardelyx License**"), Ardelyx shall notify KHK in writing, and shall provide to KHK [***] information regarding the Development and/or Commercialization activities undertaken by Ardelyx with respect to the ROFN Licensed Product [***]. KHK shall have [***] ([***]) days from receipt of such written notice to notify Ardelyx in writing if KHK would like to exercise its right of first negotiation with respect to the ROFN Licensed Product. Upon any exercise by KHK of such right, the Parties shall enter into exclusive good faith negotiations for a period of up to [***] ([***]) days ("**Negotiation Period**") (unless extended upon mutual agreement of the parties) regarding the terms and conditions of a definitive agreement.

(c) If (i) Ardelyx and KHK cannot reach mutually agreeable terms and conditions of an Ardelyx License during the Negotiation Period, (ii) the Parties otherwise mutually agree in writing to terminate negotiations, or (iii) KHK fails to exercise its right of first negotiation within the [***] ([***]) day period set forth in Section 2.10(b) (or KHK indicates in writing that it elects not to exercise such right), then Ardelyx shall be free to Develop and/or Commercialize the ROFN Licensed Product in the Territory outside of the Field or negotiate and enter into an Ardelyx License with a Third Party; provided that, upon written request from KHK, Ardelyx shall use or cause its Third Party licensee to use Commercially Reasonable Efforts to [***] that is [***] at the expiration or termination of the Negotiation Period, [***]. Further, Ardelyx shall not, and shall cause its Third Party licensee not to, Commercialize the ROFN Licensed Product using [***] at the expiration or termination of the Negotiation Period pursuant to the terms and conditions of this Agreement.

Section 2.11 Right of First Negotiation New NHE3 Inhibitors

(a) In the event that Ardelyx, its Affiliates or licensee generates [***] a NHE3 inhibitor that is owned by Ardelyx but is not a Licensed Compound, and such [***] was conducted to evaluate the use of the NHE3 inhibitor to treat a [***] (the "**Licensed Product Indication**") at the time that Ardelyx completes the [***] (as documented in the most recent Development Plan or Commercialization Plan delivered to the SC prior to the completion of Ardelyx's [***]), then such NHE3 inhibitor shall be a **"ROFN New Product**." For clarity, if KHK elects to [***] after the time that Ardelyx completes the [***], then the NHE3 inhibitor shall not be a ROFN New Product.

(b) Ardelyx hereby grants to KHK the exclusive right of first negotiation as set forth in this Section 2.11 with respect to the grant of rights to Develop and/or Commercialize a ROFN New Product in the Territory for the Licensed Product Indication.

(c) During the Term, if Ardelyx decides to (i) Develop and/or Commercialize a ROFN New Product in the Territory for the Licensed Product Indication, or to grant a Third Party a license to Develop and/or Commercialize such ROFN New Product in the Territory for the Licensed Product Indication, ("Ardelyx NHE3 License"), Ardelyx shall notify KHK in writing, and shall provide to KHK [***] information regarding the Development and/or Commercialization activities undertaken by Ardelyx with respect to the ROFN New Product [***]. KHK shall have [***] ([***]) days from receipt of such written notice to notify Ardelyx in writing if KHK would like to exercise its right of first negotiation with respect to the ROFN New Product. Upon any exercise by KHK of such right, the Parties shall enter into exclusive good faith negotiations for a period of up to [***] ([***]) days ("Negotiation Period") (unless extended upon mutual agreement of the parties) regarding the terms and conditions of a definitive agreement.

(d) If (i) Ardelyx and KHK cannot reach mutually agreeable terms and conditions of an Ardelyx NHE3 License during the Negotiation Period, (ii) the Parties otherwise mutually agree in writing to terminate negotiations, or (iii) KHK fails to exercise its right of first negotiation within the [***] ([***]) day period set forth in Section 2.11(c) (or KHK indicates in writing that it elects not to exercise such right), then Ardelyx shall be free to Develop and/or Commercialize the ROFN New Product in the Territory or negotiate and enter into an Ardelyx NHE3 License with a Third Party.

Section 2.12 Exclusivity Covenant.

(a) During the period starting on the Effective Date and continuing until [***] (such period being the "**Covenant Period 1**"), KHK, its Affiliates and Sublicensees shall not, except as otherwise expressly permitted in this Agreement, either by themselves or through a Third Party, [***]. If this Agreement is terminated as a result of a [***]), then for the purpose of this Section 2.12(a), the Covenant Period 1 shall expire on the [***] ([***]) anniversary of the effective date of the [***].

(b) During the period starting on the Effective Date and continuing until the earlier to occur of (i) [***] and (ii) [***] (such period being the "**Covenant Period 2**"), KHK, its Affiliates and Sublicensees shall not, except as otherwise expressly permitted in this Agreement, either by themselves or through a Third Party, [***]. If this Agreement is terminated as a result of a [***], then for the purpose of this Section 2.12(b), the Covenant Period 2 shall expire on the [***] ([***]) anniversary of the effective date of the [***], unless the Covenant Period 2 has expired prior to such date by reason of the expiry or termination of the Agreement.

(c) During Covenant Period 1, Ardelyx, its Affiliates and each of its licensees shall not, except as otherwise expressly permitted in this Agreement, either by themselves or through a Third Party, [***].

(d) Notwithstanding the aforesaid, neither Party's (nor that of its Affiliates') direct or indirect acquisition of or merger with, in whole or in part, a Person (or group of companies) or the business of a Person (or group of companies) having any activity contravening the covenants set forth above in this Section 2.12, shall constitute a breach of such covenants by the Party, if, [***] the Party either (i) provides the other Party with written notice of its, or its Affiliates', as the case may be, [***] or (ii) in the case of KHK, exercises its right to terminate this Agreement pursuant to Section 11.02(b)(i), in which case such termination shall be effective [***] **(**[***]**)** days after Ardelyx's receipt of a written notice of termination from KHK. In the event that a Party provides a written notice of its or its Affiliates' [***] pursuant to the above, then (X) such the Party shall (or, as the case may be, cause its relevant Affiliate to) diligently pursue [***] and in any case, [***] under which the relevant business was acquired, and (Y) neither the Party nor its Affiliates, as the case may be, shall [***]. KHK shall, notwithstanding anything to the contrary in this Section 2.12(d), at all times continue to be obligated to use Commercially Reasonable Efforts to Develop or Commercialize Licensed Products in accordance with its obligations under and subject to Section 4.03.

(e) The words [***] and all variations thereof included in this Section 2.12 with reference to products discussed in this Section 2.12 shall include the activities described in the [***], but with such activities being with respect to such products described in this Section 2.12 rather than with respect to Licensed Product as set forth in the definition.

(f) The Parties agree that the restrictions contained in this Section 2.12 are reasonable and necessary for the protection of the Parties' and their Affiliates' respective Confidential Information and business, that such restrictions are reasonable in all the circumstances and that the Parties would not have entered into this Agreement without the protections afforded to them under this Section 2.12.

ARTICLE III.
COLLABORATION GOVERNANCE; DEVELOPMENT AND COMMERCIALIZATION PLANS

Section 3.01 Steering Committee. Ardelyx and KHK shall establish a steering committee in accordance with this Article III (the "**SC**"). The SC shall remain in effect from the Effective Date through the Term. The SC shall serve as a forum for discussing and sharing Information in accordance with this Agreement and discussing strategy regarding the Development and Commercialization of the Licensed Products, among other activities.

Section 3.02 Composition of the SC. Each Party shall appoint [***] ([***]) representatives as its voting members of the SC. The first meeting of the SC shall be held within [***] ([***]) days of the Effective Date. The SC shall be chaired by a representative of [***]. The chairperson shall be responsible for calling meetings, setting the agenda, circulating the agenda at least [***] ([***]) days prior to each meeting and distributing minutes of the meetings within [***] ([***]) days following such meetings (provided that the chairperson may elect to delegate the performance of its responsibilities to other members of the SC from time to time), but shall not otherwise have any greater power or authority than any other member of the SC. Alliance Managers shall coordinate to schedule the subsequent SC meetings and the date for each subsequent SC meeting shall be established at least [***] ([***]) months in advance of the scheduled meeting, or – with regard to meetings that are called for on shorter notice – as early as reasonably practicable in advance of such meeting. Each Party shall disclose to the chairperson any proposed agenda items, along with appropriate Information at least [***] ([***]) Business Days in advance of each meeting of the SC. With respect to the first members of the SC selected by each Party, at least one (1) member selected by Ardelyx and one (1) member selected by KHK shall have [***], and all of the members of the SC shall have such expertise as appropriate to the activities of the SC. Each Party may replace its members of the SC upon written notice to the other Party and shall replace its members as the expertise required by the SC changes over time and as the Licensed Products advance through Development and Commercialization. From time to time, the SC may invite non-voting personnel of either Party having formulation, Manufacturing, Commercialization, marketing or other expertise to participate in discussions of the SC. Up to one (1) alternate voting member designated by a Party may serve temporarily in the absence of a permanent voting member appointed by such Party, and either Party may also designate one or more non-voting consultants to such Party who are under written obligations of confidentiality to such Party as SC observers who may attend the SC meetings in an observational capacity only.

Section 3.03 Responsibilities of the SC. The SC's responsibilities shall include, among others, the following:

(a) reviewing and discussing each Development Plan, and each Commercialization Plan and any amendments thereto;

(b) reviewing KHK's progress under each Development Plan and Commercialization Plan;

(c) facilitating the exchange of Information and regulatory strategies between the Parties with respect to the Development of the Licensed Product both in the Territory and outside the Territory as well as both in the Field and outside the Field; and

(d) discussing such other matters as the Parties mutually agree to discuss at the SC.

Section 3.04 Development Plans. Following the Effective Date, KHK shall prepare the draft Development Plan and hold consultations with PMDA to finalize the draft Development Plan (the finalized plan, as amended from time to time in accordance with this Agreement being the "**Development Plan**"). The finalization of the draft Development Plan shall be effected by KHK within [***] ([***]) months after the issuance of the minutes of the final consultations with PMDA. During the Term, KHK shall consult with Ardelyx while finalizing each Development Plan and shall take into consideration any reasonable concerns of Ardelyx in finalizing each such Development Plan. Any material deviations from the draft Development Plan and from each Development Plan including, but not limited to, [***] shall be reviewed and discussed at SC. Other than as set forth in Section 3.07, and notwithstanding that [***] agrees to consider in good faith all reasonable concerns of [***] with respect to each Development Plan and all material changes thereto, [***] shall have the final decision making authority with respect to each Development Plan.

Section 3.05 Commercialization Plans. The planned activities regarding Commercialization of the Licensed Product in the Field in the Territory to be conducted by KHK shall be set out in a commercialization plan. KHK shall present an initial commercialization plan to the SC within [***] ([***]) months after [***] (the initial commercialization plan, as amended from time to time in accordance with this Agreement, being the "**Commercialization Plan**." The Commercialization Plan shall consist of non-binding sales forecasts and planned promotional activities. The initial Commercialization Plan shall include the following, among other things, [***]. KHK shall provide an annual update of the Commercialization Plan every December that covers the following calendar year until the SC shall unanimously determine that such annual updates are no longer required. [***] shall consider in good faith all reasonable concerns of [***] with respect to each Commercialization Plan, and all material changes thereto. However, other than as set forth in Section 3.07 below, [***] shall have the final decision making authority with respect to each Commercialization Plan.

Section 3.06 Meetings of the SC. The SC shall hold meetings at such times and places as shall be determined by a majority of the entire membership of the committee, but in no event, shall such meetings be held less frequently than once [***] ([***]) [***] through the first [***] ([***]) years following the First Commercial Sale of a Licensed Product in the Territory. Meetings of the SC shall alternate between the offices of the Parties, unless otherwise agreed upon by the members of the SC, or may be held via internet, telephonically or by videoconference; provided that at least [***] ([***]) meetings per year shall be held in person until [***] ([***]) years following the First Commercial Sale of a Licensed Product in the Territory. Thereafter, the SC may determine how frequently to require meetings of the SC and how frequently to require in person meetings of the SC. Meetings of the SC shall be effective if at least [***] ([***]) representatives of each Party are in attendance or participating in the meeting. Each Party shall be responsible for the expenses incurred in connection with its employees, consultants and its members of the SC attending or otherwise participating in SC meetings.

Section 3.07 SC Decision Making. The SC shall make decisions within its remit only by [***]. The presence of [***] ([***]) SC members representing each Party shall constitute a quorum. In the event that [***] on a matter before it for decision within [***] ([***]) days after the matter was first considered by it, then [***] shall have the final decision making authority except for decisions that (i) [***]; or (ii) [***], with respect to which decisions, [***] shall have the right to refer such matter to the Senior Executives, who shall meet (in person, via internet, telephonically or by videoconference) and attempt to resolve the matter within [***] ([***]) days of such referral. If Senior Executives of the Parties are unable to reach an agreement, the Parties shall follow the procedures as set forth in Article XIII. Notwithstanding that the Development Plans and the Commercialization Plans are to be presented to the SC without a formal approval by SC, if (i) [***]; or (ii) [***], then [***] shall have the right to refer such matter to the Senior Executives, who shall meet (in person, via internet, telephonically or by videoconference) and attempt to resolve the matter within [***] ([***]) days of such referral. If Senior Executives of the Parties are unable to reach an agreement, the Parties shall follow the procedures as set forth in Article XIII.

Section 3.08 Joint Project Team. As a subcommittee of the Steering Committee, the Parties shall establish a Joint Project Team (the "**JPT**"). The JPT shall remain in effect as from the Effective Date and continue in effect until such time as the Parties shall mutually determine that the JPT is no longer necessary. The JPT shall serve as a joint working group for the purpose of implementing the Development Plan, coordinating the practical aspects of the Parties' collaboration under this Agreement, handling day-to-day issues in relation thereto, facilitating communication between the Parties in respect thereof and otherwise performing such specific tasks as may be assigned to it by the SC. The JPT shall consist of two project leaders, one appointed by KHK and the other by Ardelyx, and such additional members as each Party may appoint from time to time as necessary or useful for the performance of the JPT's responsibilities hereunder. Each Party shall have the right to withdraw or replace its JPT representatives upon written notice to the other Party, provided that any such substitute representative shall have substantially the equivalent position and experience as the representative that such person replaces, and further provided that replacements for the Parties' respective project leaders shall be subject to the prior written consent of the other Party, such consent not to be unreasonably withheld, delayed or conditioned. Each Party shall bear its own expenses of its JPT members related to such members' participation on the JPT.

Section 3.09 Alliance Managers. As soon as practicable after the Effective Date, each Party shall appoint a representative to act as its alliance manager under this Agreement (the "**Alliance Manager**"). The Alliance Managers shall serve as the key contact point between the Parties. A Party may replace its Alliance Manager at any time by providing written notice to the other Party.

ARTICLE IV.
GENERAL PROVISIONS ON DEVELOPMENT AND COMMERCIALIZATION;

Section 4.01 Record Keeping. Each Party shall maintain, or cause to be maintained, records of its activities under this Agreement in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes in accordance with Applicable Laws.

Section 4.02 Conduct of Certain Development Activities. Subject to Section 2.07, any clinical trial(s) and other Development studies that are commenced after the Effective Date to support Regulatory Approval of Licensed Products in the Field in the Territory shall be conducted solely by KHK, at [***]. Subject to Section 2.07, any clinical trial(s) and other Development studies commenced after the Effective Date to support Regulatory Approval of Licensed Products outside the Field and/or outside the Territory shall be conducted solely by Ardelyx, at Ardelyx's sole expense. [***].

Section 4.03 Diligence Obligations

(a) KHK shall use Commercially Reasonable Efforts at its own cost and expense to carry out its activities under this Agreement to develop (including to seek Regulatory Approval in the Territory), Manufacture (as set forth herein) and Commercialize the Lead Licensed Product in the Territory [***]. KHK shall act reasonably in preparing the Development Plan and Commercialization Plan, and any amendments thereto. For purposes of this Section 4.03(a) the Parties agree that in order to be deemed to have utilized Commercially Reasonable Efforts carrying out its activities under this Agreement, KHK shall, at a minimum, meet the timelines and objectives set forth below:

(i) [***] within [***] ([***]) months after [***];

(ii) [***] on or before [***] ([***]) months following [***], provided that [***] (A) [***] and (B) [***];

(iii) [***] within [***] ([***]) months after [***];

(iv) [***] within [***] ([***]) months after [***], as long as [***];

(v) [***] such that [***] of which [***] in the Territory within [***] ([***]) months [***]; and

(vi) [***] such that it [***] in the Territory for [***] ([***]) years [***].

(b) If Ardelyx believes that KHK may be in material breach of its obligations under Section 4.03(a), then Ardelyx may exercise its rights under Section 13.02(a) or proceed directly to exercise its rights under Section 11.02(a).

Section 4.04 Reports of Development Activities. KHK shall report on the Development activities of the Licensed Product undertaken by it in accordance with the Development Plan at each meeting of the SC or at such other intervals as may be set forth in the Development Plan. The Development reports shall include a reasonably detailed summary of all results, data and material inventions, if any, obtained from such Development activities. In addition, KHK shall, at its own expense, make appropriate scientific or regulatory personnel available to Ardelyx, either by telephone or in person as the Parties may mutually agree, as reasonably required to keep Ardelyx informed of Development activities conducted by KHK.

Section 4.05 Regulatory Matters

(a) KHK shall have the responsibility of preparing, filing and submitting all regulatory filings related to the Licensed Compounds and Licensed Products with the Regulatory Health Authority in the Territory for any indication in the Field pursued by KHK, including all applications for Regulatory Approval. Ardelyx shall provide [***] Development Data relating to the Manufacturing of the Licensed Compound and Licensed Product [***]. [***] shall be responsible for filing a Drug Master File, or any similar document, unless KHK is required in its Drug Approval Application to provide Information relating to the Manufacture of the Licensed Compound and Licensed Product [***], and [***] to provide such information to KHK. In such case, [***], shall file a Drug Master File, or any similar document to support KHK's Drug Approval Application. KHK shall own any and all applications for Regulatory Approvals, the Regulatory Approvals, and other regulatory filings related to the Licensed Compounds and Licensed Products, which shall be held in the name of KHK. Such regulatory filings shall include, in the format required by the applicable Regulatory Health Authorities, the data and information required to be submitted to such Regulatory Health Authorities for Regulatory Approval of the Licensed Products for the indication in the Field pursued by KHK in the Territory. KHK shall, subject to the conditions and within the limitations set forth in Section 4.03(a), use Commercially Reasonable Efforts to obtain Regulatory Approval for Licensed Products [***] in the Territory. Upon request by KHK, Ardelyx shall use Commercially Reasonable Efforts to assist KHK in seeking and obtaining Regulatory Approvals for the Licensed Products, including without limitation: (i) [***]; (ii) [***]; (iii) [***]; and (iv) [***]. Notwithstanding the above, Ardelyx's obligation in (iv) above, shall be limited to [***], and within [***] ([***]) days following the [***], KHK shall provide Ardelyx with [***]. [***]. As set forth in Section 2.04(f), KHK shall (i) [***], and (ii) in the event that Ardelyx is required to spend any FTE hours in supporting KHK under this Section 4.05(a) [***], KHK shall reimburse Ardelyx for the additional FTE hours spent by Ardelyx under this Section 4.05(a) at a rate of US $[***] per FTE and with an hourly FTE basis of $US [***] per hour).

(b) During the Term, KHK shall report to Ardelyx regarding the status of each pending or proposed IND equivalent application or Drug Approval Application covering a Licensed Product in the Territory.

(c) KHK shall notify Ardelyx of any request for [***] and KHK shall allow [***]. The foregoing shall apply with respect to [***]. KHK shall as soon as reasonably practicable furnish Ardelyx with copies of all substantive correspondence KHK has had with any Regulatory Health Authority, and contact reports concerning substantive conversations or substantive meetings with any Regulatory Health Authority, in each case relating to any such IND equivalent or Drug Approval Application.

Section 4.06 Adverse Event Reporting and Product Recall.

(a) Each Party agrees to provide the other Party with the necessary safety information required by Regulatory Health Authorities to comply with Applicable Laws. Ardelyx shall hold the safety database for the Licensed Compounds and the Licensed Products and KHK shall provide safety information as required by Applicable Laws, in a timely manner. As promptly as possible following the Effective Date, but no later than the commencement of the first clinical trial by KHK in the Territory, the Parties shall enter into a detailed safety agreement (the "**Safety Agreement**"),

governing, among other things, appropriate adverse event reporting procedures relating to Licensed Products and reflecting the provisions set forth above in this Section 4.06.

(b) In the event that any government agency or authority issues or requests a recall or takes similar action in connection with the Licensed Compounds or the Licensed Products, or in the event either Party determines that an event, incident or circumstance has occurred that may result in the need for a recall or market withdrawal, the Party notified of or desiring such recall or market withdrawal shall promptly advise the other Party thereof.

Section 4.07 General Provisions Regarding Commercialization. KHK shall control and perform, itself or through its Affiliates, Sublicensees or Distributors, the Commercialization of all Licensed Products in the Field throughout the Territory and, as a result, shall, subject to the conditions and within the limitations set forth in Section 4.03(a), be obligated and responsible for using Commercially Reasonable Efforts to carry out each Commercialization Plan. For the avoidance of doubt KHK (or, as the case may be, its Affiliates or Sublicensees) shall book all of their sales of each Licensed Product, coordinate the Manufacture and supply of all Licensed Products (but not Licensed Compounds) required for Commercialization, invoice Third Parties (including Distributors) that purchase Licensed Products from KHK (or its Affiliates or Sublicensees), and collect payment for all Licensed Products sold by KHK (or its Affiliates or Sublicensees). Except to the extent otherwise described in this Agreement, KHK shall be solely responsible for, and shall bear all costs relating to, the Commercialization of the Licensed Products in the Territory. With respect to Commercialization of Licensed Products, such Commercialization shall be conducted independently of Ardelyx by KHK, its Affiliates and Sublicenses.

ARTICLE V.
MANUFACTURE AND SUPPLY

Section 5.01 Supply.

(a) Ardelyx shall be responsible for supplying the Lead Licensed Compound for use in the Development and Regulatory Approval of the Licensed Products under this Agreement (the "**Development API Supply**") as well as Materials. The Parties have agreed to the quantities of and timing for delivery of initial quantities of Development API Supply and Materials as described on **Exhibit E**. Ardelyx shall also be responsible for supplying the Lead Licensed Product and placebos for KHK's Development activities hereunder, and the Parties have agreed to the quantity and delivery time as described in **Exhibit F** (the "**Development Product Supply**"). The Parties acknowledge that KHK may request changes to the timing and quantities set forth on Exhibit E and Exhibit F from time to time following the consultations with PMDA, and Ardelyx shall use Commercially Reasonable Effort to comply with such changes in Development API Supply or Development Product Supply. All Development API Supply, Materials and Development Product Supply delivered to KHK for Development purposes prior to such time as the first Licensed Product has received Regulatory Approval shall be at the [***] Price (but with regard to the Materials at the Transfer Price as set out in Section 1.122 (iii)). Ardelyx shall use Commercially Reasonable Efforts to deliver the Development API Supply and the Development Product Supply required by KHK and agreed to by Ardelyx. KHK shall use Commercially Reasonable Efforts to Develop a process for the Manufacture of the Lead Licensed Product and to scale up or scale down

that process to Manufacture and supply the Lead Licensed Product in such volumes as reasonably take into account the anticipated demand for the Lead Licensed Product for use in the Field throughout the Territory. KHK shall use Commercially Reasonable Efforts to make necessary filings to obtain, or to cause a Third Party Manufacturer of the Lead Licensed Product to make necessary filings to obtain, Regulatory Approval for the Manufacture of the Lead Licensed Product.

(b) Ardelyx shall be responsible for: (i) supplying the Lead Licensed Compound for use in the Commercialization of the Licensed Products under this Agreement (the "**Commercial API Supply**"); and (ii) [***]. Ardelyx shall continue to supply Lead Licensed Product to KHK for Commercialization until such time as KHK assumes responsibility for such supply hereunder ("**Temporary Commercial Product Supply**"). Commercial API Supply and Temporary Commercial Product Supply shall be delivered to KHK at the [***] Price. Additionally, any Development API Supply and Development Product Supply delivered to KHK for Development that is to be conducted after the Regulatory Approval has been received for the first Licensed Product shall be delivered to KHK at the [***] Price.

(c) The Parties agree and acknowledge that a separate manufacturing and supply agreement ("**MSA**") is required to be entered into between the Parties to further govern the supply obligations undertaken by Ardelyx hereunder. The Parties shall also enter into a separate Quality Assurance Agreement ("**QAA**") that shall define the manufacturing and supply quality responsibilities of the Parties for the Lead Licensed Compound and the Lead Licensed Product. Notwithstanding foregoing, if Ardelyx has a contract manufacturing organization Manufacture the Lead Licensed Compound or the Lead Licensed Product, Ardelyx shall cause such contract manufacturing organization to be a party to the QAA if required by Applicable Law. The MSA and the QAA shall be negotiated in good faith between the Parties and shall be executed as promptly as possible following the Effective Date. The Parties' objective is that the MSA and the QAA for Development API Supply and Development Product Supply shall be entered into as soon as possible and within [***] ([***]) days of the Effective Date. The MSA and QAA for Commercial API Supply and Temporary Commercial Product Supply, if needed, shall be entered into at least [***] ([***]) month prior to the date of the expected Regulatory Approval of the Licensed Product in the Territory.

(d) When KHK's obligation to pay a royalty under Section 6.04 expires with respect to a Licensed Product, unless KHK has exercised the Manufacturing Option, at the option of [***], one of the following shall occur:

(i) [***];

(ii) [***]; or

(iii) [***].

Section 5.02 Development Work. In the event that Ardelyx is required to engage in any Development activities [***] for the purposes of (i) [***], (ii) [***], and (iii) [***], then in any such event KHK shall reimburse Ardelyx for [***] (calculated on an FTE basis of US $[***] per

FTE and with an hourly FTE basis of $US [***] per hour) and [***] incurred by Ardelyx in connection with completing such Development work.

Section 5.03 Technology Transfer. The SC shall coordinate the transfer of all Licensed Know-How, Ardelyx [***] Know-How, and Ardelyx Development Data that have not previously been delivered to KHK and are necessary and/or useful to Manufacture the Lead Licensed Product as currently being Manufactured. Such transfer shall take place in a manner and at such time as not to disrupt the manufacture and delivery of the Development API Supply or the Development Product Supply in satisfaction of the obligations set forth in Section 5.01(a) and **Exhibit F**. [***]

Section 5.04 Manufacturing Option. Notwithstanding anything to the contrary set forth herein, KHK shall have the right to exercise its option to assume responsibility for the manufacture of the Lead Licensed Compound ("**Manufacturing Option**") in the event that: (i) [***]; (ii) [***]; or (iii) [***]. In the event that KHK exercises the Manufacturing Option, Ardelyx shall continue to supply, and KHK shall continue to purchase, all of KHK's requirement for the Commercialization of Lead Licensed Product for a period of [***] ([***]) years. Thereafter, Ardelyx shall no longer be obligated to supply Lead Licensed Compound to KHK and KHK shall no longer be obligated to purchase Lead Licensed Compound from Ardelyx.

Section 5.05 Technology Transfer upon Exercise of the Manufacturing Option. In the event that KHK exercises the Manufacturing Option set forth in Section 5.04, Ardelyx shall promptly transfer to KHK all Licensed Know-How, Ardelyx [***] Know-How, and Ardelyx Development Data, in each case to the extent not previously provided to KHK, [***] for KHK, its Affiliates or Sublicensees or their contract manufacturers to Manufacture the Licensed Compound as being Manufactured at the time of the exercise of the Manufacturing Option (the "**API Technology Transfer**"). [***] In addition, Ardelyx shall provide KHK with reasonable assistance to facilitate the practice of such Manufacturing rights by KHK, its Affiliate or its Sublicensee, including making regulatory filings available to KHK and providing reasonable technical and other assistance in order to enable KHK to practice the foregoing Manufacturing rights in accordance with Applicable Law. In the event that Ardelyx and its contract manufacturing organizations are required to continue to provide KHK, its Affiliates or its Sublicensees with reasonable assistance to facilitate the practice of such Manufacturing rights after the API Technology Transfer is complete, KHK shall reimburse Ardelyx for [***] at an FTE rate of US $[***] per FTE and with an hourly FTE basis of $US [***] per hour).

Section 5.06 Other Supply. Notwithstanding anything to the contrary herein, KHK shall not supply Licensed Compound or Licensed Products to any Third Party for any Third Party use, other than to Develop and Commercialize Licensed Products in compliance with this Agreement. In addition, KHK shall not license any Third Party (other than a Sublicensee or other sublicensee consistent with the terms and conditions of this Agreement) to make or have made Licensed Compounds or Licensed Products, except to carry out the provisions of this Article V.

Section 5.07 Supply of Backup Licensed Compound. In the event that KHK Exploits a Licensed Product which contains a Backup Licensed Compound in the Territory, both Parties shall discuss the supply of such Licensed Product or Backup Licensed Compound in good faith. If Ardelyx decides not to supply such Licensed Product or Backup Licensed Compound to the Territory, KHK shall be entitled to assume responsibility for the Manufacture of such Licensed

Product and Backup Licensed Compound. In the event that Ardelyx has commenced any Manufacturing efforts with respect to such Licensed Product or Backup Compound, Ardelyx shall conduct Technology Transfer to KHK in accordance with Section 5.03 and Section 5.05.

ARTICLE VI.
CONSIDERATION

Section 6.01 Upfront. As payment for the rights and licenses granted to KHK by Ardelyx under this Agreement, KHK shall pay to Ardelyx a nonrefundable one-time upfront payment of 30 million U.S. dollars (U.S. $30,000,000) within [***] ([***]) days after the Effective Date. The upfront payment shall not be creditable against any other payments KHK is obligated to make to Ardelyx under this Agreement.

Section 6.02 Milestone Payments.

(a) KHK shall make the following one-time, nonrefundable milestone payments to Ardelyx within [***] ([***]) days following the first achievement of each of the following milestone events for a Licensed Product, subject to the limitations and additional provisions set forth below in this Section 6.02:

Milestone Event for a Licensed Product	Milestone Number	Milestone Payment
[***]	1	USD [***]
[***]	2	USD [***]
[***]	3	USD [***]
[***]	4	USD [***]
[***]	5	USD [***]
[***]	6	USD [***]
[***]	7	USD [***]

The milestones for the [***] (Milestone Number [***]) shall not apply to the [***] if [***]. In such case, the [***] shall trigger Milestone Numbers [***], and the next indication pursued by KHK that is not subject to exceptions set forth herein shall trigger Milestone Numbers [***]). With respect to [***], Milestone Numbers [***]) shall not apply if (i) [***], or (ii) [***], or (iii) [***]. For clarity, Milestones [***] shall each be paid once before the obligation to pay milestones under this Section 6.02(a) expires, regardless of [***] from the milestone obligations.

(b) With respect to the milestones set forth in Section 6.02(a), it is the intention of the Parties that each preceding milestone will be earned before the subsequent milestone is earned,

and that no milestones shall be skipped. For example, [***] KHK shall pay Ardelyx both milestone 01 and milestone 02 when milestone 02 is earned.

(c) Each of the milestones set forth in Section 6.02(a) eligible to be earned individually.

(d) Notwithstanding anything else set forth herein, none of the milestone payments set forth in Section 6.02(a) (i.e., none of milestones number 01 through 07) shall be payable more than once irrespective of the number of Licensed Products or indications that have achieved the relevant milestone events set forth in Section 6.02(a), in which such milestone events have been achieved.

(e) No payments pursuant to Section 6.02(a) shall be creditable against any other payments KHK is obligated to make to Ardelyx under this Agreement.

Section 6.03 Sales Related Milestones.

(a) KHK shall make the following one-time, nonrefundable milestone payments to Ardelyx within [***] ([***]) days following the first achievement of each of the following milestones, subject to the limitations and additional provisions set forth below in this Section 6.03.

Milestone Event	**Milestone Payment**
[***]	[***] ([***]) Japanese Yen
[***]	[***] ([***]) Japanese Yen
[***]	[***] ([***]) Japanese Yen
[***]	[***] ([***]) Japanese Yen
[***]	[***] ([***]) Japanese Yen

(b) In the event that more than one of the sales milestones set forth in Section 6.03 is achieved in the same Calendar Year, the payment associated with each sales milestone achieved in such Calendar Year shall be due and payable by KHK to Ardelyx following the end of such Calendar Year.

(c) Notwithstanding anything else set forth herein, no milestone payment pursuant to Section 6.03 shall be made more than once.

(d) No payments pursuant to Section 6.03 shall be creditable against any other payments KHK is obligated to make to Ardelyx under this Agreement.

Section 6.04 Royalties.

(a) Subject to the provisions set forth below in Section 6.04(b) through Section 6.04(e), and Section 6.05, KHK shall pay to Ardelyx a royalty on aggregate Annual Net Sales of the Licensed Products made by KHK, its Affiliates, or its Sublicensees at a rate of [***] ([***]%).

(b) Sales between KHK, its Affiliates and Sublicensees shall not be subject to royalties hereunder. Royalties shall be calculated on KHK's, its Affiliates' and Sublicensees' sales of the Licensed Products to a Third Party, including Distributors (but excluding for the avoidance of doubt Sublicensees).

(c) If, at any time, a Generic Product receives Regulatory Approval then (i) the royalties that would otherwise have been payable on Net Sales of such Licensed Product in the Territory under this Agreement shall be reduced to [***] percent ([***]%) effective as of the first day of the first Calendar Quarter following the Calendar Quarter in which the NHI Price of the Licensed Product is reduced to a NHI Price being less than [***] percent ([***]%) of the NHI Price in effect immediately prior to the launch of the Generic Product, and (ii) to [***] percent ([***]%) effective as of the first day of the first Calendar Quarter following the Calendar Quarter in which the NHI Price of the Licensed Product is reduced to a NHI Price being less than [***] percent ([***]%) of the NHI Price in effect immediately prior to the launch of the Generic Product.

(d) KHK's s obligation to pay royalties due under this Section 6.04 shall commence with respect to each separate Licensed Product, on the date of the First Commercial Sale of such Licensed Product in the Territory and shall expire with respect to such Licensed Product, at the latest of: (i) the [***] ([***]) anniversary of the First Commercial Sale of such Licensed Product in the Territory, (ii) the date on which there is no longer a Valid Claim that covers the Exploitation of the Licensed Product or the Licensed Compound contained within such Licensed Product in the Territory, and (iii) the expiration of all Regulatory Exclusivities associated with the indication of [***] for such Licensed Product in the Territory; provided that in the event that the only Valid Claim that claims the Licensed Product is a [***], the royalty that would otherwise have been payable on Net Sales of such Licensed Product shall be reduced to [***] percent ([***]%) subject to the reduction of the Third Party Compensation set out in Section 6.04(e). At such time as KHK's obligation to pay royalties under this Section 6.04 have expired with respect to a Licensed Product, the license granted to KHK under Section 2.01 shall automatically, and without further action on the part of Ardelyx or KHK, become non-exclusive, fully-paid, irrevocable and perpetual with respect to such Licensed Product and the Net Sales of such Licensed Product shall be excluded from royalty calculations under this Section 6.04 (including for purposes of applying thresholds and ceilings) and shall be excluded from the sales milestones set forth in Section 6.03.

(e) If, during the Term, (i) KHK obtains a license to Exploit any Third Party Patent in the Territory that (i) [***] required for KHK to Develop, Manufacture and Commercialize the Lead Licensed Compound or the Lead Licensed Product (as Manufactured and formulated by Ardelyx prior to the transfer of the responsibility to KHK for the Manufacture of Lead Licensed Product and with regard to the Lead Licensed Compound prior to the exercise of the Manufacturing Option, if such exercise occurred) in accordance with the terms of this Agreement [***], and (ii) which [***] would, in the absence of such license, be infringed by the Development, Manufacture or Commercialization of the Licensed Compound or the Licensed Product (as Manufactured and formulated by Ardelyx prior to the transfer of the responsibility to KHK for the Manufacture of the Lead Licensed Product and with regard to the Lead Licensed Compound prior to the exercise of the Manufacturing Option, if such exercise occurred) in the Territory [***], (iii) KHK does not have any other [***] alternatives available to avoid such infringement, and (iv) KHK is required to pay to such Third Party a royalty, milestone payments or other monetary compensation in consideration for the grant of such license ("**Third Party Compensation**"), then for the period

during which KHK owes royalties to Ardelyx hereunder, the amounts that would otherwise have been payable as royalties to Ardelyx under this Agreement shall be reduced by [***] Third Party Compensation payable by or on behalf of KHK to such Third Party; provided, however, that in no event shall the amount of the royalties payable by KHK to Ardelyx be reduced by more than [***] percent ([***]%).

Section 6.05 Combination Products. In the event Ardelyx is entitled to receive royalties under this Agreement from any Licensed Product sold in the form of a Combination Product in the Territory, then Net Sales for such Combination Product shall be calculated by multiplying the actual Net Sales of such Combination Product in the Territory by the fraction A/(A+B), where A is the [***] price ("[***] **Price**") in the Territory of a Licensed Product, containing the same amount of Licensed Compound as the sole active ingredient as the Combination Product in question (a "**Comparable Licensed Product**"), if sold separately, and B is the [***] price in the Territory of the ready for sale form of a product containing the same amount of the other therapeutically active ingredient(s) in the Combination Product that are not Licensed Compounds (the "**Other Ingredients**"), if sold separately. If the Other Ingredients are not sold separately in the Territory, Net Sales for the purpose of determining royalties of the Combination Product shall be calculated by multiplying actual Net Sales of such Combination Product by the fraction A/C where A is the standard sales price in the Territory of a Comparable Licensed Product, if sold separately, and C is the standard sales price of the Combination Product in the Territory. If a Comparable Licensed Product is not sold separately, Net Sales for the purpose of determining royalties of the Combination Product shall be calculated by multiplying actual Net Sales of such Combination Product by the fraction (C-B)/C, where B is the [***] price in the Territory of the Other Ingredients and C is the [***] price in the Territory of the Combination Product. For the purpose of the above, the NHI price for a Comparable Licensed Product and for each Other Ingredient shall be for a quantity comparable to that used in the Combination Product in question and of the same class, purity and potency. If neither a Comparable Licensed Product nor the Other Ingredients are sold separately in the Territory, Net Sales for the purposes of determining royalties of such Combination Product shall be determined by the Parties on the basis of a fair market value of such Comparable Licensed Product and Other Ingredient to be negotiated by the Parties in good faith, taking into account costs, overheads and profit of the relevant Licensed Compound(s), the Other Ingredients and the Combination Product. For purposes of the calculations set forth in this Section 6.05, prior to the First Commercial Sale of a Combination Product, the JDC shall discuss the calculations set forth herein, including the standard sale prices to be used in such calculation.

Section 6.06 Sales by Sublicensees. In the event KHK grants sublicenses to one or more Sublicensees to make or sell Licensed Products to the extent permitted hereunder, such sublicenses shall include without limitation an obligation for the Sublicensee to account for and report its Net Sales of such Licensed Products on the same basis as if such sales were Net Sales by KHK, and KHK shall pay royalties and sales milestones to Ardelyx as if the Net Sales of the Sublicensee were Net Sales of KHK.

Section 6.07 Royalty Payments and Report. The royalties payable under Section 6.04 shall be calculated quarterly as of the last day of March, June, September and December respectively for the Calendar Quarter ending on that date. KHK shall deliver to Ardelyx a report summarizing the Net Sales of Licensed Products during each Calendar Quarter following the First

Commercial Sale of a Licensed Product in the Territory. A draft of such report shall be provided within [***] ([***]) days the end of each Calendar Quarter for which royalties are due from KHK to allow Ardelyx to estimate its royalty payments from KHK. A final report shall be delivered within [***] ([***]) days following the end of each Calendar Quarter for which royalties are due from KHK. Any royalties payable to Ardelyx or its designee under this Agreement shall be paid on the due date for the report in the foregoing sentence of this Section 6.07.

Section 6.08 Taxes.

(a) The royalties, milestones and other amounts payable by KHK to Ardelyx pursuant to this Agreement ("**Payments**") shall not be reduced on account of Taxes unless required by Applicable Laws. KHK shall deduct or withhold from the Payments any Taxes that it is required by Applicable Laws to deduct or withhold. Notwithstanding the foregoing, if Ardelyx is entitled (whether under any applicable tax treaty or otherwise under Applicable Laws) to a reduction in the rate of, or the elimination of, withholding Tax, it may deliver to KHK or the appropriate governmental authority (with the assistance of KHK to the extent that this is reasonably required and is expressly requested in writing) the prescribed forms necessary to reduce the applicable rate of withholding or to relieve KHK of its obligation to withhold Tax, and KHK shall apply the reduced rate of withholding, or dispense with withholding, as the case may be. If, in accordance with the foregoing, KHK withholds any Tax, it shall make timely payment to the proper Tax Authority of the withheld Tax, in accordance with Applicable Laws, and send to Ardelyx proof of such payment as soon as reasonably practicable following that payment. KHK agrees to take reasonable and lawful efforts to minimize such Taxes to Ardelyx. KHK shall cooperate with Ardelyx as reasonably requested in any claim for refund or application to any Tax Authority. If KHK intends to withhold Tax from any Payment, KHK shall inform Ardelyx reasonably in advance of making such Payment to permit Ardelyx an opportunity to provide Japanese forms or information or obtain Japanese Tax Authority approval as may be available to reduce or eliminate such withholding. If Ardelyx desires, it may request cooperation from KHK in any claim for refund or application to the Japanese Tax Authority.

(b) Notwithstanding anything to the contrary herein, if (i) KHK redomiciles or assigns its rights or obligations under this Agreement, (ii) as a result of such redomiciliation or assignment, KHK (or its assignee) is required by Applicable Law to withhold taxes, or such redomiciliation or assignment results in the imposition of Indirect Taxes that were not otherwise applicable, from or in respect of any amount payable under this Agreement, and (iii) such withholding taxes or Indirect Taxes exceed the amount of withholding taxes or Indirect Taxes that would have been applicable but for such redomiciliation or assignment, then any such amount payable to Ardelyx pursuant to this Agreement shall be increased to take into account such withholding taxes or Indirect Taxes as may be necessary so that, after making all required withholdings (including withholdings on the additional amounts payable) and/or paying such Indirect Taxes, as the case may be, Ardelyx receives an amount equal to the sum it would have received had no such increased withholding been made and no such Indirect Taxes had been imposed. The obligation to pay additional amounts pursuant to the preceding sentence shall not apply, however, to the extent such increased withholding tax or Indirect Taxes would not have been imposed but for the assignment by Ardelyx of its rights or obligations under this Agreement or the redomiciliation of Ardelyx outside of the United States, to the extent such assignment or redomiciliation occurs after the redomiciliation or assignment by KHK described in the first sentence of this (a). Solely for purposes of this (a), a

Party's "domicile" shall include its jurisdiction of incorporation or tax residence and a "redomiciliation" shall include a reincorporation or other action resulting in a change in tax residence of the applicable Party or its assignee.

(i) Notwithstanding anything to the contrary contained in this Section 6.08(b) or elsewhere in this Agreement, the following shall apply with respect to Indirect Taxes. All Payments are exclusive of Indirect Taxes. If any Indirect Taxes are chargeable in respect of any Payments, KHK shall pay such Indirect Taxes at the applicable rate in respect of any such Payments following the receipt, where applicable, of an Indirect Taxes invoice issued by Ardelyx in respect of those Payments, such Indirect Taxes to be payable on the due date of the payment of the Payments to which such Indirect Taxes relate or at the time such Indirect Taxes are required to be collected by Ardelyx, in the case of payment of Indirect Taxes to Ardelyx. The Parties shall issue invoices for all goods and services supplied under this Agreement consistent with Indirect Tax requirements, and to the extent any invoice is not initially issued in an appropriate form, KHK shall promptly inform Ardelyx and shall cooperate with Ardelyx to provide such information or assistance as may be necessary to enable the issuance of such invoice consistent with Indirect Tax requirements.

Section 6.09 Payments or Reports by Affiliates. Any Payment required under any provision of this Agreement to be made to Ardelyx or any report required to be made by KHK shall be made by an Affiliate of KHK if such Affiliate is designated by KHK as the appropriate payer or reporting entity.

Section 6.10 Mode of Payment. All payments set forth in this Article VI shall be remitted by wire transfer to the bank account of Ardelyx in the United States as designated in writing to KHK.

Section 6.11 Payment Currency. Payments by KHK under this Agreement shall be paid to Ardelyx in the currency in which the payments are expressed in this Agreement.

Section 6.12 Imports. For the avoidance of doubt, the Parties acknowledge and agree that none of the milestones or royalties payable under this Agreement are related to the license (or right) to import or any import of Licensed Products. KHK shall be responsible for any import clearance, including payment of any import duties and similar charges, in connection with any Licensed Products or Licensed Compounds transferred to KHK under this Agreement. The Parties shall co-operate in accordance with Applicable Laws to ensure where permissible that no import duties are paid on imported materials. Where import duties are payable, the Parties shall co-operate to ensure that the Party responsible for shipping values the materials in accordance with Applicable Laws and minimizes where permissible any such duties and any related import taxes that are not reclaimable from the relevant authorities.

Section 6.13 Discounted Sales. In the event that one or more Licensed Products is included as part of a package of products offered to customers of KHK, and discounts on packages including Licensed Products are offered independently in the Territory, KHK shall not discount the price of the Licensed Products sold as part of a package unreasonably compared to the discount KHK offers on prices of the other products included in such package.

ARTICLE VII.
CONFIDENTIALITY

Section 7.01 Confidentiality. The Parties agree that the Party receiving Confidential Information disclosed by or on behalf of the other Party pursuant to this Agreement, unless it has obtained the prior written consent of the other Party, shall, and shall cause its officers, directors, employees, agents, Affiliates, licensees, Sublicensees and other sublicensees to keep confidential and not publish or otherwise disclose or use for any purpose other than to conduct its activities under this Agreement or otherwise as expressly authorized or licensed by this Agreement any Confidential Information furnished to it by or on behalf of the other Party pursuant to this Agreement.

Section 7.02 Exceptions. Notwithstanding the foregoing, the obligations set forth in Section 7.01 shall not apply in respect of Confidential Information to the extent that it can be established by the receiving Party that such Confidential Information:

(a) was already known to the receiving Party, other than under an obligation of confidentiality, at the time of its disclosure to the receiving Party;

(b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the receiving Party;

(c) was independently developed without use of the disclosing Party's information, as evidenced by contemporaneous written records;

(d) became generally available to the public or otherwise part of the public domain after its disclosure to the receiving Party and other than through any act or omission of the receiving Party in breach of this Agreement; or

(e) was disclosed to the receiving Party, other than under an obligation of confidentiality, by a Third Party who had no obligation to the disclosing Party not to disclose such information to others.

Section 7.03 Receipt of Third Party Information. Neither Party shall knowingly receive documents relating to Licensed Products or Licensed Compounds under an obligation of confidentiality to Third Parties that require the Party receiving such documents to withhold access to the other Party and without such Party's written consent.

Section 7.04 Exceptional Disclosure. Each Party may disclose Confidential Information without the prior written consent of the other Party to the extent that such disclosure is:

(a) made to a patent office for the purposes of filing or enforcing a Patent as permitted in this Agreement, provided, however, that reasonable measures shall be taken to assure confidential treatment of such information, to the extent such protection is available;

(b) made by a Party or its Affiliates, Distributors, licensees, Sublicensees or other sublicensees, to Regulatory Health Authority for the purposes of any filing, application or request

for Regulatory Approval for Licensed Compounds or Licensed Products as permitted in this Agreement;

(c) made to investment bankers, financial advisors, or actual or potential investors, licensees, or sublicensees hereunder, contractors or subcontractors hereunder or acquirers of all or substantially all of the assets to which this Agreement relates; provided that with respect to disclosures as per subsection (c), the Party making such disclosures shall ensure that each Third Party recipient is bound by obligations of confidentiality no less restrictive than those contained in this Agreement and shall be liable to the other Party for any breach of such confidentiality obligations by the relevant recipient.

Section 7.05 Legally Compelled Disclosure.

Each Party may disclose, without the prior written consent of the other Party, Confidential Information required by law, order, or regulation of a government agency or a court of competent jurisdiction, or by the rules of a securities exchange, provided that the Party required to make such disclosure shall give the other Party reasonable advance notice of and an opportunity to comment on any such required disclosure in order for the disclosing party (who controls the Confidential Information) to have sufficient time to seek protective orders or any available limitations on or exemptions from such disclosure requirement where applicable and practicable;

Section 7.06 Survival. This Article VII (other than Section 7.03) shall survive the termination or expiration of this Agreement for a period of (i) [***] ([***]) years if termination occurs prior to the First Commercial Sale of the Lead Licensed Product, (ii) [***] ([***]) years if the termination occurs after the First Commercial Sale of the Lead Licensed Product and less than [***] ([***]) years after the First Commercial Sale of the Lead Licensed Product, or (ii) [***] ([***]) years if the termination or expiration occurs [***] ([***]) or more years after the First Commercial Sale of the Lead Licensed Product.

Section 7.07 Termination of Prior Agreements. This Agreement supersedes, in the relationship between the Parties hereunder, the Confidentiality Agreement between Ardelyx and KHK dated as of April 14, 2017, the Three-Way Confidentiality Agreement among Ardelyx, KHK and Patheon dated as of October 30, 2017, the Three-Way Confidentiality Agreement among Ardelyx, KHK and Hovione dated as of November 3, 2017, and the Three-Way Confidentiality Agreement among Ardelyx, KHK and Dottikon dated as of November 3, 2017 (the "**CDA**"). All Information exchanged between the Parties under the CDA shall be deemed Confidential Information and shall be subject to the terms of this Article VII, and shall be included within the definitions of Licensed Know-How and KHK [***] Know-How, only if applicable.

Section 7.08 Publications. Except as required by law, each Party agrees that it shall not publish or publicly present any information relating to Licensed Compounds or Licensed Products in the Field, excluding marketing materials such as presentation materials or leaflets, (a) without the opportunity for prior review by the other Party and (b) other than in compliance with this Section 7.08. Each Party shall provide to the other Party the opportunity to review any proposed publications or presentations (i) to be made at medical conference but limited to abstracts or manuscripts; (ii) other than (i) described hereabove that relate to Licensed Compounds or Licensed Products in the Field as early as reasonably practical, but at least in the case of (i) above [***]

([***]) days, and in the case of (ii) above [***] ([***]) days prior to their intended submission for publication or presentation (collectively the "**Review Period**") and such submitting Party agrees, upon written request from the other Party within the Review Period , not to submit such abstract or manuscript for publication or to make such presentation until the other Party agrees, which agreement shall not be unreasonably withheld. The other Party shall have in the case of (i) above [***] ([***]) days, and in the case of (ii) above [***] ([***]) days after its receipt of any such publication or presentation to notify the submitting Party in writing of any specific objections to the intended publication or presentation. Each Party shall, in any such publication or presentation, delete from the proposed disclosure any Confidential Information of the other Party. Additionally, if the other Party notifies the submitting Party within the Review Period that the other Party objects to such disclosure on the basis that a patent application claiming information contained in such disclosure should be filed prior to such disclosure, the submitting Party agrees to reasonably delay disclosure of the relevant information, for up to [***] ([***]) days after the other Party's timely notification of its objection as per the above, or until such application has been filed, if earlier. Once any such abstract or manuscript is accepted for publication or presentation, the submitting Party may use only the same subject matter in whole or in part, in another publication or presentation under this Section 7.08, provided that the wording used in such new publication or presentation does not go beyond the scope of the subject matter disclosed in the previously approved publication or presentation. Notwithstanding the above, the obligations of this Section 7.08 shall not apply to publications and/or presentations that have been submitted by Ardelyx prior to the Effective Date.

ARTICLE VIII.
OWNERSHIP OF INTELLECTUAL PROPERTY AND PATENT RIGHTS

Section 8.01 Disclosure. During the Term, the Parties shall promptly disclose to one another all Joint Technology and Sole Program Know-How (whether patentable or not).

(a) Ownership**.** Inventorship of all inventions and other Know-How conceived or first made after the Effective Date in the course of the Parties' performance under this Agreement shall be determined in accordance with the laws of inventorship of the United States. Subject to the licenses granted in Article II and to the other provisions of this Agreement, all such inventions and other Know-How invented by employees or independent contractors of one Party ("**Sole Program Know-How**") shall be solely owned by the inventing Party, and any inventions and Know-How that are invented jointly by employees or independent contractors of each Party shall be owned jointly by the Parties ("**Joint Know-How**"). For clarity, Ardelyx's Development and Commercialization of a Licensed Compound or Licensed Product outside of the Field and/or outside of the Territory shall not be activities performed in the course of Ardelyx's performance under this Agreement, and any inventions and other Know-How conceived or first made during the course of such Development and Commercialization shall be Ardelyx [***] Technology rather than Sole Program Know-How owned by Ardelyx.

(b) To the extent permissible under Applicable Laws, each Party shall cause each employee and contractor conducting work on such Party's behalf under this Agreement to sign a contract that (i) compels prompt disclosure to such Party of all inventions and Know-How conceived or reduced to practice by such employee or contractor during any performance under this Agreement, (ii) automatically assigns to such Party all right, title and interest in and to all such

inventions and Know-How and all Intellectual Property Rights therein, and (iii) obligates such persons to similar obligations of confidentiality as set forth in this Agreement. Each Party shall require each employee and contractor conducting work on such Party's behalf under this Agreement to maintain records in sufficient detail and in a good scientific manner appropriate for regulatory purposes and purposes of pursuing Patent protection on inventions to properly reflect all work done

Section 8.02 Prosecution and Maintenance of Patent Rights.

(a) Ardelyx. "**Ardelyx Controlled Patents**" shall collectively include Licensed Patents, Ardelyx [***] Patents and Joint Patents. Ardelyx (or with respect to Ardelyx [***] Patents, Ardelyx or its licensor) shall be primarily responsible for and control the worldwide preparation, filing, prosecution (including without limitation conducting any interferences, oppositions, reissue proceedings, reexaminations and patent term extensions) and maintenance of the Ardelyx Controlled Patents; provided that with respect to all Ardelyx Controlled Patents, other than Ardelyx [***], Ardelyx shall provide KHK with advance copies of, and a reasonable opportunity to comment upon, proposed patent filings, related prosecution strategies and proposed correspondence with patent officials or patent attorneys, all to the extent in the Territory and relating to any Ardelyx Controlled Patents (other than the Ardelyx [***]), and shall consider comments received from KHK with respect to such proposed filings, strategies and correspondence in the Territory in good faith and shall not unreasonably reject such comments. Ardelyx agrees to discuss in good faith any changes reasonably requested by KHK to such filings, strategies and correspondence in the Territory promptly upon their being received.

(b) KHK. "**KHK Controlled Patents**" shall collectively include KHK Sole Invention Patents and KHK [***] Patents. KHK (or with respect to KHK [***] Patents, KHK or its licensor) shall be primarily responsible for and control the worldwide preparation, filing, prosecution (including without limitation conducting any interferences, oppositions, reissue proceedings, reexaminations and patent term extensions) and maintenance of the KHK Controlled Patents; provided that KHK with respect to all KHK Controlled Patents, other than KHK [***], KHK shall provide Ardelyx with advance copies of, and a reasonable opportunity to comment upon, proposed patent filings, related prosecution strategies and proposed correspondence with patent officials or patent attorneys, and shall consider comments received from Ardelyx with respect to such proposed filings, strategies and correspondence in good faith and shall not unreasonably reject such comments. KHK agrees to discuss in good faith any changes reasonably requested by Ardelyx to such filings, strategies and correspondence promptly upon their being received.

(c) The Party responsible for prosecuting Patents pursuant to Section 8.02(a) or Section 8.02(b) shall provide all documentation it is required to provide pursuant to such Sections so as to provide the other Party a reasonable opportunity to review and comment thereon in advance of filing. A Party providing comments in accordance with Section 8.02(a) or Section 8.02(b) shall provide such comments expeditiously and in any event in reasonably sufficient time to meet any filing deadline communicated to it by the other Party that is consistent with the preceding sentence. The Party receiving any such patent application and correspondence shall maintain such information in confidence pursuant to Article VII, except (for the avoidance of doubt) for patent applications that have been published and official correspondence that is publicly available.

(d) Other than as set forth in Section 8.02(e) or (f) below, after the Effective Date, the Party prosecuting patent applications and maintaining Patents pursuant to this Section 8.02(d) shall be solely responsible for all costs and expenses associated with the filing, prosecution and maintenance of such Patents.

(e) If Ardelyx (or in the case of Ardelyx [***] Patents, Ardelyx and/or Ardelyx's licensor (for the avoidance of doubt in any case in this Article VIII, Ardelyx's licensee might be Ardelyx's licensor)) decide not to file, prosecute or maintain Ardelyx Controlled Patents in the Territory, Ardelyx shall give KHK reasonable notice to that effect sufficiently in advance of any deadline for any filing with respect to such Patent to permit KHK to carry out such activity (but with respect to Ardelyx [***] Patents only to the extent that the Patent is an Ardelyx [***] Patent). After receiving such notice, KHK may elect by written notice to Ardelyx within [***] ([***]) days after receiving such notice from Ardelyx, to file, prosecute and maintain the relevant Patent in the Territory, at its sole cost and expense; provided, however, that the claims of the Patent being filed, prosecuted or maintained by KHK shall be limited to claims within the Field and KHK shall not file, prosecute or maintain claims that are outside of the Field without the prior written consent of Ardelyx. For the avoidance of doubt, where Ardelyx is in receipt of an official action with a shortened response deadline of [***] ([***]) days or less, Ardelyx shall communicate such notice to KHK as soon as possible and KHK make its election (pursuant to the foregoing sentence) no later than [***] ([***]) days prior to the deadline. If KHK does so elect, then Ardelyx shall cooperate with KHK as necessary to enable KHK to file, prosecute or maintain such Patent, including the execution and filing of appropriate instruments and to facilitate the transition of such patent activities to KHK.

(f) If KHK (or in the case of KHK [***] Patents, KHK and/or KHK's licensor (for the avoidance of doubt in any case in this Article VIII, KHK's Sublicensee might be KHK's licensor)) decide not to file, prosecute or maintain KHK Controlled Patents in the Territory or outside of the Territory, KHK shall give Ardelyx reasonable notice to that effect sufficiently in advance of any deadline for any filing with respect to such Patent to permit Ardelyx, or its licensees in the territories where KHK has decided not to file, prosecute or maintain KHK Controlled Patents, to carry out such activity (but with respect to KHK [***] Patents only to the extent that the Patent is a KHK [***] Patent). After receiving such notice, Ardelyx may elect by written notice to KHK within [***] ([***]) days after receiving such notice from KHK, to file (or to permit its licensee to file), prosecute and maintain the relevant Patent in the Territory and/or outside of the Territory, at its sole cost and expense. For the avoidance of doubt, where KHK is in receipt of an official action with a shortened response deadline of [***] ([***]) days or less, KHK shall communicate such notice to Ardelyx as soon as possible and Ardelyx make its election (pursuant to the foregoing sentence) no later than [***] ([***]) days prior to the deadline. If Ardelyx (on its behalf, or that of its licensee) does so elect, then KHK shall cooperate with Ardelyx and/or its licensee as necessary to enable Ardelyx and/or its licensee to file, prosecute or maintain such Patent, including the execution and filing of appropriate instruments and to facilitate the transition of such patent activities to Ardelyx and/or its licensee.

(g) In any event, KHK shall not finally abandon any KHK [***] without the prior written notice to Ardelyx. Additionally, KHK shall not assign any KHK [***] to either its Affiliates or any Third Party unless such Affiliate or any Third Party agrees in writing that the

assignment of any such Patent shall be subject to the rights granted to Ardelyx under this Agreement.

(h) In any event, Ardelyx shall not finally abandon any Ardelyx [***] or Ardelyx Sole Invention [***] without the prior written notice to KHK. Additionally, Ardelyx shall not assign any Ardelyx [***] or Ardelyx Sole Invention [***] to either its Affiliates or any Third Party unless such Affiliate or any Third Party agrees in writing that the assignment of any such Patent shall be subject to the rights granted to KHK under this Agreement.

Section 8.03 Third Party Patent Rights. Except as otherwise provided in Article IX, neither Party makes any warranty with respect to the validity, perfection, or dominance of any Patent or proprietary right or with respect to the absence of rights in Third Parties which may be infringed by the manufacture or sale of any Licensed Compound or Licensed Product. Each Party agrees to bring to the attention of the other Party any Third Party Patent it discovers, or has discovered, and which relates to the subject matter of this Agreement.

Section 8.04 Enforcement Rights.

(a) Infringement by Third Parties.

(i) The Party first having knowledge that any (x) Ardelyx Controlled Patents or (y) KHK Controlled Patents, in each case, claiming or covering inventions that are necessary or useful to Exploit a Licensed Compound or Licensed Product, is infringed, or misappropriated by a Third Party, or suspected of being infringed or misappropriated by a Third Party shall promptly notify the other Party thereof in writing. Such notice shall set forth the facts of that infringement, misappropriation, or suspected infringement or misappropriation in reasonable detail.

(ii) Ardelyx (or in the case of Ardelyx [***] Patents, Ardelyx and/or Ardelyx's licensor) shall have the first right, but not the obligation, to institute, prosecute, and control any action or proceeding or negotiation of any settlements at its expense with respect to any infringement of Ardelyx Controlled Patents, by counsel of its own choice. With respect to actions, proceedings or settlements in the Territory, KHK shall have the right to participate in such action or negotiations at its expense and be represented if it so desires by counsel of its own choice. If necessary, at Ardelyx's discretion, KHK agrees (i) in any such action in the Territory, and (ii) in any such action outside of the Territory with respect to a Joint Patent, to be joined as a party plaintiff and to give Ardelyx (or Ardelyx's licensor, as the case may be), reasonable assistance and any needed authority in order for Ardelyx or its licensor to control, file, and to prosecute such action, at Ardelyx's expense. If Ardelyx or its licensor, as the case may be, elects not to institute and prosecute an action or proceeding or to conduct such negotiation to abate such infringement, within a period of [***] ([***]) days after both Parties become aware of the infringement or suspected infringement, then Ardelyx shall discuss with KHK the reasons for this decision. KHK shall then have the right, but not the obligation, to institute, prosecute, and control any such action in the Territory at its expense (but with respect to Ardelyx [***] Patents or Ardelyx Sole Invention Patents, only to the extent that the Patent is an Ardelyx [***] [***] Patent or Ardelyx Sole Invention [***] Patent). In such case, Ardelyx, [***] shall give KHK any

needed authority in order for KHK to control, file, and prosecute the suit as may be necessary; provided, however, that Ardelyx, or Ardelyx and/or its licensor (if the licensor is the owner of such Patent but only to the extent a co-party with Ardelyx) shall have the right to participate at its expense in such action as a party plaintiff(s) and be represented if it so desires by counsel of its own choice. No settlement or consent judgment or other voluntary final disposition of a suit in the Territory under this Section 8.04(a)(ii) may be entered into without the consent of Ardelyx and KHK, which consent shall not be withheld, delayed or conditioned unreasonably. If a Japanese court denies KHK's request for an injunction, provisional order or other legal actions brought pursuant to KHK's right to control a legal action under this Section 8.04(a)(ii) for lack of standing, Ardelyx shall, upon KHK's reasonable request and under KHK's direction, file for an injunction, provisional order or other legal actions by counsel of KHK's choice, at the sole cost and expense of KHK. Ardelyx shall not grant a registered exclusive license (a *senyo jisshiken* under Section 77 of the Japanese Patent Law) in the Territory to any Third Party with respect to the Ardelyx Controlled Patents.

(iii) KHK (or in the case of KHK [***] Patents, KHK and/or KHK's licensor) shall have the first right, but not the obligation, to institute, prosecute, and control any action or proceeding or negotiation of any settlements at its expense with respect to any infringement of KHK Controlled Patents, by counsel of its own choice with Ardelyx (or, with respect to actions or proceedings or negotiations outside of the Territory, Ardelyx, or Ardelyx and its licensees in such territory where the infringement is alleged to have occurred) having the right to participate in such action or negotiations at its or their own expense and be represented by counsel of its or their own choice. If necessary, at KHK's discretion, Ardelyx agrees in any such action to be joined as a party plaintiff and to give KHK reasonable assistance and any needed authority in order for KHK to control, file, and to prosecute such action, at KHK's expense. If KHK elects not to institute and prosecute an action or proceeding or to conduct such negotiation to abate such infringement, within a period of [***] ([***]) days after both Parties become aware of the infringement or suspected infringement, then KHK shall discuss with Ardelyx the reasons for this decision. Ardelyx (or in the case of alleged infringement outside of the Territory, Ardelyx and/or its licensees in such territories where the infringement is alleged to have occurred) shall then have the right, but not the obligation, to institute, prosecute, and control any such action at its expense (but with respect to KHK [***] Patents, only to the extent Patent is a KHK [***] Patent). In such case, KHK, [***] shall give Ardelyx (or its licensee, as the case may be) any needed authority in order for Ardelyx or its licensee to control, file, and prosecute the suit as may be necessary; provided, however, that KHK shall have the right to participate at its expense in such action as a party plaintiff and be represented if it so desires by counsel of its own choice. No settlement or consent judgment or other voluntary final disposition of a suit (i) in the Territory under this Section 8.04(a)(iii) may be entered into without the consent of Ardelyx and KHK, which consent shall not be withheld, delayed or conditioned unreasonably, and (ii) outside of the Territory under this Section 8.04(a)(iii) may entered into without the consent of Ardelyx, and KHK, which consent shall not be withheld, delayed or conditioned unreasonably.

(iv) With respect to any proceeding, negotiation or settlement with respect to an alleged infringement within or outside of the Territory, any and all costs that are incurred

by a Party bringing suit in the exercise of rights under Section 8.04(a)(ii) and (iii) (including without limitation the internal costs and expenses specifically attributable to such suit) shall be reimbursed first out of any damages or other monetary awards recovered in favor of the Parties. If such recovery is insufficient to reimburse the costs of KHK, KHK's licensor, Ardelyx and Ardelyx's licensor or licensee, if applicable, then [***].

(v) With respect to any proceeding, negotiation or settlement with respect to an alleged infringement within or outside of the Territory, any damages remaining after all costs have been reimbursed pursuant to Section 8.04(a)(iv) above, shall be allocated as follows:

Type of Patent	**Where Suit Occurs**	**Party Bringing Suit in the Exercise of its Rights under this Article 8, whether as a first right or a second right**	**Split of Remaining Damages**
[***]	[***]	[***]	[***]
		[***]	[***]
[***]	[***]	[***]	[***]
		[***]	[***]
[***]	[***]	[***]	[***]
		[***]	[***]
[***]	[***]	[***]	[***]
		[***]	[***]
[***]	[***]	[***]	[***]
		[***]	[***]
[***]	[***]	[***]	[***]
		[***]	[***]
[***]	[***]	[***]	[***]
		[***]	[***]
[***]	[***]	[***]	[***]
		[***]	[***]

(b) Defense and Settlement of Third Party Claims Against Licensed Products. If a Third Party asserts that a Patent or other right owned by it is infringed by the Development, Manufacture, or Commercialization of any Licensed Compound or Licensed Product in the Territory, the Party first obtaining knowledge of such a claim shall immediately provide the other Party written notice of such claim and the related facts in reasonable detail. In such event, Ardelyx shall have the first right, but not the obligation to defend and control the defense of such claim at its own expense, using counsel of its own choice. KHK shall have the right to participate in such defense and to be represented in any such action by counsel of its selection at its sole discretion and at its expense. If Ardelyx elects not to defend or control the defense of such claim within a period of [***] ([***]) days, KHK may conduct and control the defense of such claim at its own expense. Each Party shall keep the other Party reasonably informed of all material developments in connection with any such claim. The Party that controls the defense of a given claim with respect to a Licensed Product, shall also have the right to control settlement of such claim; provided, however, that no settlement of any action or suit in the Territory shall be entered into without the written consent of the other Party, which consent shall not be withheld, delayed or conditioned unreasonably.

(c) Settlement of Third Party Claims for Infringement in the Territory; Payment of Third Party Royalties. If a Third Party asserts that a Patent or other right owned by it is infringed by the Development, Manufacture, or Commercialization or other Exploitation of any Licensed Compound or Licensed Product in the Territory, and as a result of settlement procedures or litigation under (b), KHK is required to pay the Third Party a royalty or make any payment of any kind for the right to Exploit a Licensed Product in the Territory, [***].

(d) Oppositions by Parties. If either Party desires to bring an opposition, action for declaratory judgment, nullity action, interference, reexamination, or other attack upon the validity, title, or enforceability of any Patents Controlled by a Third Party in the Territory or in a country where the a Licensed Compound or a Licensed Product is Manufactured that claim the Manufacture, use, or sale or other Exploitation of any Licensed Compound or Licensed Product, such Party shall so notify the other Party in writing, and the Parties shall promptly confer to discuss whether to bring such action or the manner in which to settle such action and Ardelyx shall be entitled to determine the matter after having taken any reasonable views presented by KHK into due consideration. The Party not bringing an action under this (d) shall be entitled to separate representation in such proceeding by counsel of its own choice and at its own expense, and shall otherwise cooperate fully with the Party bringing such action at the other Party's expense.

(e) Oppositions by Third Parties. If any Patent becomes the subject of any proceeding commenced by a Third Party in connection with an opposition, reexamination request, action for declaratory judgment, nullity action, interference, or other attack upon the validity, title, or enforceability thereof in the Territory, then the Party having the right to prosecute such Patent at such time pursuant to Sectio 8.02(b) shall control such defense, at its sole cost. The prosecuting Party shall permit the non-prosecuting Party, and in the case of an Ardelyx [***] Patent, Ardelyx's licensor [***], to participate in the proceeding to the extent permissible under law, and to be represented by its own counsel in such proceeding, at the non-prosecuting Party's expense. If either Party decides that it does not wish to defend against such action, then the other Party shall have a backup right to assume defense of such Third Party action at its own expense. Any awards

or amounts received in defending any such Third Party action shall be allocated [***]. Any recoveries obtained in such action shall be shared, as set forth in Section 8.04(a)(v).

(f) Protective Order. If, in any action brought pursuant to this Section 8.04 any information is the subject of a protective order that may be reviewed by counsel only, the Parties shall endeavor to structure such protective order so as to enable their respective internal counsel to be included as permitted reviewers of such information.

Section 8.05 Trademarks, Packaging and Labeling.

(a) Selection. Subject to applicable regulatory requirements and on a Licensed Product by Licensed Product basis, KHK shall have the option to (i) select the Trademarks to be used for the marketing and sale of the Licensed Products in the Territory or (ii) license from Ardelyx the Trademarks owned by Ardelyx ("**Ardelyx Trademarks**"), in each case (i) and (ii), to use in connection with the Commercialization of each Licensed Product (in either case, "**Product Trademarks**").

(b) KHK Trademark. If KHK decides to select its own Trademarks for the Commercialization of a Licensed Product ("**KHK Trademarks**"), KHK shall solely bear the full costs and expense of and be responsible for filing, prosecuting and maintaining all KHK Trademarks. KHK shall, in its sole discretion, protect, defend, and maintain each KHK Trademark for use with Licensed Products in the Territory, and all registrations therefor. Ardelyx shall notify KHK promptly in writing upon learning of any actual, alleged, or threatened infringement of a KHK Trademark used in connection with Licensed Compounds or Licensed Products or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses with respect to Licensed Compounds or Licensed Products. Ardelyx shall cooperate as reasonably requested by KHK in any actions or proceedings brought by KHK to halt the infringement. All of the [***] in bringing, maintaining, and prosecuting any action to maintain, protect, or defend a KHK Trademark (or registration therefor) shall be borne [***]. Any recovery in any such action that is [***].

(c) Ardelyx Trademark.

(i) If KHK decides to license one or more Ardelyx Trademarks to Commercialize a Licensed Product in the Field and in the Territory, KHK shall provide a written notice ("**Trademark Notice**") to Ardelyx indicating which such Ardelyx Trademarks it wishes to license from Ardelyx. Upon Ardelyx's receipt of the Trademark Notice, the Parties shall discuss in good faith a license grant under which Ardelyx would grant KHK a royalty-free (subject to this (c)) license, sublicensable exclusive license to use the Ardelyx Trademarks indicated in the Trademark Notice in the Field and in the Territory during the Term; provided, that in the event KHK wishes to use the Ardelyx Trademark licensed pursuant to this (c) upon expiration of the Term, then KHK shall pay to Ardelyx a royalty on the Annual Net Sales of the applicable Licensed Product made by KHK, its Affiliates, or its Sublicensees at a rate of [***] percent ([***]%).

(ii) Ardelyx shall solely bear the full costs and expense of and be responsible for filing, prosecuting and maintaining all Ardelyx Trademarks. Ardelyx shall, protect,

defend, and maintain each Ardelyx Trademark and all registrations therefor, and file a request for registration of the exclusive right to use the Ardelyx Trademark (*tsujyou shiyouken* under Section 31 of the Japanese Trademark Law or *senyou shiyouken* under Section 30 of the Japanese Trademark Law) at the Japan Patent Office if KHK so requests. KHK shall notify Ardelyx promptly in writing upon learning of any actual, alleged, or threatened infringement of a Ardelyx Trademark used in connection with Licensed Compounds or Licensed Products or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses with respect to Licensed Compounds or Licensed Products. Ardelyx shall have the right, but not the obligation, to institute, prosecute and control any action, proceeding or negotiation of any settlements in the Territory with respect to any infringement of Ardelyx Trademarks. KHK shall cooperate as reasonably requested by Ardelyx in any actions or proceedings brought by Ardelyx to halt the infringement. All of the unrecovered costs, expenses, and legal fees (including without limitation internal costs, expenses, and legal fees) in bringing, maintaining, and prosecuting any action to maintain, protect, or defend a Ardelyx Trademark (or registration therefor) shall be borne solely by Ardelyx.

(iii) If an Ardelyx Trademark becomes the subject of any proceeding commenced by a Third Party in connection with an opposition or other attack upon the validity, title, or enforceability thereof in the Territory, then Ardelyx shall have the first right, but not the obligation, to control such defense, at its sole cost. Ardelyx shall permit KHK to participate in the proceeding to the extent permissible under the Applicable Law, and to be represented by its own counsel in such proceeding, at KHK's expense. If senyou shiyouken is registered and upon KHK's request, KHK shall control such defense, at its sole cost. Then KHK shall permit Ardelyx to participate in the proceeding to the extent permissible under the Applicable law, and to be represented by its own counsel in such proceeding, at Ardelyx's expense. Any awards or amounts or recoveries received in defending any such Third Party action shall be allocated based on the percentage of costs incurred by the Parties in defending such action.

(d) KHK shall be responsible for the design and procurement of all packaging (non-commercial and commercial) and labeling of the Licensed Products.

ARTICLE IX.
REPRESENTATIONS, WARRANTIES, AND COVENANTS

Section 9.01 Representations, Warranties, and Covenants.

(a) Each of the Parties hereby represents and warrants to the other Party that:

(i) this Agreement is a legal and valid obligation binding upon such Party and enforceable in accordance with its terms. The execution, delivery, and performance of the Agreement by such Party does not conflict with any agreement, instrument, or understanding, oral or written, to which it is a Party or by which it is bound, nor violate any law or regulation of any court, Governmental Body, or administrative or other agency having jurisdiction over it;

(ii) it is not aware of any government authorization, consent, approval, license, exemption of or filing or registration with any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, under any Applicable Laws, currently in effect, necessary for, or in connection with, the transaction contemplated by this Agreement or any other agreement or instrument executed in connection herewith, or for the performance by it of its obligations under this Agreement and such other agreements (save for Regulatory Approvals, INDs and similar regulatory authorizations necessary for the Development or Commercialization of the Licensed Compounds and Licensed Products as contemplated hereunder);

(iii) such Party has not, and during the Term shall not, grant any right to any Third Party relating to its respective Patents and Know-How which would conflict with the rights granted to the other Party hereunder;

(iv) such Party shall at all times and in all material respects comply with all Applicable Laws relating to its activities under this Agreement; and

(v) All employees of each Party or its Affiliates performing activities under this Agreement shall be under an obligation to assign all right, title and interest in and to their inventions, Information and discoveries, whether or not patentable, and IPRs therein, to such Party or its Affiliate(s) as the sole owner thereof. The other Party shall have no obligation to contribute to any remuneration of any inventor employed or previously employed by such Party or any of its Affiliates in respect of any such inventions, Information and discoveries and IPRs therein that are so assigned to such Party or its Affiliate(s). Such Party shall pay all such remuneration due to such inventors with respect to such inventions, Information and discoveries and IPRs therein.

(b) Ardelyx represents, warrants and covenants as of the Effective Date to KHK that:

(i) Title; Encumbrances. It has sufficient legal or beneficial title, ownership, rights or license in the Licensed Technology to grant the licenses to KHK described in this Agreement. The Compound Patents and the Additional Patents are free and clear from any mortgages, pledges, liens, security interests or encumbrances;

(ii) Infringement or Misappropriation. To Ardelyx's Knowledge, the Licensed Technology in the Territory will not infringe, violate or misappropriate the intellectual property rights of any Third Party;

(iii) Third Party Infringement. To Ardelyx's Knowledge, no Third Party is infringing, violating or misappropriating, or has threatened in writing to infringe or misappropriate, any Licensed Technology in the Territory;

(iv) No Proceeding. There is no actual, suspected, pending, or, to Ardelyx's Knowledge, threatened, adverse action, suit, proceeding, claim or formal governmental investigations in the Territory against Ardelyx involving the Licensed Technology;

(v) Enforceability, Validity. All applicable filing, maintenance and other fees required to be paid to maintain the Licensed Patents in the Territory as of the Effective

Date have been timely paid (as such due date may be extended in accordance with Applicable Law or patent authority rules and regulations);

(vi) Full Disclosure. Ardelyx has disclosed to KHK all material information in Ardelyx's possession requested by KHK pertaining to the Licensed Technology, and Ardelyx has not knowingly withheld any material information applicable to KHK's ability to Develop, Manufacture or Commercialize the Licensed Products in the Field in the Territory as contemplated by this Agreement;

(vii) No Conflicts. During the Term, Ardelyx shall not grant any right to any Third Party that conflicts with the rights granted to KHK under this Agreement. Ardelyx is not under any obligation, contractual or otherwise, to any Third Party that conflicts with or is inconsistent in any material respect with the terms of this Agreement;

(viii) Patents. Exhibits B and C include a complete and accurate list of all Patents owned or in-licensed by Ardelyx or any of its Affiliates in the Territory as of the Effective Date that claim the Licensed Product, or any method of using the Licensed Product. There are no other Patents Controlled by Ardelyx that would be infringed by the Manufacture of the Licensed Compound or the Licensed Product in the Territory or outside of the Territory, and there are no Ardelyx [***] Patents as of the Effective Date;

(ix) [***] are [***] for [***] regardless of [***] (and to the extent [***], and the [***] for [***] regardless of [***], [***] shall [***]; and

(x) Conduct of Development. As of the Effective Date, Ardelyx has conducted the Development of Licensed Products in compliance with Applicable Laws in all material respects.

(c) KHK represents, warrants and covenants as of the Effective Date to Ardelyx that:

(i) KHK has not been debarred by the FDA (and is not subject to any similar sanction of other Regulatory Health Authorities in the Territory), and is not subject to any such debarment or similar sanction by any such Regulatory Health Authority, and KHK has not used, and shall not engage, in any capacity, in connection with this Agreement, any Person who either has been debarred by such a Regulatory Health Authority, or is the subject of a conviction described in Section 306 of the FFDCA (21 U.S.C. §335a). KHK shall inform Ardelyx in writing immediately if it or any Person engaged by KHK who is performing services under this Agreement is debarred or is the subject of a conviction described in Section 306 of the FFDCA (21 U.S.C. §335a), or if any action, suit, claim, investigation or legal or administrative proceeding is pending or, to KHK's knowledge, is threatened, relating to the debarment or conviction of KHK or any such Person performing services hereunder.

(ii) KHK shall not knowingly engage in any activities that use the inventions covered or claimed in the Licensed Patents, Ardelyx [***] Patents or any Licensed Know-How in a manner that is outside the scope of the license rights expressly granted to it hereunder.

(iii) KHK has determined in good faith that no filing is required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended with respect to this Agreement or the transactions contemplated herein, it being understood that KHK in making such determination has relied on the information provided by Ardelyx regarding Ardelyx's and its Affiliates' corporate structure and financial status.

(iv) KHK shall perform, or cause its Affiliates or Third Party contractors to perform, its responsibilities under this Agreement in compliance with this Agreement, all Applicable Laws, applicable FDA (or foreign equivalent) requirements, including, without limitation, then-current GLP, GCP and GMP.

Section 9.02 Manufacturing by Ardelyx and KHK.

(a) KHK covenants to Ardelyx that any Licensed Compound or Licensed Product for Development or Commercial use that is Manufactured by or for KHK or its Affiliates (other than by or on behalf of Ardelyx or its Affiliates) shall: (i) be manufactured in compliance with Applicable Laws; (ii) conform to the applicable Specifications for such Licensed Compound or Licensed Product; (iii) conform to the certificates of analysis supplied with the shipment of such Licensed Product; and (iv) shall be packaged and shipped in accordance with the applicable Specifications therefor in effect at the time of delivery.

(b) Ardelyx covenants to KHK that any Licensed Compound or Licensed Product for Development or Commercial use by or for KHK or its Affiliates that is Manufactured by Ardelyx, its Affiliates or any of their contract manufacturing organizations shall: (i) be manufactured in compliance with Applicable Laws; (ii) conform to the applicable Specifications for such Licensed Compound or Licensed Product; (iii) conform to the certificates of analysis supplied with the shipment of such Licensed Product; and (iv) shall be packaged and shipped in accordance with the applicable Specifications therefor in effect at the time of delivery.

Section 9.03 No Debarment. In the course of the Development of Licensed Compound and Licensed Product in accordance with this Agreement, neither Party has used, and during the term of this Agreement neither Party shall use, any employee or consultant that is debarred by any Regulatory Health Authority or, to the best of such Party's knowledge, is the subject of debarment proceedings by any Regulatory Health Authority. If either Party learns that its employee or consultant performing on behalf under this Agreement has been debarred by any Regulatory Health Authority, or has become the subject of debarment proceedings by any Regulatory Health Authority, such Party shall so promptly notify the other Party and shall prohibit such employee or consultant from performing on its behalf under this Agreement. The foregoing shall be without prejudice to the warranties contained in Section 9.01(b)(iv) and Section 9.01(c)(i).

Section 9.04 Anti-Bribery and Anti-Corruption Compliance.

(a) Each Party agrees, on behalf of itself, its officers, directors and employees and on behalf of its Affiliates, agents, representatives, consultants and subcontractors hired in connection with the subject matter of this Agreement (together with such Party, the "**Party Representatives**") that in connection with the performance of its obligations hereunder, the Party Representatives

shall not directly or indirectly pay, offer or promise to pay, or authorize the payment of any money, or give, offer or promise to give, or authorize the giving of anything else of value, to:

(i) any Government Official in order to influence official action;

(ii) any Government Official (AA) to influence such Person to act in breach of a duty of good faith, impartiality or trust ("**acting improperly**"), (BB) to reward such Person for acting improperly, or (CC) where such Person would be acting improperly by receiving the money or other thing of value; or

(iii) any other Person while knowing or having reason to believe that all or any portion of the money or other thing of value will be paid, offered, promised or given to, or will otherwise benefit, a Government Official in order to influence official action for or against either Party in connection with the matters that are the subject of this Agreement.

(b) The Party Representatives shall not, directly or indirectly, solicit, receive or agree to accept any payment of money or anything else of value in violation of the Anti-Corruption Laws.

(c) Each Party, on behalf of itself and its other Party Representatives, represents and warrants to the other Party that for the Term and three (3) years thereafter, such Party shall keep and maintain accurate books and reasonably detailed records reasonably required to establish compliance with (a) and (b) above.

(d) Each Party shall promptly provide the other Party with written notice of the following events:

(i) Upon becoming aware of any breach or violation by the first Party or its Party Representative of any representation, warranty or undertaking set forth in (a) or (b).

(ii) Upon receiving a formal notification that it is the target of a formal investigation by a Regulatory Authority for a Material Anti-Corruption Law Violation or upon receipt of information from any of its Party Representatives connected with this Agreement that any of them is the target of a formal investigation by a Regulatory Authority for a Material Anti-Corruption Law Violation.

(e) Without prejudice to any auditing or inspection rights that are set forth elsewhere in this Agreement, each Party shall, for the Term and three (3) years thereafter, for the purpose of allowing the other Party to audit and monitor the performance of its compliance with this Article IX permit the other Party, its Affiliates, any auditors of any of them and any Regulatory Authority to have access, upon reasonable advance notice, during normal business hours to any premises of such first Party or its other Party Representatives used in connection with this Agreement, together with a right to access personnel and records that relate to this Agreement. The results of any such audit shall constitute Confidential Information of the audited Party, in respect of which the other Party shall comply with the provisions contained in Article VII (subject to the terms and exceptions set forth therein).

(f) Each Party shall be responsible for any breach of any representation, warranty, covenant or undertaking in this Article IX or of the Anti-Corruption Laws by its Party Representatives.

(g) Each Party may disclose the terms of this Agreement or any action taken under this 0 to prevent a potential violation or address a continuing violation of applicable Anti-Corruption Laws, including the identity of the other Party and the payment terms, to any governmental

authority if and to the extent the first Party reasonably determines, upon advice of counsel, that such disclosure is necessary.

Section 9.05 Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE IX, THE PARTIES MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EITHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTY OF NON-INFRINGEMENT.

ARTICLE X.
RECORD RETENTION, AUDIT AND USE OF NAME

Section 10.01 Records Retention; Audit.

(a) Each Party shall keep or cause to be kept accurate records of account in accordance with Japanese Generally Accepted Accounting Principles, in the case of KHK, and in accordance with GAAP, in the case of Ardelyx, showing information that is necessary for the accurate determination of the royalties and other payments due under Article VI, or any other payment due hereunder. Such records or books of account shall be kept until the [***] ([***]) anniversary of December 31 of the Calendar Year in which the relevant Licensed Product are sold (in the case of royalty or other payments due under Section 6.04) or in the period for which any other payment hereunder is required to be made. For clarity, each Party shall cause its Affiliates to keep, and shall require pursuant to a written agreement that any Sublicensee, other sublicensee or subcontractor performing activities hereunder keep accurate records or books of account in a manner that will permit such Party to comply with its obligations under the foregoing sentence.

(b) Upon the written request of the other Party, each Party shall permit a qualified accountant or a person possessing similar professional status and associated with an independent accounting firm acceptable to the Parties to inspect during regular business hours and no more than once a Calendar Year, and going back no more than [***] ([***]) years preceding the current Calendar Year, all or any part of the audited Party's records and books necessary to check the accuracy of any payments made or required to be made hereunder. The accounting firm shall enter into appropriate obligations with the audited Party to treat all information it receives during its inspection in confidence. The accounting firm shall disclose to Ardelyx and KHK only whether the payments made are correct and details concerning any discrepancies, but no other information shall be disclosed to the Party requesting the inspection. The charges of the accounting firm shall be paid by the Party requesting the inspection, except that if the payments being audited have been underpaid or the costs being reimbursed have been overstated, in each case by more than [***] percent ([***]%), the charges shall be paid by the Party whose records and books are being

inspected. Any failure by a Party to exercise its rights under this Section 10.01 with respect to a Calendar Year within the [***] ([***]) year period allotted therefor shall constitute a waiver by such Party of its right to later object to any payments made by the other Party under this Agreement during such Calendar Year.

Section 10.02 Publicity Review. Subject to the further provisions of this Section 10.02, no Party shall originate any written publicity, news release, or other announcement relating to this Agreement or to performance hereunder or the existence of an arrangement between the Parties (collectively, "**Written Disclosure**"), without the prior prompt review and written approval of the other, which approval shall not be unreasonably withheld or delayed. The disclosing Party shall provide the other Party with a copy of the materials proposed to be disclosed at least [***] ([***]) Business Days prior to the proposed Written Disclosure. Notwithstanding the foregoing provisions of this Section 10.02, any Party may make any public Written Disclosure, it believes in good faith based upon the advice of counsel, to be required by Applicable Laws or any listing or trading agreement concerning its publicly traded securities, provided that, at least [***] ([***]) Business Days prior to making such Written Disclosure, the disclosing Party shall provide the other Party with a copy of the materials proposed to be disclosed and an opportunity to promptly review and comment on the proposed Written Disclosure. To the extent that the receiving Party reasonably requests that any information in the materials proposed to be disclosed be deleted, the disclosing Party shall use reasonable efforts to request confidential treatment of such information pursuant to the Applicable Laws so that any information that the receiving Party reasonably requests to be deleted, to the extent permitted by the applicable government agency, are omitted from such materials. The terms of this Agreement may also be disclosed to government agencies where required by Applicable Laws, provided that the Party making such disclosure shall seek a protective order or confidential treatment of this Agreement to the extent allowed under Applicable Laws, Notwithstanding the foregoing, the Parties intend to issue a joint press release regarding the transaction contemplated by this Agreement, the contents of such press release to be mutually agreed by the Parties in writing (prior to the Effective Date and prior to any publication thereof), subject to such additional modifications as the Parties may mutually agree. For clarity, Ardelyx shall have the right to issue press releases and other public announcements regarding the Development or Commercialization of Licensed Products outside of the Territory and/or outside of the Field without the prior review or written approval of KHK.

Section 10.03 Use of Names. Neither Party shall use the name, insignia, symbol, trademark, trade name or logotype of the other Party or its Affiliates in relation to this transaction or otherwise in any public announcement, press release, or other public document without the prior written consent of such other Party, which consent shall not be unreasonably withheld, delayed or conditioned, except for those disclosures for which consent has previously been obtained; provided, however, that either Party may use the name of the other Party in any document required to be filed with any government authority, including without limitation the FDA and the Securities and Exchange Commission or otherwise as may be required by Applicable Law, provided that such disclosure shall be governed by Section 7.05. Further, the restrictions imposed on each Party under this Section 10.03 are not intended, and shall not be construed, to prohibit a Party from identifying the other Party in its internal business communications, provided that any Confidential Information in such communications remains subject to Article VII.

ARTICLE XI.
TERM AND TERMINATION

Section 11.01 Term. The term of this Agreement shall commence as of the Effective Date, and, unless sooner terminated as provided herein, shall continue in effect until the date on which all of KHK's payment obligations under Article VI have been performed or have expired (the "**Term**"). Performance or expiry of all of KHK's payment obligations with respect to all Licensed Products in the Territory shall constitute expiration of this Agreement in its entirety.

Section 11.02 Termination Rights

(a) Termination for Cause. Subject to the provisions of this Section 11.02, if either Party (the "**Breaching Party**") shall have committed a material breach of any of its material obligations under this Agreement, and such material breach shall remain uncured and shall be continuing for a period of [***] ([***]) days following the Breaching Party's receipt of notice of such breach from the other Party (the "**Non-Breaching Party**") stating the Non-Breaching Party's intent to terminate this Agreement in its entirety pursuant to this Section 11.02(a) if such breach remains uncured, then, in addition to any and all other rights and remedies that may be available, the Non-Breaching Party shall have the right to terminate this Agreement effective upon the expiration of such [***] ([***]) day period (subject, however, to the provisions set forth below in this Section 11.02(a)). Notwithstanding the above, if (i) such material breach cannot reasonably be cured within such [***] ([***]) -day period, (ii) the Breaching Party provides, within such [***] ([***]) -day period, the Non-Breaching Party with a written detailed plan that contains measures that can be reasonably expected to cure such breach as soon as reasonably practicable, (iii) the Breaching Party commences to perform such measures in accordance with such plan, and (iv) the Breaching Party thereafter diligently continues to perform such measures as detailed in such plan, then the Non-Breaching Party shall not be entitled to terminate this Agreement (and any notice of termination issued pursuant to the foregoing sentence shall not become effective) unless and until the Breaching Party ceases to diligently perform such measures despite then not having cured the breach. Notwithstanding the above, if within the aforementioned [***] ([***]) -day period either Party takes measures to resolve the dispute (for which termination is being sought) pursuant to Section 13.01 (or Ardelyx initiates mediation pursuant to Section 13.02(b) and thereafter (if the dispute then remains unresolved) within a period of [***] ([***]) days after the expiry of the time period set forth in Section 13.01 (and, as the case may be, Section 13.02(a), initiates arbitration as permitted under Section 13.02(b) to resolve the dispute and diligently pursues such procedure, then the cure period set forth in this Section 11.02(a) shall be suspended and the Non-Breaching Party shall have the right to terminate this Agreement due to the breach for which termination is being sought only if (x) the arbitration tribunal determines through its final resolution of the dispute that such breach exists and (y) such breach remains uncured for [***] ([***]) days after such final resolution. Any notice of alleged material breach by the Non-Breaching Party under this Section 11.02(a) shall include without limitation a reasonably detailed description of all relevant facts and circumstances demonstrating, supporting, or relating to each such alleged material breach by the Breaching Party. Actual termination of this Agreement pursuant to this Section 11.02(a) shall only occur upon a separate written notice of termination by the Non-Breaching Party after the end of the applicable cure period. This Section 11.02(a) defines exclusively the Parties' right to terminate this agreement for any material breach of contract.

(b) Termination for Convenience**.**

(i) Prior to its expiration, this Agreement may be terminated in its entirety at any time by KHK effective upon [***] ([***]) days (or such longer period as KHK may elect at its sole discretion) prior written notice to Ardelyx.

(ii) Additionally, if KHK ceases all Exploitation of the Licensed Products for a continuous period of more than [***] ([***]) consecutive months, KHK shall, at Ardelyx written request following the expiration of such [***] ([***]) month period (such request to reference explicitly this Section 11.02(b)(ii)), provide to Ardelyx within [***] ([***]) months after KHK's receipt of such request a written reasonable plan under which KHK would recommence Exploitation of the Licensed Products under this Agreement within [***] ([***]) months after having provided such plan to Ardelyx. KHK shall, after providing such plan to Ardelyx, perform substantially in accordance therewith. If KHK fails to provide such plan to recommence Exploitation of Licensed Products within such [***] ([***]) month period or if KHK fails to recommence such Exploitation within the aforementioned [***] ([***]) month period, KHK shall be deemed to have exercised its right to terminate this Agreement in its entirety pursuant to this Section 11.02(b) effective upon expiration of such [***] ([***]) month or (as the case may be) [***] ([***]) month period.

(c) Termination for Technical Reasons. Prior to its expiration, KHK may terminate this Agreement with a [***] ([***]) days' written notice to Ardelyx if (i) KHK receives an instruction to suspend any ongoing Clinical Trial(s) for the applicable Licensed Product by a Regulatory Authority for safety reasons, (ii) KHK is unable to proceed or continue with the activities under the applicable Development Plan due to safety reasons, or (iii) primary endpoints specified in the applicable Development Plan are not met despite KHK's Commercially Reasonable Efforts and KHK reasonably determines that it cannot obtain Regulatory Approval or (iv) the Pivotal Trials conducted by Ardelyx [***] do not meet the primary endpoints. In the event that the last remaining Licensed Product that is Exploited by KHK, its Affiliates or Sublicensees is terminated pursuant to this (c), the Agreement in its entirety shall terminate.

(d) Termination for Challenge of Licensed Patents. Prior to its expiration, Ardelyx may terminate this Agreement in its entirety by written notice to KHK if (i) KHK or its Affiliates challenges the validity, scope or enforceability of or otherwise opposes any Patent included in (i) the Licensed Patents, or (ii) Ardelyx [***] Patents or, corresponding Patents outside of the Territory, and (ii) KHK does not cause such measures to cease within [***] ([***]) days after having received written notice thereof from Ardelyx, requesting such measures to cease and stating Ardelyx's intention to terminate this Agreement if such measures are not ceased within the prescribed time. If a Sublicensee of KHK challenges the validity, scope or enforceability of or otherwise opposes any Patent included in the Licensed Patents or Ardelyx [***] Patents under which such Sublicensee is sublicensed, or corresponding Patents outside of the Territory, then KHK shall, upon written notice from Ardelyx, terminate such sublicense as promptly as possible pursuant to the terms of the sublicense agreement. KHK shall include provisions in all agreements under which a Sublicensee obtains a sublicense under any Patent included in the Licensed Patents or Ardelyx [***] Patents, or corresponding Patents outside of the Territory, providing that if the Sublicensee challenges the validity or enforceability of or otherwise opposes any such Patent under which the Sublicensee is sublicensed, KHK may terminate such sublicense.

(e) Termination for Insolvency. A Party may terminate this Agreement effective immediately upon written notice to the other Party if at any time during the Term, the other Party (the "**Debtor**") (i) becomes insolvent, (ii) has a case commenced by or against it under the Bankruptcy Code, (iii) files for or is subject to the institution of bankruptcy, liquidation or receivership proceedings, (iv) assigns all or a substantial portion of its assets for the benefit of creditors, (v) has a receiver or custodian appointed for the Debtor's business, or (vi) has a substantial part of its business being subject to attachment or similar process; provided, however, that in the event of any involuntary case under the Bankruptcy Code, the first Party shall not be entitled to terminate this Agreement pursuant to this subsection (e) if the case is dismissed within [***] ([***]) days after the commencement thereof.

Section 11.03 Consequences of a KHK Triggered Termination. In the event (a) Ardelyx terminates this Agreement pursuant to Section 11.02(a) for KHK's material breach; (b) Ardelyx terminates this Agreement pursuant to Section 11.02(d) for patent challenge by KHK or its Affiliates; (c) Ardelyx terminates this Agreement pursuant to Section 11.02(e) for KHK's insolvency; (d) KHK terminates this Agreement pursuant to Section 11.02(b) or (e) KHK terminates this Agreement pursuant to Section 11.02(c) for technical reasons (a termination as per (a) through (e) being a "**KHK Triggered Termination**"), KHK shall, subject to (a), continue to be obligated during the termination notice period (as applicable) to perform as far as reasonably practicable all of its obligations under this Agreement. If a KHK Triggered Termination occurs after the first Regulatory Approval of one or more Licensed Products in the Territory, KHK shall continue to use Commercially Reasonable Efforts to Commercialize such Licensed Product(s) in the Territory until the earlier of: (i), if applicable, the expiration of the [***] ([***]) -day notice period, in the event of a termination by KHK pursuant to Section 11.02(b)(i); (ii) receipt of Ardelyx's written notice that KHK may cease such Commercialization activities; or (iii), if applicable, the effective date of the termination notice issued pursuant to Section 11.02(a), Section 11.02(c), Section 11.02(d) or Section 11.02(e). In addition, as a result of a KHK Triggered Termination the following shall apply:

(a) All licenses and rights to the Licensed Technology and the Ardelyx [***] Technology granted to KHK hereunder shall terminate as of the effective date of such termination, except to the extent and for so long as is necessary to permit KHK to meet its obligations under Section11.03 (m), to finish work-in-progress, sell any inventory as per Section 11.03(l) below, and otherwise to perform any responsibilities in connection with any then ongoing Clinical Trial or other activity that cannot be terminated as of such date under Applicable Laws, including GCP, it being agreed that all such activities and responsibilities shall be discontinued and ceased (unless otherwise agreed or required under Applicable Laws by transitioning such activities and responsibilities to Ardelyx) as promptly as possible, subject to Applicable Laws, including GCP.

(b) KHK shall grant, and hereby grants to Ardelyx (i) an exclusive, worldwide, royalty-free right and license, with the right to grant sublicenses, under any KHK Sole Invention Patents, under any Sole Program Know-How owned by KHK and under KHK's interest in any Joint Technology, all to the extent that the practice thereof would infringe the Licensed Patents, and (ii) a non-exclusive, worldwide, royalty-free right and license, with the right to grant sublicenses, under any KHK Sole Invention Patents, under any Sole Program Know-How owned by KHK and under KHK's interest in any Joint Technology, all to the extent that the practice thereof would not infringe the Licensed Patents, (iii) a non-exclusive, worldwide, royalty-free right and license, with

the right to grant sublicenses, under the KHK [***] Technology, in the case of each of (i), (ii) and (iii) solely to Develop, make, have made, use, sell, have sold offer for sale and import Licensed Compounds and Licensed Products.

(c) Ardelyx shall have the right (but not the obligation) to enforce the KHK Sole Invention Patents against any infringement relating to Licensed Products.

(d) Ardelyx shall have the right (but not the obligation) to prosecute, maintain, enforce and defend all Licensed Patents, Ardelyx [***] Patents, and Joint Patents and KHK shall, as promptly as reasonably practicable, and to a reasonable extent take such other actions and execute such other instruments, assignments, and documents as may be necessary to enable Ardelyx to practice the rights set forth in this Section 11.03(d), with such cooperation to be provided at Ardelyx's sole cost and expense.

(e) KHK shall return all data, files, records and other materials in its possession or Control containing or comprising Ardelyx's Confidential Information (except one copy thereof, which may be retained by KHK solely for legal archiving purposes). For the avoidance of doubt, should Ardelyx elect to pursue any Development, Manufacture or Commercialization of the relevant Licensed Compound or Licensed Product following any such KHK Triggered Termination, Ardelyx shall, without prejudice to or limitation of any other or further obligations Ardelyx may have to KHK under this Agreement (including Section 12.01(b)), indemnify KHK for any Third Party claims arising from Ardelyx's Development, Manufacture or Commercialization of the relevant Licensed Compound or Licensed Product after the effective date of the termination as set forth in Section 12.01(b).

(f) KHK shall, where permitted under Applicable Laws, as promptly as reasonably practical transfer to Ardelyx all INDs, Drug Approval Applications, and Regulatory Approvals with respect to Licensed Compounds and Licensed Products, and shall take such other actions and execute such other instruments, assignments, and documents as may be necessary to affect the transfer of rights hereunder to Ardelyx. Without limiting the generality of the foregoing, KHK agrees to submit to the PMDA and other Regulatory Authorities where reasonably appropriate and required by Applicable Laws in jurisdictions in which any regulatory filings have been made with respect to the Licensed Product, without delay after the effective date of such termination, a letter (with copy to Ardelyx) notifying the PMDA and such other Regulatory Authorities of the transfer or withdrawal, if applicable, of any regulatory filings for the Licensed Product in such jurisdictions from KHK to Ardelyx. Additionally, KHK shall provide Ardelyx with copies of regulatory filings necessary to practice the rights granted to it under this Section 11.03(f).

(g) KHK shall use Commercially Reasonable Effort to assign (or cause its Affiliates to assign) to Ardelyx, at Ardelyx's request, all of KHK's (or its Affiliates') rights and obligations under agreements with Third Parties with respect to (i) the conduct of Clinical Trials for each Licensed Product, including agreements with contract research organizations, clinical sites and investigators that relate to Clinical Trials in support of Regulatory Approvals in the Territory, (ii) the Manufacture of Licensed Compound or Licensed Product (subject to KHK's obligations under Section 11.03(m)), and (iii) any other Third Party agreements involving the Development or Commercialization of the Licensed Products, unless in each of (i) through (iii), (A) such agreement is not permitted to be assigned pursuant to its terms or relates to products other than Licensed

Products, or (B) the assignment is not agreed by the Third Party to such agreement, in which case KHK shall use Commercially Reasonable Effort to cooperate with Ardelyx in all reasonable respects to transfer as promptly as reasonably practical to Ardelyx the benefit of such contract (against Ardelyx undertaking to perform all the obligations and assume all liabilities under such contract) in another mutually acceptable manner and upon Ardelyx's request facilitate discussions between Ardelyx and such Third Parties to assist Ardelyx in entering into a direct agreement with such Third Parties.

(h) KHK shall [***] assign all of its rights in and to the KHK Trademarks and the Ardelyx Trademarks for Licensed Products (and all registrations and applications for registration therefor) that it owns pursuant to Section 8.05(b) to Ardelyx and Ardelyx shall have the exclusive right (but not the obligation) to enforce the KHK Trademark rights and the Ardelyx Trademark rights against infringers.

(i) To the extent agreed by relevant Third Parties and as requested by Ardelyx, KHK shall execute any documents necessary to transfer to Ardelyx rights under any Third Party licenses obtained by KHK pursuant to and during the course of the term of this Agreement for the purpose of Exploiting the Licensed Compounds or Licensed Products, and Ardelyx shall thereafter be responsible for all costs, expenses and obligations associated with such Third Party licenses.

(j) Upon Ardelyx's reasonable request, KHK shall transfer to Ardelyx copies of all materials, data, results, analyses, reports, websites, marketing materials, technology, regulatory filings, including without limitation, all KHK Development Data and KHK Additional Development Data, and other Information and Materials existing in tangible or electronic form at the effective date of the KHK Triggered Termination, that is Controlled by KHK or its Affiliates and have been generated on or before the effective date of such termination by or on behalf of KHK, its Affiliates or Sublicensees with respect to the Licensed Products ("**KHK Product Data**"). In the event that KHK has an obligation to a Third Party to keep any KHK Product Data confidential, KHK shall use Commercially Reasonable Efforts to obtain approval from such Third Party to provide such KHK Product Data to Ardelyx. Ardelyx shall have the right to use on a non-exclusive basis such KHK Product Data to enable Ardelyx to proceed to Develop, Manufacture and Commercialize the Licensed Compounds and/or Licensed Products, as applicable, upon and after termination of this Agreement. For [***] calendar months after the Parties have mutually agreed that the transfer of the KHK Product Data from KHK to Ardelyx has been completed, KHK shall respond to Ardelyx's reasonable inquiries in respect of the KHK Product Data.

(k) Except where expressly provided for otherwise in this Agreement, termination of this Agreement shall not relieve the Parties of any liability, including without limitation any obligation to make payments hereunder, which accrued hereunder prior to the effective date of such termination, nor preclude any Party from pursuing all rights and remedies it may have hereunder or at law or in equity with respect to any breach of this Agreement, nor prejudice any Party's right to obtain performance of any obligation. In the event of such termination, this Section 11.03 shall survive in addition to others specified in this Agreement to survive in such event.

(l) KHK shall be entitled, during a period of [***] ([***]) days following the KHK Triggered Termination, to finish any work-in-progress, and to sell any inventory of the Licensed Product that remains on hand as of the date of the termination, so long as KHK pays to Ardelyx

the royalties applicable to said subsequent sales in accordance with the terms and conditions set forth in this Agreement; provided that if such termination is by Ardelyx pursuant to Section 11.02(a), that KHK's rights under this Section 11.03(l) shall be subject to Ardelyx's prior written consent, which shall not be unreasonably withheld, delayed or conditioned.

(m) KHK shall promptly transfer to Ardelyx all Information and Materials that are necessary or useful for Ardelyx, its Affiliates or licensees or their contract manufacturers to Manufacture the Licensed Products, and, if KHK has assumed responsibility for the Manufacture of the Licensed Compounds, shall facilitate the practice of such Manufacturing rights by Ardelyx, its Affiliates or each of its licensees, [***] including making regulatory filings available to Ardelyx and providing reasonable technical and other assistance in order to enable Ardelyx to practice the foregoing Manufacturing rights in accordance with Applicable Law. KHK shall make Commercially Reasonable Efforts to have any Third Party agreements under which KHK, its Affiliates or Sublicensees engage Third Parties to manufacture the Licensed Compounds, and, if KHK assumes responsibility for the Manufacture of the Licensed Compounds, contain provisions regarding the allocation of Intellectual Property Rights and rights in work product that are consistent with the terms of this Agreement and enable KHK to fulfill its obligations to Ardelyx under this Section.

(n) In the event that KHK terminates this Agreement in accordance with Section 11.02(c) for technical reasons:

(i) KHK's obligations under Section Section 11.03(f), (g), (h), (i), (j) and (m) shall only be triggered following receipt by KHK of a written notice from Ardelyx requesting KHK to perform such obligations; and

(ii) Neither Ardelyx nor KHK shall have any other remedies, or any other obligations to the other arising solely out of the termination of this Agreement by KHK pursuant to Section 11.02(c), than such remedies or obligations set out in this Section 11.03.

Section 11.04 Consequences of Ardelyx Triggered Termination (or Right to Terminate). If KHK is entitled to terminate this Agreement pursuant to Section 11.02(a) as a result of a material breach by Ardelyx or Section 11.02(e) for an insolvency or other transaction described therein affecting Ardelyx, KHK may elect to terminate this Agreement subject to the provisions set forth in Section 11.04(a), or to continue the Agreement subject to the provisions set forth in Section 11.04(b).

(a) If KHK terminates the Agreement under Section 11.02(a) or under Section 11.02(e), Section 11.03 shall apply as if such termination were an KHK Triggered Termination, except that (i) [***] and (ii) in consideration of the [***] and any other rights granted under the above provisions in Section 11.03, if (x) this Agreement is terminated pursuant to Section 11.02(a) by KHK after the First Commercial Sale of the Licensed Product in the Territory, Ardelyx shall [***]; provided, however, that the [***]. The foregoing shall be [***] in connection with its termination pursuant to Section 11.02(a).

(b) If KHK has the right to terminate this Agreement under Section 11.02(a) or Section 11.02(e), but elects to continue this Agreement, this Agreement shall continue in full force and

effect except that if KHK is entitled to terminate this Agreement under Section 11.02(a) due to Ardelyx breach (but not if KHK's right to terminate is based solely on Ardelyx's insolvency pursuant to Section 11.02(e), the royalties that Ardelyx shall be entitled to receive on Net Sales of Licensed Products by KHK, its Affiliates, or its Sublicensees as set forth in Section 6.04 shall each be reduced to [***], provided that when a Generic Product is launched in the Territory, the royalty rate shall be further reduced to [***], subject to the reduction of the Third Party Compensation as set out in Section 6.04(e).

(c) Except where expressly provided for otherwise in this Agreement, termination of this Agreement by either Party shall not relieve the Parties of any liability, including without limitation any obligation to make payments hereunder, which accrued hereunder prior to the effective date of such termination, nor preclude any Party from pursuing all rights and remedies it may have hereunder or at law or in equity with respect to any breach of this Agreement, nor prejudice any Party's right to obtain performance of any obligation. In the event of such termination, this Section 11.04(c) shall survive in addition to others specified in this Agreement to survive in such event.

Section 11.05 Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by a Party are, and shall otherwise be deemed to be, for the purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101 of the United States Bankruptcy Code or equivalent provisions of applicable legislation in any other jurisdiction. The Parties agree that the Parties, as licensees of such rights under this Agreement, shall retain and may fully exercise all of their rights and elections under the United States Bankruptcy Code, or equivalent provisions of applicable legislation in any other jurisdiction. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against either Party under the Unites States Bankruptcy Code or equivalent provisions of applicable legislation in any other jurisdiction, the Party that is not a party to such proceeding shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, which, if not already in the non-subject Party's possession, shall be promptly delivered to it (a) upon any such commencement of a bankruptcy proceeding upon the non-subject Party's written request therefor, unless the Party subject to such proceeding elects to continue to perform all of its obligations under this Agreement, or (b) if not delivered under subsection (a) above, following the rejection of this Agreement by or on behalf of the Party subject to such proceeding upon written request therefor by the non-subject Party.

Section 11.06 Surviving Rights and Obligations. The rights and obligations set forth in this Agreement shall extend beyond the expiration or termination of the Agreement only to the extent expressly provided for herein, or to the extent that the survival of such rights or obligations are necessary to permit their complete fulfillment or discharge. Without limiting the foregoing, the Parties have identified various rights and obligations which are understood to survive, as follows: In the event of expiration or termination of this Agreement for any reason, the following provisions shall survive in addition to others specified in this Agreement to survive in such event: Article I, Section 4.01, Section 5.01 (d), Section 6.08 through 6.11 (inclusive), Article VII (with the exception of Section 7.03 pursuant to Section 7.06), Section 8.01 (with regard to disclosure of the Joint Technology and the Sole Program Know-How invented during the Term), Section 8.03, Section 8.04 (with regard to Sections 8.03 and 8.04 solely with respect to Joint Patents), Article

IX, Article X, Section 11.03 through Section 11.06 (inclusive), Article XII, Article XIII and Article XIV.

ARTICLE XII.
INDEMNIFICATION

Section 12.01 Indemnification.

(a) KHK hereby agrees to indemnify, defend, and hold harmless Ardelyx, its Affiliates, and each of its and their respective employees, officers, directors and agents from and against any and all Losses incurred by them resulting from or arising out of or in connection with any suits, claims, actions or demands made or brought by a Sublicensee or other Third Party (collectively, "**Third Party Claims**") against Ardelyx, its Affiliates or their respective employees, officers, directors or agents, that result from or arise out of [***], except in any case, to the extent such Losses are Losses for which Ardelyx has an obligation to indemnify KHK, its Affiliates or their respective employees, officers, directors or agents pursuant to (b), as to which Losses each Party shall indemnify the other to the extent of their respective liability for such Losses.

(b) Ardelyx hereby agrees to indemnify, defend and hold harmless KHK, its Affiliates, and each of its and their respective employees, officers, directors and agents from and against any and all Losses incurred by them resulting from or arising out of or in connection with any Third Party Claims against KHK, its Affiliates or their respective employees, officers, directors or agents, that result from or arise out of [***]; except in any case, to the extent such Losses are Losses for which KHK has an obligation to indemnify Ardelyx, its Affiliates or their respective employees, officers, directors or agents pursuant to Section 12.01(a), as to which Losses each Party shall indemnify the other to the extent of their respective liability for such Losses.

Section 12.02 Mechanism.

(a) In the event that a Party (the "**Indemnified Party**") is seeking indemnification under Section 12.01(a) or Section 12.01(b), it shall notify the other Party (the "**Indemnifying Party**") in writing of the relevant Third Party Claim and the relevant Loss for which indemnification is being sought as soon as reasonably practicable after it becomes aware of such claim. Each such notice shall contain a description of the Third Party Claim and the nature and amount of the Loss claimed (to the extent that the nature and amount of such Loss is known at such time). The Indemnified Party shall furnish promptly to the Indemnifying Party copies of all papers and official documents received in respect of any such Third Party Claim or Losses. For the avoidance of doubt, all indemnification claims in respect of a Party, its Affiliates, and each of its and their respective employees, officers, directors and agents shall be made solely by such Party to this Agreement. The Indemnified Party shall permit the Indemnifying Party to assume direction and control of the defense of the relevant Third Party Claim (including without limitation the right to settle the claim solely for monetary consideration), and shall cooperate as requested (at the expense of the Indemnifying Party) in the defense of the claim. The assumption of the defense of a Third Party Claim by the Indemnifying Party shall not be construed as an acknowledgement that the Indemnifying Party is liable to indemnify any Indemnified Party in respect of the Third Party Claim, nor shall it constitute a waiver by the Indemnifying Party of any defenses it may assert against any Indemnified Party's claim for indemnification.

(b) Notwithstanding Section 12.02(a), the failure to give timely notice to the Indemnifying Party shall not release the Indemnifying Party from any liability to the Indemnified Party to the extent the Indemnifying Party is not prejudiced thereby and, for the avoidance of doubt, the Indemnifying Party shall not be liable to the extent any Loss is caused by any delay by the Indemnified Party in providing such notice. Notwithstanding the provisions of (a) requiring the Indemnified Party to tender to the Indemnifying Party the exclusive ability to defend such claim, if the Indemnifying Party declines to or fails to timely assume control of the relevant Third Party Claim, the Indemnified Party shall be entitled to assume such control, conduct the defense of, and settle such claim, all at the sole costs and expense of the declining or failing Party; provided, however, that neither Party shall settle or dispose of any such claim in any manner that would adversely affect the rights or interests or admit fault, of the other Party without the prior written consent of such other Party, which shall not be unreasonably withheld, delayed or conditioned. Each Party, at the other Party's expense and reasonable request, shall cooperate with such other Party and its counsel in the course of the defense or settlement of any such claim, such cooperation to include without limitation using reasonable efforts to provide or make available documents, information, and witnesses.

Section 12.03 Insurance. Each Party shall have and maintain such type and amounts of liability insurance covering the Manufacture, supply, use and sale of the Licensed Compounds and the Licensed Products as is normal and customary in the pharmaceutical industry generally for Persons similarly situated, and shall upon request provide the other Party with a copy of its policies of insurance in that regard, along with any amendments and revisions thereto.

ARTICLE XIII.
DISPUTE RESOLUTION

Section 13.01 Referral of Disputes to the Parties Senior Executives. In the event of any dispute, controversy or claim between the Parties arising out of or in connection with this Agreement, including the existence, negotiation, validity, formation, interpretation, breach, performance or application of this Agreement ("**Dispute**"), either Party may, by written notice to the other, have such Dispute referred to the Senior Executives for attempted resolution by good faith negotiations.

Section 13.02 Mediation and Arbitration.

(a) If (i) Ardelyx at any time has a good faith belief that KHK may be in material breach of its obligations under Section 4.03, (ii) Ardelyx has notified KHK of its belief in writing and the Parties are not in agreement as to whether or not such breach under Section 4.03 exists, and (iii) the Parties have not resolved the dispute through good faith negotiations pursuant to Section 13.01 within the prescribed time, then Ardelyx shall have the right (but not the obligation) to request, through written notice to KHK (a "**Mediation Notice**") within [***] ([***]) days after the expiry of the time period set forth in Section 13.01, that the Parties shall first refer the dispute proceedings under the International Chamber of Commerce ("**ICC**") under its Mediation Rules. For clarity, Ardelyx shall not be obligated to exercise its right to initiate mediation pursuant to this Section 13.02(a) before initiating arbitration pursuant to Section 13.02(b). If Ardelyx elects to exercise its right to initiate mediation within the prescribed time, then the following shall apply: If the Parties are unable to reach agreement on the selection of the mediator within [***] ([***]) Business Days

after KHK's receipt of the Mediation Notice from Ardelyx, then either or both Parties shall immediately request the ICC to select a mediator with the requisite background, experience and expertise in the biopharmaceutical industry to assist the Parties in resolving the dispute amicably. The place of mediation shall be New York City, New York, and all negotiations and communications shall be in English. The Parties shall have the right to be represented by counsel during the mediation. Each Party shall bear its own costs and expenses and attorneys' fees, and the Parties shall share equally all costs of engaging such mediator and using the ICC to mediate such matter. Any decisions or recommendations of the mediator shall be confidential and non-binding on the Parties. If the Parties are unable to resolve the dispute through mediation pursuant to this Section 13.02(a) within a period of [***] ([***]) days following KHK's receipt of the Mediation Notice from Ardelyx, then either Party shall thereafter have the right to refer the dispute to arbitration pursuant to Section 13.02(b).

(b) Subject to Section 13.01 and Section 13.02(a), any Dispute that is not resolved by the Senior Executives within [***] ([***]) days after such notice is received, such Dispute shall be finally settled under the Rules of Arbitration of the ICC by three (3) arbitrators. If the two party-appointed arbitrators fail to nominate the President of the Tribunal within [***] ([***]) days after the appointment of the two party-appointed arbitrators then, the ICC shall appoint the President of the Tribunal. The place of arbitration shall be New York City, New York. The language of the arbitration shall be English. The Parties agree that such judgment or award may be enforced in any court of competent jurisdiction.

Section 13.03 Preliminary Injunctions. Notwithstanding anything to the contrary, a Party may seek preliminary measures, including but not limited to a temporary restraining order or a preliminary injunction from any court of competent jurisdiction in order to prevent immediate and irreparable injury, loss, or damage on a provisional basis, pending the decision of the arbitral tribunal on the ultimate merits of any dispute.

Section 13.04 Patent Disputes. Notwithstanding anything to the contrary, any and all issues regarding the scope, inventorship, construction, validity, or enforceability of Patents shall be determined in a court of competent jurisdiction under the local patent laws of the jurisdictions having issued the Patents in question.

Section 13.05 Confidentiality. The Parties undertake to keep confidential all awards in their arbitration, together with all materials in the proceedings created for the purpose of the arbitration and all other documents produced by the other Party in the proceedings not otherwise in the public domain, save and to the extent that disclosure may be required by a Party by legal duty, to protect or pursue a legal right or to enforce or challenge an award in legal proceedings before a court or other judicial authority.

ARTICLE XIV.
MISCELLANEOUS

Section 14.01 Assignment; Performance by Affiliates.

(a) Neither Party may assign any of its rights or obligations under this Agreement in any country in whole or in part without the prior written consent of the other Party, except that

each Party shall have the right, without such consent, (i) to perform any of its obligations and exercise any of its rights under this Agreement through, and to assign all of its rights and obligations under this Agreement to, any of its Affiliates; provided, that, such performance or exercise by such Affiliate, or such assignment, as applicable, [***]; and (ii) on written notice to the other Party, to assign all of its rights and obligations under this Agreement to a non-Affiliate successor in interest, whether by merger, consolidation, reorganization, acquisition, stock purchase, asset purchase or other similar transaction, to all or substantially all of the business to which this Agreement relates. In the event that a Party performs its obligations or exercises its rights under this Agreement through an Affiliate (without having assigned all of its rights and obligations to such Affiliate as permitted under this Section 14.01(a), doing so shall not relieve the relevant Party of its responsibilities for the performance of its obligations under this Agreement and the relevant Party shall remain responsible and be guarantor of the performance by its Affiliates and shall cause its Affiliates to comply with the provisions of this Agreement in connection with such performance).

(b) This Agreement shall survive any succession of interest permitted pursuant to Section 14.01(a)(ii) whether by merger, consolidation, reorganization, acquisition, stock purchase, asset purchase or other similar transaction, provided, that, in the event of such merger, consolidation, reorganization, acquisition, stock purchase, asset purchase or other similar transaction, no Intellectual Property Rights of the acquiring corporation shall be included in the technology licensed hereunder, unless such Intellectual Property Rights arise as a result of the performance of this Agreement by such corporation after such transaction becomes effective.

(c) This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the Parties. Any assignment not in accordance with this Agreement shall be void.

Section 14.02 Force Majeure. In this Agreement, "**Force Majeure**" means an event which is beyond a non-performing Party's reasonable control, including an act of God, strike, lock-out or other industrial/labor disputes (whether involving the workforce of the Party so prevented or of any other Person), war, riot, civil commotion, terrorist act, epidemic, quarantine, fire, flood, storm, earthquake, natural disaster or compliance with any law or governmental order, rule, regulation or direction, whether or not it is later held to be invalid. A Party that is prevented or delayed in its performance under this Agreement by an event of Force Majeure (a "**Force Majeure Party**") shall, as soon as reasonably practical but no later than [***] ([***]) days after the occurrence of a Force Majeure event, give notice in writing to the other Party specifying the nature and extent of the event of Force Majeure, its anticipated duration and any action being taken to avoid or minimize its effect. Subject to providing such notice and to this Section 14.02, the Force Majeure Party shall not be liable for delay in performance or for non-performance of its obligations under this Agreement, in whole or in part, except as otherwise provided in this Agreement, where non-performance or delay in performance has resulted from an event of Force Majeure. The suspension of performance allowed hereunder shall be of no greater scope and no longer duration than is reasonably required and the Force Majeure Party shall exert all reasonable efforts to avoid or remedy such Force Majeure.

Section 14.03 Further Actions. Each Party agrees to execute, acknowledge, and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

Section 14.04 Notices. All notices hereunder shall be in writing and shall be deemed given if delivered personally or by facsimile transmission (receipt verified), mailed by registered or certified mail (return receipt requested and postage prepaid), or sent by internationally recognized overnight delivery service that maintains records of delivery, to the Parties at the following addresses (or at such other address for a Party as shall be specified by like notice; provided, that notices of a change of address shall be effective only upon receipt thereof).

If to Ardelyx, addressed to: Ardelyx, Inc.
34175 Ardenwood Blvd.
Fremont, CA 94555
Attention: Michael Raab, CEO
Facsimile: 510-745-0493

With a copy to: Latham & Watkins LLP
140 Scott Drive
Menlo Park, CA 94025-1008
Attention: Judith A. Hasko, Esq.
Facsimile: (650) 463-2600

If to KHK, addressed to Kyowa Hakko Kirin Co., Ltd.
1-9-2 Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan
Attention: Business Development Department
Facsimile: + [***]

With a copy to: Kyowa Hakko Kirin Co., Ltd.
1-9-2 Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan

Attention: Legal and Intellectual Property Department
Facsimile: + [***]

Section 14.05 No Waiver. Except as specifically provided for herein, the waiver from time to time by either of the Parties of any of their rights or their failure to exercise any remedy shall not operate or be construed as a waiver of any other of such Party's rights or remedies provided in this Agreement.

Section 14.06 Severability. If any term, covenant or condition of this Agreement or the application thereof to any Party or circumstance shall, to any extent, be held to be invalid or unenforceable, then (a) the remainder of this Agreement, or the application of such term, covenant, or condition to Parties or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law, and (b) the Parties

covenant and agree to renegotiate any such term, covenant, or application thereof in good faith in order to provide a reasonably acceptable alternative to the term, covenant, or condition of this Agreement or the application thereof that is invalid or unenforceable, it being the intent of the Parties that the basic purposes of this Agreement are to be effectuated.

Section 14.07 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of New York, USA, without giving effect to any conflict of law principle that would otherwise result in the application of the laws of any State or jurisdiction other than the State of New York, USA, except that Section 13.02(b) and any arbitration thereunder shall be governed by the Federal Arbitration Act, Chapters 1 and 2 as long as such Chapters are applicable.

Section 14.08 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.

Section 14.09 Entire Agreement. This Agreement, including without limitation all exhibits attached hereto, sets forth all the covenants, promises, agreements, warranties, representations, conditions, and understandings between the Parties and supersedes and terminates all prior and contemporaneous agreements and understanding between the Parties, including without limitation the agreements and amendments set forth in Section 7.07. There are no covenants, promises, agreements, warranties, representations, conditions, or understandings, either oral or written, between the Parties other than as set forth in this Agreement. No subsequent alteration, amendment, change, or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by the respective authorized officers of the Parties.

Section 14.10 Limitation of Liability. EXCEPT IN CIRCUMSTANCES OF GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT BY A PARTY OR ITS AFFILIATES, OR WITH RESPECT TO THIRD PARTY CLAIMS UNDER Section 12.01, IN NO EVENT SHALL EITHER PARTY OR ITS RESPECTIVE AFFILIATES AND SUBLICENSEES BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, WHETHER IN CONTRACT, WARRANTY, TORT, STRICT LIABILITY, OR OTHERWISE, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, REVENUE, MILESTONES OR ROYALTIES. This Section 14.10 shall not limit either Party's obligations under Article XII.

Section 14.11 No Partnership. It is expressly agreed that the relationship between Ardelyx and KHK shall not constitute a partnership, joint venture, or agency. Neither Ardelyx nor KHK shall have the authority to make any statements, representations, or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior consent of such other Party to do so.

[SIGNATURE PAGE FOLLOWS]

In Witness Whereof, the Parties have executed this Agreement in duplicate originals by their proper officers as of the Effective Date.

Ardelyx, Inc.		**Kyowa Hakko Kirin Co., Ltd.**	
By:	/s/ Michael Raab	By:	/s/ Nobuo Hanai, Ph.D
Title:	CEO	Title:	President and CEO

Confidential

TENAPANOR STRUCTURE

[***]

EXHIBIT B

COMPOUND PATENTS

[***]

Confidential

ADDITIONAL PATENTS

[***]

EXHIBIT D

INITIAL DELIVERY OF DEVELOPMENT DATA AND REGULATORY DOCUMENTATION

[***]

Study Number	Description
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

EXHIBIT E

DEVELOPMENT API SUPPLY

[***]

Compound / Material	Quantity	Timing for Delivery	Purpose
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]

EXHIBIT F

DEVELOPMENT PRODUCT SUPPLY

(i) [***]

Timing for Delivery	Product	Quantity
[***]	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]

(ii) [***]

Timing for Delivery	Product	Quantity
[***]	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]

(iii) [***]

Timing for Delivery	Product	Quantity
[***]	[***]	[***]
	[***]	[***]
	[***]	[***]
	[***]	[***]

CERTAIN INFORMATION IDENTIFIED BY "[***]" HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE OF INFORMATION THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

Exhibit 10.25

LICENSE AGREEMENT
BY AND BETWEEN
SHANGHAI FOSUN PHARMACEUTICAL INDUSTRIAL DEVELOPMENT CO., LTD.
AND
ARDELYX, INC.
DECEMBER 11, 2017

CONTENTS

EXHIBITS

LICENSE AGREEMENT

This License Agreement (the "**Agreement**") is entered into as of the December 11, 2017 (the "**Effective Date**") by and between Shanghai Fosun Pharmaceutical Industrial Development Co., Ltd., a Chinese corporation with a place of business at 1289 Yishan Road, Shanghai, 200233 P.R. China ("**FOSUN**") and **Ardelyx, Inc.**, a Delaware corporation having its principal place of business at 34175 Ardenwood Boulevard, Fremont, California United States of America 94555 ("**Ardelyx**"). Ardelyx and FOSUN are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

RECITALS

WHEREAS, FOSUN is a pharmaceutical company engaged in the research, development and commercialization of products useful in the amelioration, treatment or prevention of human diseases and conditions;

WHEREAS, Ardelyx is a biotechnology company developing a certain proprietary compound known as tenapanor, having the structure set forth on **Exhibit A** for use in the treatment of human diseases and disorders;

WHEREAS, FOSUN and Ardelyx desire to establish a license agreement for the further development and commercialization of tenapanor, with the objective of providing pharmaceutical products in specified territories to patients derived from application of the expertise of each of Ardelyx and FOSUN.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I.
DEFINITIONS AND CONSTRUCTION

The following terms shall have the following meanings as used in this Agreement:

Section 1.01 "**Affiliate**" means with respect to either Party, any Person controlling, controlled by or under common control with such Party, from time to time and for so long as such control exists. For purposes of this definition of Affiliate, "control" (and, with correlative meanings, the terms "controlled by" and "under common control with") means (a) direct or indirect ownership of fifty percent (50%) or more of the stock or shares having the right to vote for the election of directors of a Person or (b) the possession, directly or indirectly, of the power to direct, or cause the direction of, the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

Section 1.02 "**Annual Net Sales**" means the Net Sales made during any given Calendar Year.

Section 1.03 "**Anti-Corruption Laws**" means the U.S. Foreign Corrupt Practices Act, as amended, the UK Bribery Act 2010, as amended, and any other applicable anti-corruption laws and laws for the prevention of fraud, racketeering, money laundering or terrorism.

Section 1.04 "**API Supply**" shall have the meaning assigned in Section 5.01(a).

Section 1.05 "**Applicable Laws**" means all applicable statutes, ordinances, codes, executive or governmental orders, laws, rules and regulations, including without limitation, any rules, regulations, guidelines or other requirements of Regulatory Health Authorities, that may be in effect from time to time.

Section 1.06 "**Ardelyx** [***] **Know-How**" means Know-How that [***]; provided, that (i) such Know-How is used by [***] a Licensed Compound or a Licensed Product, or (ii) such Know-How [***] a Licensed Product in the Field. Ardelyx [***] Know-How specifically excludes any Excluded Know-How.

Section 1.07 "**Ardelyx** [***] **Patents**" means all Patents that [***] invention that (i) [***] a Licensed Compound or a Licensed Product (**"Ardelyx** [***]"), or (ii) is [***] a Licensed Product in the Field ("**Ardelyx** [***] **Patents**"). Ardelyx [***] Patents specifically excludes any Excluded Patents.

Section 1.08 "**Ardelyx** [***] **Technology**" means Ardelyx [***] Know-How and Ardelyx [***] Patents.

Section 1.09 "**Ardelyx Controlled Patents**" shall have the meaning assigned in Section 8.03(a).

Section 1.10 "**Ardelyx Sole Invention Patent**" shall mean any Patent claiming Sole Program Know-How owned solely by Ardelyx.

Section 1.11 "**Bankruptcy Code**" means Title 11, United States Code, as amended, or analogous provisions of Applicable Laws outside the United States.

Section 1.12 "**Breaching Party**" shall have the meaning assigned in Section 11.02(a).

Section 1.13 "**Bridging Study**" shall mean a clinical study conducted in the Territory for the purpose of providing pharmacodynamic or clinical data on efficacy, safety, dosage and dose regimen in the Territory to allow extrapolation of the clinical data generated by Ardelyx, its Affiliates or its licensees outside of the Territory. The Bridging Study may be a pharmacokinetics study or a full clinical trial, as required by the Regulatory Health Authorities in the Territory.

Section 1.14 "**Business Day**" means any day other than (a) a Saturday or a Sunday or (b) a day on which commercial banking institutions are authorized or required by Applicable Laws to be closed in New York City, New York or in People's Republic of China.

Section 1.15 "**Calendar Quarter**" means each successive period of three (3) consecutive calendar months commencing on 1st January, 1st April, 1st July and 1st October.

Section 1.16 "**Calendar Year**" means each successive period of twelve (12) consecutive calendar months commencing on 1st January.

Section 1.17 "**CFDA**" means the People's Republic of China's Food and Drug Administration, or any successor thereto.

Section 1.18 "**P.R.C. GAAP**" means Chinese Generally Accepted Accounting Principles, consistently applied in the Territory.

Section 1.19 "**Combination Product**" means a product in form suitable for human or animal applications containing a Licensed Compound as an active ingredient and containing one or more other active ingredients, that is sold either as a fixed dose or as separate doses in a single package; provided, that if any other active ingredient is Controlled by Ardelyx and is not a Licensed Compound, it is understood that FOSUN is not being granted any license under any Intellectual Property Rights to Exploit such other active ingredient.

Section 1.20 "**Commercialization**" means all activities undertaken relating to the Manufacture of commercial supplies, marketing and sale of a Licensed Product, advertising, education, planning, marketing, promotion, distribution, market and product support, and Phase 4 Clinical Trials commenced after the First Commercial Sale of the Licensed Product in the Territory

Section 1.21 "**Commercialization Budget**" shall have the meaning assigned in Section 3.03.

Section 1.22 "**Commercialization Plan**" shall have the meaning assigned in Section 3.03.

Section 1.23 "**Commercialize**" means the conduct of Commercialization activities.

Section 1.24 "**Commercially Reasonable Efforts**" shall mean the efforts and resources typically used by pharmaceutical companies similar in size and scope to perform the obligations at issue, which efforts shall not be less than those efforts made by the performing Party with respect to other products at a similar stage of development or in a similar market and commercial potential, taking into account the competitiveness of the market place, the proprietary position of the products, the regulatory structure involved and the profitability of the applicable products.

Section 1.25 "**Comparable Licensed Product**" shall have the meaning assigned in Section 6.05.

Section 1.26 "**Competitive Product**" means any pharmaceutical product other than a Licensed Product that [***]. A Competitive Product shall not include [***].

Section 1.27 "**Confidential Information**" means any and all (a) Know-How relating to the Exploitation of Licensed Compounds or Licensed Products (including Licensed Know-How) or relating to other aspects of the collaboration between the Parties under this Agreement, and (b) Information and Materials, whether oral or in writing or in any other form, disclosed before, on or after the date of this Agreement by one Party to the other Party, including the terms of this Agreement.

Section 1.28 "**Control**" means, with respect to an item of Know-How, Patent or other Intellectual Property Rights, the ability and authority of a Party or its Affiliates, whether arising by ownership, possession, or pursuant to a license or sublicense, to grant licenses, sublicenses, or other rights to the other Party under or to such item of Know-How, Patent or Intellectual Property Rights as provided for in this Agreement, (a) without breaching the terms of any agreement between such Party and any Third Party, and (b) in the case of Ardelyx [***] Technology, without incurring any additional royalty, milestone or other costs or expenses which FOSUN has not agreed in writing to bear.

Section 1.29 "**Cost of Goods**" shall mean the sum of (a) [***] in accordance with GAAP, representing amounts [***] as the case may be, and (b) any amounts [***] that are incurred by Ardelyx after transfer of ownership of such materials and that [***].

Section 1.30 "**Develop**" means the conduct of Development activities.

Section 1.31 "**Development**" means all activities relating to obtaining Regulatory Approval of a Licensed Product, Licensed Product line extensions, alternative delivery systems and new indications therefor, and all activities relating to developing the ability to Manufacture the same. This includes, for example, (a) nonclinical testing, toxicology, formulation, clinical studies, regulatory affairs, and outside counsel regulatory legal services, (b) manufacturing process development for finished forms of Licensed Products, and manufacturing and quality assurance technical support activities prior to the First Commercial Sale of a Licensed Product anywhere in the Territory and (c) the conduct of advisory boards with relevant experts, e.g. clinical experts or payer representatives. Development shall not include activities associated with Phase 4 Clinical Trials in respect of a Licensed Product commenced after First Commercial Sale of such Licensed Product anywhere in the Territory.

Section 1.32 "**Development Supply**" shall have the meaning assigned in Section 5.01(a).

Section 1.33 "**Distributor**" shall have the meaning assigned in Section 2.03.

Section 1.34 "**Drug Approval Application**" means an application for Regulatory Approval required before commercial sale or use of a Licensed Product as a drug in a regulatory jurisdiction.

Section 1.35 "**Effective Date**" shall have the meaning assigned in the first paragraph of this Agreement.

Section 1.36 "**Excluded Know-How**" means Know-How related to Ardelyx's proprietary platform technology known as Ardelyx Primary Enterocyte and Colonocyte Culture System.

Section 1.37 "**Excluded Patents**" means any Patents claiming aspects of Ardelyx's proprietary platform technology known as Ardelyx Primary Enterocyte and Colonocyte Culture System.

Section 1.38 "**Exploit**" means to Develop, Manufacture, have Manufactured, Commercialize a product or process.

Section 1.39 "**Exploitation**" means the act of Exploiting a product or process.

Section 1.40 "**FDA**" means the United States Food and Drug Administration or any successor thereto.

Section 1.41 "**FFDCA**" means the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301, et seq., as amended from time to time.

Section 1.42 "**Field**" means the treatment, diagnosis or prevention of (i) irritable bowel syndrome with constipation and chronic idiopathic constipation, (ii) hyperphosphatemia related to chronic kidney disease, and (iii) other diseases or conditions for which Ardelyx obtains marketing approval in either the United States or the Territory; provided, however, that with respect to (i), (ii) and (iii), the Field shall exclude the treatment of cancer.

Section 1.43 "**Filing**" means, with respect to a submission to a Regulatory Health Authority, the date that such submission is confirmed to have been received by the relevant Regulatory Health Authority.

Section 1.44 "**First Commercial Sale**" means, with respect to any Licensed Product, the first arm's length sale for monetary value by FOSUN, its Affiliates, or its Sublicensees to a Third Party for end use or consumption by the general public of such Licensed Product in the Territory.

Section 1.45 "**FOSUN** [***] **Know-How**" means Know-How (a) that [***] provided, that, (i) such Know-How is used by [***] a Licensed Compound or a Licensed Product, or (ii) such Know-How [***] a Licensed Product.

Section 1.46 "**FOSUN** [***] **Patents**" means all Patents (a) that [***]; provided, that, such Patents claim inventions that (i) [***] of a Licensed Compound or a Licensed Product ("**FOSUN** [***]"), or (ii) is [***] a Licensed Product ("**FOSUN** [***]").

Section 1.47 "**FOSUN** [***] **Technology**" means FOSUN [***] Know-How and FOSUN [***] Patents.

Section 1.48 "**FOSUN Sole Invention Patent**" shall mean any Patent claiming Sole Program Know-How owned solely by FOSUN.

Section 1.49 "**FOSUN Triggered Termination**" shall have the meaning assigned in Section 11.03.

Section 1.50 "**FTE**" means a full time equivalent person year of eighteen hundred eighty (1,880) hours of scientific, technical or operational work (excluding administrative services).

Section 1.51 GCP" or "**Good Clinical Practices**" means the current standards for clinical trials for pharmaceuticals, as set forth in China as well as in the United States Code of Federal Regulations, ICH guidelines and applicable regulations, laws or rules as promulgated thereunder, as amended from time to time, and such standards of good clinical practice as are required by other organizations and governmental agencies in the Territory to the extent such standards are not less stringent than United States GCP.

Section 1.52 "**Generic Product**" means with respect to a Licensed Product in the Territory a product (a) that is sold in by a Third Party who is not a Sublicensee or a Distributor selling such product under authorization from FOSUN or its Affiliates, (b) that has received Regulatory Approval necessary for sale in the Territory, (c) that [***] and (d) that contains as the active ingredient the same compound as is contained in such Licensed Product.

Section 1.53 "**GLP**" or "**Good Laboratory Practices**" means good laboratory practices required under the regulations set forth in 21 C.F.R. Part 58, as in effect during the Term, and the requirements thereunder imposed by the FDA and the CFDA, and the equivalent thereof in any jurisdiction.

Section 1.54 "**GMP**" or "**Good Manufacturing Practices**" means the current good manufacturing practices required under the applicable regulations set forth in 21 C.F.R. Subchapter C (Drugs) and Subchapter H (Medical Devices), including without limitation Parts 210–211, 808, 812, and 820, and the requirements thereunder imposed by the FDA and the CFDA, and the equivalent thereof in any jurisdiction, and the laws, regulations, guidelines, guidance, pharmaceutical industry standards and requirements in force from time to time that apply to the Manufacture of each Licensed Compound or Licensed Product in any jurisdiction.

Section 1.55 "**Government Official**" means any Person employed by or acting on behalf of a Governmental Body, government-controlled entity or public international organization.

Section 1.56 "**Governmental Body**" means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or entity and any court or other tribunal); or (d) self-regulatory organization (including the NASDAQ Global Market and the NASDAQ Global Select Market).

Section 1.57 "**IND**" means an Investigational New Drug application or the equivalent filed with or submitted to the relevant Regulatory Health Authority, including, for example, the FDA, for authorization to commence human clinical trials.

Section 1.58 "**Indirect Taxes**" means value added taxes, sales taxes, consumption taxes and other similar taxes.

Section 1.59 "**Information**" means (a) techniques, information and data necessary or useful for the Development, Manufacture or Commercialization of Licensed Compounds or Licensed Products, including without limitation, Know-How, marketing, pricing, distribution, cost, sales, and manufacturing data or descriptions as well as (b) any information or data relating to Materials.

Section 1.60 "**Intellectual Property Rights**" or "**IPR**" means Patents, Trademarks, service marks, trade secrets (including patentable inventions), trade names, registered designs, design rights, copyrights (including rights in computer software), domain names, database rights and any rights or property similar to any of the foregoing in any part of the world, whether registered or not, together with the right to apply for the registration of any such rights.

Section 1.61 "**Joint Know-How**" shall have the meaning assigned in Section 8.02(a).

Section 1.62 "**Joint Patent**" shall mean any Patent claiming any invention within the Joint Know-How.

Section 1.63 "**Joint Technology**" shall mean collectively, Joint Patents and Joint Know-How.

Section 1.64 "**Know-How**" means all inventions, discoveries, data, information (including scientific, technical or regulatory information), trade secrets, processes, means, methods, practices, formulae, instructions, procedures, techniques, materials, technology, results, analyses, designs, drawings, computer programs, apparatuses, specifications, technical assistance, laboratory, pre-clinical and clinical data (including laboratory notes and notebooks), and other material or know-how, in written, electronic or any other form, whether or not confidential, proprietary or patentable, including without limitation: development technology; biology, chemistry, pharmacology, toxicology, drug stability, Manufacturing and formulation, test procedures, synthesis, purification and isolation techniques, quality control data and information, methodologies and techniques; information regarding clinical and non-clinical safety and efficacy studies, including study designs and protocols, marketing studies, absorption, distribution, metabolism and excretion studies; assays and biological methodology.

Section 1.65 "**Knowledge**" means the good faith understanding of the officers of Ardelyx and its Affiliates, [***]. For clarity, for purposes of the representations and warranties set forth in Section 9.01(b), "**Knowledge**" will not include any obligation to conduct any special searches or analyses such as, but not limited to, any analysis of Ardelyx's freedom to operate with respect to Patents relevant to Licensed Compounds or Licensed Products.

Section 1.66 "**Licensed Compound**" means the compound of Licensor, known as tenapanor, having the structure set forth on **Exhibit A**, and any metabolites, salts, polymorphs, hydrates, semihydrates or degradants of such compound.

Section 1.67 "**Licensed Product**" means any and all products in finished forms suitable for human applications containing the Licensed Compound as an active ingredient.

Section 1.68 "**Licensed Know-How**" means (a) Know-How that Ardelyx or its Affiliates Control as of the Effective Date and (b) Sole Program Know-How owned by Ardelyx; provided that, with respect to Know-How described in (a) or (b) above, such Know-How is necessary or useful to Exploit any Licensed Compound or Licensed Product in the manner permitted under the terms and conditions of this Agreement. Licensed Know-How specifically excludes the Ardelyx [***] Know-How and the Excluded Know-How.

Section 1.69 "**Licensed Patents**" means (a) the Listed Patents, and (b) all Ardelyx Sole Invention Patents; provided that in case of (b) above, such Patents claim any inventions necessary or useful for the Exploitation of Licensed Compound or Licensed Products pursuant to the terms and conditions of this Agreement. Licensed Patents excludes Ardelyx [***] Patents and the Excluded Patents.

Section 1.70 "**Licensed Product**" shall mean any and all pharmaceutical preparations, compositions and formulations in forms suitable for human applications containing a Licensed Compound as an active ingredient.

Section 1.71 "**Licensed Technology**" means all Licensed Patents and Licensed Know-How.

Section 1.72 "**Listed Patents**" means the Patents listed in **Exhibit B**, and any Patents issuing after the Effective Date in the Territory claiming priority to any such Patents listed on **Exhibit B**.

Section 1.73 "**Losses**" means any and all direct or indirect liabilities, claims, actions, damages, losses or expenses, including interest, penalties, and reasonable lawyers' fees and disbursements. In calculating Losses, the legal duty to mitigate on the part of the Party suffering the Loss shall be taken into account.

Section 1.74 "**Manufacture**" or "**Manufacturing**" means activities in connection with the synthesis, manufacture, processing, formulating, testing (including, without limitation quality control, quality assurance and lot release testing), bulk packaging or storage and delivery of Licensed Compound or Licensed Product.

Section 1.75 "**Material Anti-Corruption Law Violation**" means a violation of an Anti-Corruption Law relating to the subject matter of this Agreement which would, if it were publicly known, be reasonably expected to have a material adverse effect on the Party committing such violation or on the reputation of the other Party because of its relationship with the Party committing such violation.

Section 1.76 "**Materials**" means compounds, compositions of matter, and assays necessary or useful for the Development, Manufacture or Commercialization of Licensed Products. Materials excludes and materials associated with the Excluded Know-How.

Section 1.77 "**Mediation Notice**" shall have the meaning assigned in Section 13.02(a).

Section 1.78 "**Net Sales**" means the gross amount invoiced by a Party, its Affiliates and Sublicensees for sales of Licensed Products to a Third Party (including Distributors but excluding, for the avoidance of doubt, Sublicensees) less deductions for the following :

(a) customary trade, quantity discounts, settlement discounts, or chargebacks actually granted, allowed, or incurred in the ordinary course of business in connection with the sale of the Licensed Products;

(b) credits to customers, not in excess of the selling price of the Licensed Products, on account of governmental requirements, rejection, recalls, or return of the Licensed Products;

(c) distributors fees, rebates, or allowances actually granted or allowed, including without limitation government and managed care rebates;

(d) Indirect Taxes and excise taxes or customs duties paid by the selling entity and any other governmental charges imposed upon the sale; importation, use or distribution of the Licensed Products; and

(e) transportation costs, distribution expenses, special packaging and related insurance charges actually incurred.

Section 1.79 "**Non-Breaching Party**" shall have the meaning assigned in Section 11.02(a).

Section 1.80 "**Other Ingredients**" shall have the meaning assigned in Section 6.05.

Section 1.81 Intentionally Left Blank.

Section 1.82 "**Patent**" means (a) all national, regional and international patents and patent applications, including provisional patent applications, (b) all patent applications filed either from such patents, patent applications or provisional applications or from an application claiming priority from any of these, including divisionals, continuations, continuations-in-part, provisionals, converted provisionals, and continued prosecution applications, (c) any and all patents that have issued or in the future issue from the foregoing patent applications ((a) and (b)), including utility models, petty patents and design patents and certificates of invention, (d) any and all extensions or restorations by existing or future extension or restoration mechanisms, including revalidations, reissues, re-examinations and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications ((a), (b) and (c)), and (e) any similar rights, including so-called pipeline protection, or any importation, revalidation, confirmation or introduction patent or registration patent or patent of additions to any such foregoing patent applications and patents.

Section 1.83 "**Payments**" shall have the meaning assigned in Section 6.08(a).

Section 1.84 "**Person**" means any individual, sole proprietorship, corporation, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other similar entity or organization, including a government or political subdivision, department or agency of a government.

Section 1.85 "**Phase 4 Clinical Trial**" means any clinical study of a pharmaceutical product on human subjects commenced after receipt of Regulatory Approval in a territory of such pharmaceutical product for the purpose of satisfying a condition imposed by a Regulatory Health Authority to obtain Regulatory Approval, or marketing the pharmaceutical product in that territory, and not for the purpose of obtaining initial Regulatory Approval of such pharmaceutical product. For clarity, Phase 4 Clinical Trials shall be considered a part of Commercialization.

Section 1.86 "**Pro-Rata Percentage**" shall have the meaning assigned in Section 2.06(b)(i).

Section 1.87 "**Regulatory Approval**" means any and all approvals (including without limitation pricing and reimbursement approvals), product or establishment licenses, registrations, or authorizations of any regional, federal, state, or local Regulatory Health Authority, department,

bureau, or other governmental entity, necessary to commercially distribute, sell or market a Licensed Product in a regulatory jurisdiction, including, where applicable, (a) pricing or reimbursement approval in such jurisdiction, (b) pre- and post-approval marketing authorizations (including any prerequisite Manufacturing approval or authorization related thereto), (c) labeling approval and (d) technical, medical and scientific licenses.

Section 1.88 "**Regulatory Authority**" means any court or government body, whether national, supra-national, federal, state, local, foreign or provincial, including any political subdivision thereof, including any department, commission, board, bureau, agency, or other regulatory or administrative governmental authority or instrumentality, and further including any quasi-governmental Person or entity exercising the functions of any of these.

Section 1.89 "**Regulatory Documentation**" means all applications, registrations, licenses, authorizations and approvals, all correspondence submitted to or received from Regulatory Health Authorities (including minutes and official contact reports relating to any communications with any Regulatory Health Authority) and all supporting documents, including documentation arising in the course of all clinical studies and tests, in each case relating to any Licensed Compounds or Licensed Products, including all INDs, Regulatory Approvals, regulatory drug lists, advertising and promotion documents, adverse event files and complaint files.

Section 1.90 "**Regulatory Exclusivity**" means any exclusive marketing rights or data exclusivity rights conferred by any Regulatory Health Authority with respect to a Licensed Product other than Patents, including, without limitation, rights conferred in the U.S. under the Hatch- Waxman Act or the FDA Modernization Act of 1997 (including pediatric exclusivity), orphan drug exclusivity, or rights similar thereto outside the U.S.

Section 1.91 "**Regulatory Health Authority**" means any applicable national (for example, FDA or CFDA), supranational, regional, state, provincial or local regulatory health authority, department, bureau, commission, council, or other government entity regulating or otherwise exercising authority with respect to the Exploitation of Licensed Compounds or Licensed Products in the Territory pursuant to the terms and conditions of this Agreement, including any such entity involved in the granting of Regulatory Approval for pharmaceutical products.

Section 1.92 "**Review Period**" shall have the meaning assigned in Section 7.07.

Section 1.93 "**ROFN Product**" shall have the meaning assigned in Section 2.11.

Section 1.94 "**Safety Agreement**" shall have the meaning assigned in Section 4.06(a).

Section 1.95 "**Senior Executives**" means (a) the Chief Executive Officer of Ardelyx and (b) the Chief Executive Officer of FOSUN. A Party shall be entitled, effective upon written notice thereof to the other Party, to designate one of its other representatives having equivalent seniority and experience to replace such foregoing representative as that Party's Senior Executive for the purpose of this Agreement.

Section 1.96 "**Sole Invention Patent**" shall mean any Patent claiming any invention within the Sole Program Know-How.

Section 1.97 "**Sole Program Know-How**" shall have the meaning assigned in Section 8.02(a).

Section 1.98 "**Specifications**" means the specifications applicable to the Manufacture, packaging and labeling of Licensed Compound or Licensed Products in effect at a given time.

Section 1.99 "**Sublicensee**" shall have the meaning assigned in Section 2.02.

Section 1.100 "**Tax**" means any form of tax or taxation, levy, duty, charge, social security charge, contribution or withholding of whatever nature (including any related fine, penalty, surcharge or interest) imposed by, or payable to, a Tax Authority.

Section 1.101 "**Tax Authority**" means any government, state or municipality, or any local, state, federal or other fiscal, revenue, customs, or excise authority, body or official anywhere in the world, authorized to levy Tax.

Section 1.102 "**Term**" shall have the meaning assigned in Section 11.01.

Section 1.103 "**Territory**" means People's Republic of China, including Hong Kong and Macao.

Section 1.104 "**Third Party**" means any Person other than Ardelyx or FOSUN, or their respective Affiliates.

Section 1.105 "**Third Party Claims**" shall have the meaning assigned in Section 12.01(a).

Section 1.106 "**Third Party Compensation**" shall have the meaning assigned in Section 6.04(f).

Section 1.107 "**Trademark**" means any trademark, trade name, service mark, service name, brand, domain name, trade dress, logo, slogan or other indicia of origin or ownership, including the goodwill and activities associated with each of the foregoing.

Section 1.108 "**Transfer Price**" means with respect to the Licensed Compound, the Licensed Product and the placebo supplied by Ardelyx for [***]

Section 1.109 " **U.S. GAAP**" means United States Generally Accepted Accounting Principles, consistently applied.

Section 1.110 "**Valid Claim**" means (a) a claim of an issued and unexpired Patent within the Licensed Patents, Ardelyx [***] Patents, Joint Patents or [***], as applicable, that has not been held unpatentable, invalid, or unenforceable by a court or other government agency of competent jurisdiction in an unappealable decision or has not been admitted to be invalid or unenforceable through reissue, re-examination, disclaimer, or otherwise or (b) a claim of a pending patent application within the Licensed Patents, Ardelyx [***] Patents, Joints Patents or [***], as applicable, that has not been abandoned, finally rejected or expired without the possibility of appeal or re-filing.

Section 1.111 "**Written Disclosure**" shall have the meaning assigned in Section 10.02.

Section 1.112 Construction. Except where the context requires otherwise, whenever used in this Agreement, the singular includes the plural, the plural includes the singular, the use of any gender is applicable to all genders and the word "**or**" has the inclusive meaning represented by the phrase "**and/or**". Whenever this Agreement refers to a number of days, unless otherwise specified, such number refers to calendar days. The term "**including**" or "**includes**" as used in this Agreement means including, without limiting the generality of any description preceding such term. The article, section, and subsection headings contained in this Agreement are for the purposes of convenience only and are not intended to define or limit the contents of such articles, sections, and subsections. The wording of this Agreement shall be deemed to be the wording mutually chosen by the Parties and no rule of strict construction shall be applied against any Party.

ARTICLE II.
GRANT OF RIGHTS AND LICENSES; EXCLUSIVITY

Section 2.01 Licenses to FOSUN.

(a) Subject to the terms of this Agreement, Ardelyx grants to FOSUN an exclusive (including with regard to Ardelyx and its Affiliates, except with respect to the retained rights set forth in Section 2.04 below) right and license under the (i) Licensed Technology, (ii) Ardelyx's rights in the Joint Technology and (iii) Ardelyx [***] Technology to Develop, have Developed, Commercialize (but not Manufacture), have Commercialized (but not have Manufactured), including without limitation package, have packaged and import the Licensed Products in the Field and in the Territory.

(b) Subject to the terms of this Agreement, Ardelyx grants to FOSUN a non-exclusive right and license under the (i) Licensed Technology, (ii) Ardelyx's rights in the Joint Technology, and (iii) Ardelyx [***] Technology to Manufacture and to have Manufactured Licensed Product (but not Licensed Compound) within or outside of the Territory, for the sole purpose of Developing and Commercializing the Licensed Product in the Field and in the Territory.

Section 2.02 Sublicenses. FOSUN shall have the right to grant sublicenses, through multiple tiers of sublicenses, under the licenses granted to FOSUN under Section 2.01, to its Affiliates without the prior written consent of Ardelyx, and to any other Person with the prior written consent of Ardelyx, such consent not to be unreasonably withheld. Where FOSUN or its Affiliates grants such sublicense to a Person that is not an Affiliate of FOSUN, and such Person is not a Distributor, such Person shall be a "**Sublicensee**" for the purposes of this Agreement, and any Person to which a Sublicensee grants a further sublicense shall also be a Sublicensee; provided, however, that any Person that (a) is granted a sublicense under the license granted to FOSUN pursuant to Section 2.01 solely to enable such Person to provide development services or contract manufacturing services for FOSUN, its Affiliates or Sublicensees, and (b) does not have the right to distribute, market or sell the Licensed Products shall not be a "**Sublicensee**" for purposes of this Agreement. FOSUN, its Affiliates and its Sublicensees shall ensure that all Persons to which they grant sublicenses comply with all terms and conditions of this Agreement. FOSUN shall remain liable for any action or failure to act by any Sublicensee, or any other Party that is granted a sublicense under the licenses granted in Section 2.01 by FOSUN, its Affiliates or its Sublicensees,

if such action or failure to act by the Sublicensee would have constituted a breach of this Agreement if such action or failure were committed by FOSUN. Without limiting the foregoing, FOSUN shall obtain rights and licenses from its Affiliates (but only to the extent that such Affiliates are FOSUN's Sublicensees hereunder) and Sublicensees as necessary to enable FOSUN to grant to Ardelyx rights and licenses under Patents and Know-How Controlled by such Affiliates and Sublicensees to the same extent as FOSUN grants to Ardelyx pursuant to this Agreement under FOSUN Sole Invention Patents, Sole Program Know-How owned by FOSUN, FOSUN's interest in the Joint Technology and FOSUN [***] Technology, including without limitation the licenses and rights granted to Ardelyx pursuant to Section 2.05 and Article XI. FOSUN shall remain liable for any action or failure to act by any Sublicensee, or any other Party that is granted a sublicense under the licenses granted in Section 2.01 by FOSUN, its Affiliates or its Sublicensees, if such action or failure to act by the Sublicensee would have constituted a breach of this Agreement if such action or failure were committed by FOSUN.

For clarity, Ardelyx currently expects to enter into additional license agreements for the further development and commercialization of tenapanor outside of the Territory, and the provisions of this Agreement relating to certain Intellectual Property Controlled by FOSUN, its Sublicensees or Affiliates, or by Ardelyx, its licensees or Affiliates are intended to [***] to Intellectual Property that [***] with respect to Intellectual Property that [***].

Section 2.03 Distributorships. FOSUN shall have the right, in its sole discretion, to appoint its Affiliates, and FOSUN, its Affiliates and its Sublicensees shall have the right, in their sole discretion, to appoint any other Persons in the Territory to distribute, market and sell the Licensed Products in the Territory, with or without packaging rights. In circumstances where such appointed Person purchases its requirements of Licensed Products from FOSUN, its Affiliates or its Sublicensees, but does not otherwise make any royalty or other payment to FOSUN, its Affiliates or its Sublicensees with respect to Intellectual Property Rights, and where such Person is not an Affiliate of FOSUN and neither FOSUN nor any of its Affiliates shares in the profits from, or has an equivalent interest in the proceeds from, the sale of Licensed Products by such Person, that Person shall be a "**Distributor**" for purposes of this Agreement. The term "packaging rights" in this Section 2.03 shall mean the right for the Distributor to package Licensed Products supplied in unpackaged bulk form into individual ready-for-sale packs. FOSUN shall ensure that its legal contracts with its Distributors restrict such Distributor from selling or exporting the Licensed Product out of the Territory. FOSUN shall remain liable for any action or failure to act by the Distributor, if such action or failure to act by the Distributor would have constituted a breach of this Agreement if such action or failure were committed by FOSUN.

Section 2.04 Rights Retained by Ardelyx. Notwithstanding the foregoing, Ardelyx retains the right under (a) the Licensed Technology, (b) Ardelyx's rights in the Joint Technology and (c) Ardelyx [***] Technology to Exploit the Licensed Compounds and the Licensed Products outside the Field and in the Territory or outside the Territory and to conduct any other activities expressly assigned to Ardelyx under this Agreement, including the Manufacturing of the Licensed Compound and the Licensed Products.

Section 2.05 License to Ardelyx. FOSUN grants to Ardelyx an exclusive, fully paid, royalty free, sublicensable, irrevocable license under the FOSUN [***] Technology, any Sole Program Know-How owned by FOSUN, the FOSUN Sole Invention Patents, and FOSUN's

interest in the Joint Technology to Exploit the Licensed Compounds and Licensed Products outside the Field and in the Territory or outside the Territory.

Section 2.06 Use of Data.

(a) Ardelyx shall grant and hereby grants to FOSUN, and shall use Commercially Reasonably Efforts to cause its Affiliates and Sublicensees to grant to FOSUN, a fully paid, royalty free, irrevocable, worldwide, sublicensable, non-exclusive license under such Party's right, interest and title in, to and under any data, results and information regarding the use of the Licensed Product to treat (i) [***], or (ii) [***] that may be may generated by Ardelyx, its Affiliates or Sublicensees solely for the purpose of allowing FOSUN to Develop, Manufacture (Licensed Product, but not Licensed Compound), and/or Commercialize the Licensed Product, in the Field and in the Territory, and to Manufacture and to have Manufactured Licensed Product (but not Licensed Compound) outside of the Territory.

(b) If Ardelyx, its Affiliates or licensees, plan to conduct any other clinical trial of a Licensed Product in the Field that is not otherwise a clinical trial to support the Development of the Licensed Product for [***] (an "**Additional Study**"), Ardelyx shall so notify FOSUN and present the proposed design and projected costs of such Additional Study to FOSUN, and the following shall apply:

(i) If FOSUN agrees to co-fund such Additional Study, the Parties shall prepare a budget for the associated costs of the Additional Study and FOSUN shall bear a mutually agreed upon percentage of the associated costs [***] (such percentage to be referred to as the "**Pro-Rata Percentage**"). If the Parties cannot agree on the Pro-Rata Percentage allocation for FOSUN, then the provisions of Section 2.06(b)(ii) shall apply as if FOSUN did not wish to co-fund such Additional Study. If FOSUN co-funds any Additional Study, all resulting data would be available for use by FOSUN in connection with exercising its rights under this Agreement;

(ii) If FOSUN does not wish to co-fund such proposed Additional Study, then Ardelyx shall be entitled to proceed with such Additional Study at its cost. In such case, FOSUN would have no rights to use any resulting data, except with respect to safety information required to be filed with the applicable Regulatory Authorities in any filings with Regulatory Authorities, unless and until a Buy-In occurs as set forth in Section 2.06(c).

(c) Buy-In Right. Notwithstanding Section 2.06(b)(ii) above, at any time, whether during the Additional Study, or after the conclusion of the Additional Study, FOSUN shall have the right by written notice to Ardelyx to buy in to co-funding any Additional Study for which FOSUN declined previously to co-fund (the "**Buy-In**") by (i) [***], and (ii) in order to compensation Ardelyx for FOSUN's delayed decision to co-fund the Additional Study, paying to Ardelyx [***] percent ([***]%) of the Pro-Rata Percentage of the [***] costs incurred to conduct such Additional Study [***]. Upon any such Buy-In, FOSUN shall have the rights with respect to such clinical trial or studies and the data arising therefrom as set forth in Section 2.06(a). *If* FOSUN elects a Buy-In, it shall pay to Ardelyx the Buy-In amounts set forth in this Section 2.06(c)

within [***] ([***]) days after FOSUN notifies Ardelyx in writing that FOSUN is exercising its right to Buy-In.

(d) FOSUN shall grant and hereby grants to Ardelyx, and shall use cause its Affiliates and Sublicensees to grant to Ardelyx, a fully paid, royalty free, irrevocable, worldwide, sublicensable, non-exclusive license under such Party's right, interest and title in, to and under any data, results and information regarding the use of Licensed Products that may be may generated by FOSUN, its Affiliates or Sublicensees solely for the purpose of allowing Ardelyx, its Affiliates and Sublicensees to Develop, Manufacture, and/or Commercialize the Licensed Products outside of the Field in the Territory, or outside of the Territory, whether or not in the Field.

Section 2.07 No Implied Rights. This Agreement confers no right, license, or interest by implication, estoppel, or otherwise under any Patents, Know-How, or other Intellectual Property Rights of either Party except as expressly set forth in this Agreement. Each Party hereby expressly retains and reserves all rights and interests with respect to Patents, Know-How, or other Intellectual Property Rights not expressly granted to the other Party hereunder. Without limiting the generality of the foregoing, no license or other rights are granted to FOSUN under this Agreement to any compounds claimed or disclosed in any Ardelyx [***] Patents or any Licensed Patents, other than the Licensed Compound.

Section 2.08 Exclusivity Term. FOSUN's exclusive licenses granted under Section 2.01, shall expire with respect to each separate Licensed Product on the date when FOSUN's obligation to pay royalties with respect to such Licensed Product expires pursuant to Section 6.04(e). Upon expiry of FOSUN's exclusive licenses with respect to a Licensed Product in the Territory, FOSUN's exclusive licenses with respect to such Licensed Product in the Territory shall become non-exclusive, fully paid-up, perpetual and irrevocable and the Net Sales of such Licensed Product in the Territory shall be excluded from the royalty calculations under Section 6.04 (including the thresholds and ceilings). FOSUN and its Affiliates and Sublicensees shall be allowed to continue exercising FOSUN's exclusive rights under the licenses granted in Section 2.01 on a non-exclusive basis in the Territory with no further consideration to Ardelyx.

Section 2.09 Right of Reference. Each Party shall have access and a right of reference to all data contained or referenced in any Regulatory Documents (including any Regulatory Approvals) necessary for the Development, Manufacture or Commercialization of the Licensed Product for the treatment of hyperphosphatemia or irritable bowel syndrome with constipation.

Section 2.10 Exclusivity Covenant.

(a) During the period starting on the [***] and continuing until the earlier to occur of (i) [***] and (ii) [***] (such period, "**Covenant Period 1**"), neither FOSUN nor any of its Affiliates shall, except as otherwise expressly permitted in this Agreement, either by itself or through a Third Party, [***]. Notwithstanding the above, in the event that [***], FOSUN will not be in violation of this Section 2.10(a); provided, that (i) [***] and (ii) [***] during Covenant Period 1 or Covenant Period 2.

(b) During the period starting on the Effective Date and continuing until [***] (such period, "**Covenant Period 2**"), neither FOSUN nor any of its Affiliates shall, except as otherwise

expressly permitted in this Agreement, either by itself or through a Third Party, [***] in the Territory any Competitive Product [***]; provided that [***]. Notwithstanding the above, in the event that [***] or a [***], the sale or distribution of the Competitive Product by such Affiliate shall not be a violation of this Section 2.10(b); provided, that, [***], and provided, further that [***].

(c) Notwithstanding the aforesaid, neither FOSUN's nor any of FOSUN Affiliates' direct or indirect acquisition of or merger with, in whole or in part, a Person (or group of companies) or the business of a Person (or group of companies), which will become an Affiliate of FOSUN or controlled by FOSUN immediately after closing of such acquisition or merger transaction, having any activity contravening the covenant set forth above in this Section 2.10, shall constitute a breach of such covenants by FOSUN, if, [***] FOSUN shall either (i) provide Ardelyx with written notice of its, or its Affiliates', as the case may be, [***], or (ii) exercises its right to terminate this Agreement pursuant to Section 11.02(b)(i), in which case such termination shall be effective [***] ([***]) days after Ardelyx's receipt of a written notice of termination from FOSUN. In the event that FOSUN provides a written notice of its or its Affiliates' [***] pursuant to the above, then (X) FOSUN shall (or, as the case may be, cause its relevant Affiliate to) diligently pursue [***], and in any case, [***] after the closing of the acquisition or merger transaction under which the relevant business was acquired, and (Y) neither FOSUN nor its Affiliates, as the case may be, shall during such [***] ([***]) [***] period, [***] the product in question, unless the product [***]. Notwithstanding the foregoing, FOSUN's or any of FOSUN Affiliates' [***] other than the acquisition or merger transaction aforementioned shall not constitute a breach of the covenants set forth above in this Section 2.10 by FOSUN, [***]. FOSUN shall, notwithstanding anything to the contrary in this Section 2.10 (c), at all times continue to be obligated to use Commercially Reasonable Efforts to Develop or Commercialize Licensed Products in accordance with its obligations under and subject to Section 4.03.

(d) Notwithstanding the above, in the event that (i) [***], or (ii) [***], then in the case of each of (i) and (ii), rather than exercising its right of termination under this Agreement, FOSUN may [***] from Ardelyx such that FOSUN may [***] impacted by [***] for [***] and the Parties shall negotiate in good faith the terms under which the Ardelyx may [***], which may include [***].

(e) The words [***] and all variations thereof included in this Section 2.10 with reference to a Competitive Product shall include the activities described in the [***], but with such activities being with respect to a Competitive Product rather than with respect to Licensed Product as set forth in the definition.

(f) The Parties agree that the restrictions contained in this Section 2.10 are reasonable and necessary for the protection of the Parties' and their Affiliates' respective confidential information and business, that such restrictions are reasonable in all the circumstances and that the Parties would not have entered into this Agreement without the protections afforded to them under this Section 2.10.

Section 2.11 Right of First Negotiation. During the Term, if Ardelyx decides to Develop and/or Commercialize outside of the Field in the Territory, a pharmaceutical preparation, composition and/or formulation in a form suitable for human application containing the Licensed

Compound as an active ingredient (a "**ROFN Product**") or is willing to grant a Third Party a license under the Licensed Technology, Ardelyx's rights in the Joint Technology and/or Ardelyx [***] Technology to Develop and/or Commercialize such ROFN Product in the Territory ("Ardelyx License"), Ardelyx shall inform FOSUN by written notice of its intention as such, and shall provide FOSUN with [***] of the ROFN Product, and shall negotiate exclusively with FOSUN for a period of up to [***] ([***]) days ("Negotiation Period"). FOSUN may notify Ardelyx by way of a letter of acceptance that it wishes to collaborate with Ardelyx to engage in the Development or Commercialization activities of such ROFN Product in the Territory, or to enter into an agreement for an Ardelyx License. If Ardelyx and FOSUN cannot reach mutually agreeable terms and conditions of an Ardelyx License during the Negotiation Period, then Ardelyx shall be free to Develop and/or Commercialize the ROFN Product in the Territory outside of the Field, or negotiate and enter into an Ardelyx License with a Third Party [***].

ARTICLE III.
COLLABORATION GOVERNANCE; DEVELOPMENT AND COMMERCIALIZATION PLANS

Section 3.01 Steering Committee. Ardelyx and FOSUN shall establish a steering committee in accordance with this Article III (the "**SC**"). The SC shall remain in effect as from the Effective Date through the Term, or until such earlier date, as Ardelyx, in its sole discretion, determines to terminate its membership in the SC. The SC shall serve as a forum for discussing and sharing Information and Materials; discussing strategy regarding the Development of the Licensed Products, among other activities. FOSUN shall submit to the SC all results from the Bridging Studies and any other clinical trials that FOSUN shall conduct in the Territory as soon as reasonably practicable after completion, but in any event within a time frame sufficient to enable Ardelyx to meet any obligations that it may have regarding such clinical trial results and the disclosure thereof, including those obligations it may have under any Applicable Law or the rules and regulations of any Governmental Body. At a minimum, FOSUN shall provide a summary in English of each final report of each clinical trial to the SC, within [***] ([***]) days after finalization of the clinical trial report. The summary shall contain such information as Ardelyx shall reasonably request.

Section 3.02 Composition of the SC. Each Party shall appoint [***] ([***]) representatives as its voting members of the SC. The first meeting of the SC shall be held within [***] ([***]) days of the Effective Date. The SC shall be chaired by a representative of [***]. The chairperson shall be responsible for calling meetings, setting the agenda, circulating the agenda at least [***] ([***]) days prior to each meeting and distributing minutes of the meetings within [***] ([***]) days following such meetings, but will not otherwise have any greater power or authority than any other member of the SC. The chairperson shall coordinate with each Party to schedule each SC meeting at least [***] ([***]) months in advance of such meeting, or – with regard to meetings that are called for on shorter notice – as early as reasonably practicable in advance of such meeting. Each Party shall disclose to the chairperson any proposed agenda items, along with appropriate Information and Materials at least [***] ([***]) Business Days in advance of each meeting of the SC (or – with regard to meetings that are called for on shorter notice – as early as reasonably practicable in advance of such meeting). The chairperson shall not reject any proposed agenda items. All of the members of the SC shall have such expertise as appropriate to the activities of the SC. Each Party may replace its members of the SC upon written notice to the

other Party and shall replace its members as the expertise required by the SC changes over time and as the Licensed Products advance through Development; [***]. From time to time, the SC may invite non-voting personnel of either Party having formulation, Manufacturing, Commercialization, marketing or other expertise to participate in discussions of the SC. An alternate voting member designated by a Party may serve temporarily in the absence of a permanent voting member appointed by such Party, and either Party may also designate one or more non-voting consultants to such Party who are under written obligations of confidentiality to such Party as SC observers who may attend the SC meetings in an observational capacity only.

Section 3.03 Commercialization Plan. The SC shall be responsible for the approval of the first commercialization plan prepared for each Licensed Product. Each such commercialization plan shall govern the launch of the Licensed Product and the Commercialization of the Licensed Product for at least [***] ([***]) months following such launch ("**Commercialization Plan**"), and each Commercialization Plan shall set forth the commercialization budget describing the costs and expenses relating to the Commercialization of the Licensed Product during the relevant period ("**Commercialization Budget**"). Within [***] ([***]) months after the [***], FOSUN shall submit the initial Commercialization Plan and Commercialization Budget for the relevant Licensed Product to the SC for approval. The initial Commercialization Plan shall include, the following, among other things, (a) a requirement that during launch and for the first [***] ([***]) months following the First Commercial Sale of the first Licensed Product, that FOSUN shall use [***], and (b) specific plans as to [***]. After the approval of the first Commercialization Plan and Commercialization Budget, the SC will review the Commercialization Plan and Commercialization Budget and the current status of the Commercialization activities at least [***] ([***]) times per year, and will amend the Commercialization Plan and Commercialization Budget as necessary pursuant to review. The SC will approve any material changes to the Commercialization Budget.

Section 3.04 Meetings of the SC. The SC shall hold meetings at such times and places as shall be determined by a majority of the entire membership of the committee, but in no event shall such meetings be held less frequently than once every [***] ([***]) months through the first [***] ([***]) years following the First Commercial Sale of each Licensed Product in the Territory. Meetings of the SC will alternate between the offices of the Parties, unless otherwise agreed upon by the members of the SC, or may be held via internet, telephonically or by videoconference; provided that at least one 1 meeting per year shall be held in person until [***] ([***]) years following the First Commercial Sale of each Licensed Product in the Territory. Thereafter, the SC may determine how frequently to require meetings of the SC and how frequently to require in person meetings of the SC. Meetings of the SC will be effective if at least two (2) representatives of each Party are in attendance or participating in the meeting. Each Party will be responsible for the expenses incurred in connection with its employees, consultants and its members of the SC attending or otherwise participating in SC meetings.

Section 3.05 SC Decision Making. The SC shall make decisions within its remit only by [***]. In the event that [***] on a matter before it for decision within [***] ([***]) days after the matter was first considered by it, then [***] shall have the final decision making authority except for decisions that (a) [***] (i) [***] or (ii) [***], or (b) [***], with respect to which decisions, [***] shall have the right to refer such matter to the Senior Executives, who shall meet

(in person, via internet, telephonically or by videoconference) to resolve the matter within [***] ([***]) days of such referral.

ARTICLE IV.
GENERAL PROVISIONS ON DEVELOPMENT AND COMMERCIALIZATION

Section 4.01 Record Keeping. Each Party shall maintain, or cause to be maintained, records of its activities under this Agreement in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes, which shall be complete and accurate and shall fully and properly reflect all work done and results achieved in the performance of its activities hereunder, which shall record only such activities and shall not include or be commingled with records of activities outside the scope of this Agreement, and which shall be retained by such Party for at least [***] ([***]) years after the termination of this Agreement, or for such longer period as may be required by Applicable Laws. Each Party shall have the right, during normal business hours and upon reasonable prior notice to the other Party, to inspect and copy any such records of such other Party.

Section 4.02 Conduct of Certain Development Activities. Any clinical trial(s) and other Development studies that are commenced in the Territory after the Effective Date to support Regulatory Approval of the Licensed Products in the Territory will be conducted solely by FOSUN; provided, however, Ardelyx may sponsor or co-sponsor such clinical studies pursuant to the Applicable Law of the Regulatory Health Authority of the Territory, in which case Ardelyx shall use Commercially Reasonable Efforts to cooperate with FOSUN to conduct such clinical trials in the Territory. Notwithstanding anything to the contrary, all clinical trials in the Territory conducted in accordance with this Agreement shall be [***] and [***] of [***]'s cooperation and assistance.

Section 4.03 Diligence Obligations.

(a) FOSUN shall use Commercially Reasonable Efforts at its own cost and expense to carry out its activities under this Agreement to develop (including to seek Regulatory Approval in the Territory), Manufacture (as set forth herein) and Commercialize the Licensed Product in the Territory for the indication of hyperphosphatemia related to chronic kidney disease and for irritable bowel syndrome with constipation. FOSUN shall act reasonably in preparing the Commercialization Plans, and any amendments thereto, including the corresponding Commercialization Budgets each of which shall be consistent with the obligation to use Commercially Reasonable Efforts as set forth herein. For purposes of this Section 4.03(a) the Parties agree that in order to demonstrate that it has utilized Commercially Reasonable Efforts as required under this Section 4.03(a), FOSUN shall meet the following timelines and other objectives [***] with respect to each of the indications of hyperphosphatemia related to chronic kidney disease and irritable bowel syndrome:

(i) [***] provided that all necessary documents for the [***] have been provided by Ardelyx;

(ii) [***] following [***];

(iii) [***] within [***] ([***]) months after [***];

(iv) [***] within [***] ([***]) months following completion of [***];

(v) [***] within [***] ([***]) months after receipt of [***];

(vi) [***] and for the first [***] ([***]) [***];

(vii) [***] in the first [***] ([***]) months shall [***] of FOSUN's [***] in the Territory; and

(viii) Each [***] for each Licensed Product shall not be less than [***] for such Licensed Product for [***] following the [***].

(b) If FOSUN fails to fulfill its obligations within certain period under Section 4.03(a), the Parities agree to extend another [***] ([***]) months of such period for FOSUN to achieve such objectives. If FOSUN fails to achieve the specific objectives within the extended periods, or if FOSUN fails to meet its obligations generally under Section 4.03(a), then Ardelyx may exercise its rights under Section 13.02 or proceed directly to exercise its rights under Section 11.02(a) (subject to the provisions set forth therein), at Ardelyx's sole discretion.

Section 4.04 Reports of Development Activities. FOSUN shall report on the Development activities of the Licensed Product undertaken by it at each meeting of the SC. The Development reports shall include a reasonably detailed summary of all results, data and material inventions, if any, obtained from such Development activities. In addition, FOSUN shall, at its own expense, make appropriate scientific and regulatory personnel available to Ardelyx, either by telephone or in person as the Parties may mutually agree, as reasonably required to keep Ardelyx informed of Development activities conducted by FOSUN.

Section 4.05 Regulatory Matters.

(a) To the extent permitted under Applicable Law, FOSUN shall be the marketing authorization holder for the Licensed Products in the Field in the Territory. If it is determined during the Term that pursuant to Applicable Law the Parties are not able to operate under the terms of this Section 4.05, then Ardelyx shall be the marketing authorization or imported drug license holder of the Licensed Products. Notwithstanding the foregoing sentence, however, Ardelyx shall not have any right to Develop and/or Commercialize the Licensed Product in the Field in the Territory. FOSUN shall reimburse Ardelyx for any and all costs (internal and external) that Ardelyx may incur in being the marketing authorization or imported drug license holder, if so required by Applicable Law.

(b) FOSUN shall be solely responsible for preparing, filing and submitting all Regulatory Documents related to the Licensed Compounds and Licensed Products with the Regulatory Health Authority in the Territory, including all applications for Regulatory Approval. FOSUN shall own any and all applications for Regulatory Approvals, the Regulatory Approvals, and other regulatory filings related to the Licensed Compounds and Licensed Products, which will be held in the name of FOSUN. FOSUN shall also be solely responsible for providing, in the format required by the applicable Regulatory Health Authorities, the data and information required

to be submitted to such Regulatory Health Authorities for Regulatory Approval of the Licensed Products in the Territory, including without limitation data from all clinical trials and all Manufacturing and controls information required for Regulatory Approval of such Licensed Product by the Regulatory Health Authorities in the Territory. FOSUN shall, subject to Section 4.03(a), use Commercially Reasonable Efforts to obtain Regulatory Approval for Licensed Products in the Territory.

(c) During the Term, FOSUN shall report to Ardelyx regarding the status of each pending or proposed IND equivalent application or Drug Approval Application covering a Licensed Product in the Territory.

(d) FOSUN shall notify Ardelyx of any request for [***] and FOSUN shall allow [***], in Ardelyx's sole discretion. The foregoing shall apply with respect to [***]. FOSUN shall as soon as reasonably practicable furnish Ardelyx with copies of all substantive correspondence FOSUN has had with any Regulatory Health Authority, and contact reports concerning substantive conversations or substantive meetings with any Regulatory Health Authority, in each case relating to any such IND equivalent or Drug Approval Application.

Section 4.06 Adverse Event Reporting and Product Recall.

(a) Each Party agrees to provide the other Party with the necessary safety information required by Regulatory Health Authorities to comply with Applicable Laws. Ardelyx will hold the safety database for the Licensed Compounds and the Licensed Products and FOSUN will provide safety information as required by Applicable Laws, in a timely manner. As promptly as possible following the Effective Date, but no later than the commencement of the first clinical trial by FOSUN in the Territory, the Parties will enter into a detailed safety agreement (the "**Safety Agreement**"), governing, among other things, appropriate adverse event reporting procedures relating to Licensed Products and reflecting the provisions set forth above in this Section 4.06(a). The Parties shall also enter into a detailed pharmacovigilance agreement at such time as the phase of Development of a Licensed Product by a Party, its Affiliates or Sublicensees would make such an agreement necessary or advisable.

(b) In the event that any government agency or authority issues or requests a recall or takes similar action in connection with the Licensed Compounds or the Licensed Products, or in the event either Party determines that an event, incident or circumstance has occurred that may result in the need for a recall or market withdrawal, the Party notified of or desiring such recall or market withdrawal shall promptly advise the other Party thereof.

Section 4.07 General Provisions Regarding Commercialization. FOSUN will control and perform, itself or through its Affiliates, Sublicensees or Distributors, the Commercialization of all Licensed Products in the Field throughout the Territory and, as a result, shall, subject to Section 4.03(a), be obligated and responsible for using Commercially Reasonable Efforts to carry out Commercialization activities pursuant to each Commercialization Plan and in accordance with each Commercialization Budget. For the avoidance of doubt FOSUN (or, as the case may be, its Affiliates or Sublicensees) shall book all of their sales of each Licensed Product, coordinate the Manufacture and supply of all Licensed Products required for Commercialization, invoice Third Parties (including Distributors) that purchase Licensed Products from FOSUN (or its Affiliates or

Sublicensees), and collect payment for all Licensed Products sold by FOSUN (or its Affiliates or Sublicensees). Except to the extent otherwise described in this Agreement, FOSUN will be solely responsible for, and will bear all costs relating to, the Commercialization of the Licensed Products in the Territory.

ARTICLE V.
MANUFACTURE AND SUPPLY

Section 5.01 Supply.

(a) Ardelyx shall be responsible for supplying such quantities of Licensed Compound and Licensed Product for use in the Development and Commercialization of the Licensed Products under this Agreement as the Parties shall agree to and document in the MSA discussed below (the "**API Supply**"). Ardelyx shall also be responsible for supplying such quantities of Licensed Product and placebos for FOSUN's Development activities hereunder as the Parties shall agree to and document in the MSA discussed below (the "**Development Supply")**. All API Supply and Development Supply delivered to FOSUN shall be paid for by FOSUN at the Transfer Price. Ardelyx shall deliver such quantities of API Supply to FOSUN for Development as the Parties shall agree.

(b) Ardelyx shall continue to supply sufficient Licensed Product to FOSUN for Commercialization, at the Transfer Price, until FOSUN notify Ardelyx in accordance with the terms of the MSA to reduce or cease the supply due to the fact that (i) FOSUN is permitted under Applicable Law to Manufacture, or to have Manufactured, Licensed Product for Commercialization on its own, (ii) FOSUN has developed a commercial process for the Manufacture of the Licensed Product and has scaled up that process to Manufacture the Licensed Product in such volumes as reasonably take into account the anticipated demand for the Licensed Product throughout the Territory, and (iii) FOSUN has completed all the necessary regulatory procedures with CFDA to enable FOSUN to Manufacture commercial supplies of the Licensed Product. FOSUN shall use Commercially Reasonable Efforts to complete all activities set forth in (i) through (iii) above.

(c) The Parties agree and acknowledge that a separate manufacturing and supply agreement ("**MSA**") is required to be entered into between the Parties to further govern the supply obligations undertaken by Ardelyx hereunder. The Parties shall also enter into a separate Quality Assurance Agreement ("**QAA**") that shall define the manufacturing and supply quality responsibilities of the Parties for the Licensed Compound and the Licensed Product. The MSA and the QAA shall be negotiated in good faith between the Parties and be executed as promptly as possible following the Effective Date. The Parties' objective is that the MSA and the QAA shall be entered into as soon as possible and within [***] ([***]) days of the Effective Date.

Section 5.02 Development Work. Ardelyx covenants to FOSUN that it is and will be capable of satisfying its obligations to supply Licensed Compound and Licensed Product in the quantities and timeframes that are agreed to by the Parties and set forth in the MSA. In the event that Ardelyx is required to engage in any Development activities [***] for the purposes of (i) [***], and (ii) [***], then in any such event FOSUN shall reimburse Ardelyx for its reasonable internal

costs, including its FTE costs, and any and all external costs incurred by Ardelyx in connection with completing such Development work.

Section 5.03 Material Transfer. Ardelyx shall transfer and the SC shall coordinate to transfer all Licensed Know-How, including, but not limited to all dossiers for registration in US, that is necessary and/or useful to Develop, have Developed, Manufacture, have Manufactured, Commercialize, have Commercialized the Licensed Product in the Territory to FOSUN. Ardelyx shall make such Licensed Know-How available to FOSUN within [***] ([***]) days after the determination by the SC of the specific Licensed Know-How required.

Section 5.04 Manufacturing after Certain Terminations If, after such time as when FOSUN has assumed responsibility for the Manufacture of Licensed Products and this Agreement is terminated, FOSUN shall, as soon as reasonably practicable, provide to Ardelyx, if Ardelyx so requests, all Information and Materials Controlled by FOSUN and relating specifically to the Licensed Product, including without limitation development and manufacturing reports. FOSUN shall provide Ardelyx copies of all Regulatory Documentations sufficient to enable Ardelyx to Manufacture and supply Ardelyx's requirements of all Licensed Products as promptly as possible thereafter. At Ardelyx's election, in addition to its obligation set forth in Section 11.03(h) to seek to assign to Ardelyx Third Party agreements with respect to the Manufacture of Licensed Product, FOSUN shall transfer to Ardelyx any inventory of Licensed Compound and/or Licensed Product that FOSUN has in its Control as of the effective date of such foregoing termination (except for such quantities as FOSUN may need to retain for reference purposes), and Ardelyx shall in consideration thereof pay to FOSUN the Cost of Goods for such inventory. At all times, FOSUN shall provide reasonable assistance to Ardelyx with respect to the transfer of Information and Materials so as to permit Ardelyx to begin Manufacturing and supplying its requirements of Licensed Product as soon as possible to minimize any disruption in the continuity of supply. FOSUN covenants to Ardelyx that any Third Party agreements under which FOSUN engages such Third Party to manufacture Licensed Products shall contain provisions regarding the allocation of Intellectual Property Rights and rights in work product that are consistent with the terms of this Agreement and will enable FOSUN to fulfill its obligations to Ardelyx under this Section.

Section 5.05 Other Supply. Notwithstanding anything to the contrary herein, FOSUN shall not supply Licensed Compound or Licensed Products to any Third Party for any Third Party use, other than to Develop and Commercialize Licensed Products in compliance with this Agreement. In addition, FOSUN shall not license any Third Party (other than a Sublicensee or other sublicensee consistent with the terms and conditions of this Agreement) to make or have made Licensed Products, except to carry out the provisions of this Article V. FOSUN shall not Manufacture or have Manufactured Licensed Compound, nor shall FOSUN authorize or license any Third Party to Manufacture or to have Manufactured Licensed Compound. FOSUN shall not purchase any Licensed Compound from any party other than Ardelyx, and FOSUN shall not purchase any Licensed Product from any party other than Ardelyx or a Third Party under written agreement with FOSUN to Manufacture Licensed Product for sale to FOSUN, its Affiliates and/or its Sublicensees.

ARTICLE VI.
CONSIDERATION

Section 6.01 Upfront. As payment for the rights and licenses granted to FOSUN by Ardelyx under this Agreement, FOSUN shall pay to Ardelyx a nonrefundable one-time upfront payment of twelve million U.S. dollars (U.S. $12,000,000) within thirty (30) Business Days after the Effective Date. The upfront payment shall not be creditable against any other payments FOSUN is obligated to make to Ardelyx under this Agreement.

Section 6.02 Milestone Payments.

(a) FOSUN shall make the following one-time, nonrefundable milestone payments to Ardelyx within [***] ([***]) Business Days following the first achievement of each of the following milestone events for a Licensed Product, subject to the limitations and additional provisions set forth below in this Section 6.02:

Milestone Event for a Licensed Product	Milestone Number	Milestone Payment
[***]	[***]	USD [***]
[***]	[***]	USD [***]
[***]	[***]	USD [***]
[***]	[***]	USD [***]
[***]	[***]	USD [***]
[***]	[***]	USD [***]

For the avoidance of doubt, [***].

(b) Each of the milestones set forth in Section 6.02(a) is eligible to be earned individually.

(c) No payments pursuant to Section 6.02(a) shall be creditable against any other payments FOSUN is obligated to make to Ardelyx under this Agreement.

Section 6.03 Sales Related Milestones.

(a) FOSUN shall make the following one-time, nonrefundable milestone payments to Ardelyx within [***] ([***]) Business Days following the first achievement of each of the following milestones, subject to the limitations and additional provisions set forth below in this Section 6.03.

Milestone Event	Milestone Payment
[***]	[***] ([***]) USD
[***]	]Fifteen Million] ([***]) USD
[***]	[***] ([***]) USD
[***]	[***] ([***]) USD

(b) Sales between FOSUN, its Affiliates and Sublicensees shall not be subject to sales milestones hereunder. Sales milestones shall be calculated on FOSUN's, its Affiliates' and Sublicensees' sales of the Licensed Products to a Third Party, including Distributors (but excluding for the avoidance of doubt Sublicensees).

(c) In the event that more than one of the sales milestones set forth in Section 6.03(a) are achieved in the same Calendar Year, the payment associated with each sales milestone achieved in such Calendar Year shall be due and payable by FOSUN to Ardelyx following the end of such Calendar Year.

(d) No payments pursuant to Section 6.03(a) shall be creditable against any other payments FOSUN is obligated to make to Ardelyx under this Agreement.

Section 6.04 Royalties.

(a) Subject to the provisions set forth below in Section 6.04(c) through Section 6.04(f), and Section 6.05, FOSUN shall pay to Ardelyx a royalty on aggregate Annual Net Sales of the Licensed Products made by FOSUN, its Affiliates, or its Sublicensees at the following rate:

Range of Annual Net Sales	Royalty Rate
[***]	[***]%
[***]	[***]%
[***]	[***]%
[***]	[***]%

Each Royalty Rate set forth in the table above shall apply only to that portion of the Net Sales in the Territory during a given Calendar Year that falls within the indicated range. For illustration purposes only, if Annual Net Sales in the Territory during a Calendar Year is $[***], then the aggregate royalties payable with respect thereto will be $[***], with calculation as follows: (i) $[***] multiplied by [***]% = $[***], plus (ii) $[***] multiplied by [***]% = $[***], plus (iii) $[***] multiplied by [***]% = $[***], and plus(iv) $[***] multiplied by [***]% = $[***].

(b) Sales between FOSUN, its Affiliates and Sublicensees shall not be subject to royalties hereunder. Royalties shall be calculated on FOSUN's, its Affiliates' and Sublicensees' sales of the Licensed Products to a Third Party, including Distributors (but excluding for the avoidance of doubt Sublicensees).

(c) If, at any time, (i) a Generic Product receives Regulatory Approval in the Territory and (ii) the aggregate number of units of the relevant Licensed Product sold in the Territory in a given Calendar Year (after the first Calendar Year in which the Generic Product is sold in the Territory) decrease by more than [***] percent ([***]%) compared to the Calendar Year immediately preceding the first Calendar Year in which the Generic Product is sold, then, the royalties that would otherwise have been payable on Net Sales of such Licensed Product in the Territory under this Agreement shall be reduced by [***] percent ([***]%) as from the first Calendar Year in which this Section 6.04(c) applies and thereafter for so long as the aggregate number of units of the relevant Licensed Product sold in a given Calendar Year are at least [***] percent ([***]%) less than the number of units of such Licensed Product sold in the Calendar Year immediately preceding the first Calendar Year in which the Generic Product is sold. The calculation of the royalty reduction under this Section 6.04(c) shall be conducted separately for each Licensed Product.

(d) Any reductions set forth in Section 6.04(c) and Section 6.04(f) shall be applied in the order in which the event triggering such reduction occurs, provided that in no event shall, due to the cumulative reductions set out in Section 6.04(c), and Section 6.04(f), the royalties that would otherwise have been payable to Ardelyx under this Section 6.04 in a particular Calendar Quarter

be reduced by more than [***] percent ([***]%) of that which would be due pursuant to Section 6.04(a). [***]

(e) FOSUN's obligation to pay royalties due under this Section 6.04 shall commence with respect to each separate Licensed Product, on the date of the First Commercial Sale of such Licensed Product and shall expire with respect to such Licensed Product, at the latest of: (i) the [***] anniversary of the First Commercial Sale of such Licensed Product in the Territory, (ii) the date on which there is no longer a Valid Claim that covers the Exploitation of the Licensed Product or the Licensed Compound in the Territory, and (iii) the expiration of all Regulatory Approvals for such Licensed Product in the Territory. At such time as FOSUN's obligation to pay royalties under this Section 6.04 have expired with respect to a Licensed Product, the license granted to FOSUN under Section 2.01 shall automatically, and without further action on the part of Ardelyx or FOSUN, become non-exclusive, fully-paid, irrevocable and perpetual with respect to such Licensed Product and the Net Sales of such Licensed Product shall be excluded from royalty calculations under this Section 6.04 (including for purposes of applying thresholds and ceilings). Notwithstanding the foregoing, FOSUN's exclusivity to such Licensed Product shall continue if FOSUN elects to keep paying the royalties as defined in this Section 6.04 after the expiration of its obligation to pay royalties due.

(f) If (i) [***] that it is necessary to obtain a license from any Third Party in order to avoid infringement of such Third Party's Patent in the Territory, (ii) such Patent claims the [***], (iii) there are not any other [***] alternatives available to avoid such infringement, and (iv) FOSUN is required to pay to such Third Party a royalty, milestone payments or other monetary compensation in consideration for the grant of such license ("**Third Party Compensation**"), then, provided that Ardelyx has consented in writing to the terms (including, without limitation, the payment terms) of the Third Party license under which the Third Party Compensation is payable prior to the execution of such Third Party license, for the period during which FOSUN owes royalties to Ardelyx hereunder, the amounts that would otherwise have been payable as royalties to Ardelyx under this Agreement shall be reduced by the amount of all Third Party Compensation payable by or on behalf of FOSUN to such Third Party. [***]. For the avoidance of doubt, provided that Ardelyx has consented in writing to the terms (including, without limitation, the payment terms) of the Third Party license under which the Third Party Compensation is payable prior to the execution of such Third Party license, Ardelyx shall [***].

Section 6.05 Combination Products. In the event Ardelyx is entitled to receive royalties under this Agreement from any Licensed Product sold in the form of a Combination Product in the Territory, then Net Sales for such Combination Product will be calculated by multiplying the actual Net Sales of such Combination Product in the Territory by the fraction A/(A+B), where A is the standard sales price in the Territory of a Licensed Product, containing the same amount of Licensed Compound as the sole active ingredient as the Combination Product in question (a "**Comparable Licensed Product**"), if sold separately, and B is the standard sales price in the Territory of the ready for sale form of a product containing the same amount of the other therapeutically active ingredient(s) in the Combination Product that are not Licensed Compounds (the "**Other Ingredients**"), if sold separately. If the Other Ingredients are not sold separately in the Territory, Net Sales for the purpose of determining royalties of the Combination Product shall be calculated by multiplying actual Net Sales of such Combination Product by the fraction A/C where A is the standard sales price in the Territory of a Comparable Licensed Product,

if sold separately, and C is the standard sales price of the Combination Product in the Territory. If a Comparable Licensed Product is not sold separately, Net Sales for the purpose of determining royalties of the Combination Product shall be calculated by multiplying actual Net Sales of such Combination Product by the fraction (C-B)/C, where B is the standard sales price in the Territory of the Other Ingredients and C is the standard sales price in the Territory of the Combination Product. For the purpose of the above, the standard sales price for a Comparable Licensed Product and for each Other Ingredient shall be for a quantity comparable to that used in the Combination Product in question and of the same class, purity and potency. If neither a Comparable Licensed Product nor the Other Ingredients are sold separately in the Territory, Net Sales for the purposes of determining royalties of such Combination Product shall be determined by the Parties on the basis of a fair market value of such Comparable Licensed Product and Other Ingredient to be negotiated by the Parties in good faith, taking into account costs, overheads and profit of the relevant Licensed Compound(s), the Other Ingredients and the Combination Product. For purposes of the calculations set forth in this Section 6.05, prior to the First Commercial Sale of a Combination Product, the SC shall discuss the calculations set forth herein, including the standard sale prices to be used in such calculation.

Section 6.06 Sales by Sublicensees. In the event FOSUN grants sublicenses to one or more Sublicensees to make or sell Licensed Products to the extent permitted hereunder, such sublicenses shall include without limitation an obligation for the Sublicensee to account for and report its Net Sales of such Licensed Products on the same basis as if such sales were Net Sales by FOSUN, and FOSUN shall pay royalties and sales milestones to Ardelyx as if the Net Sales of the Sublicensee were Net Sales of FOSUN.

Section 6.07 Royalty Payments and Reports. The royalties payable under Section 6.04 shall be calculated quarterly as of the last day of March, June, September and December respectively for the Calendar Quarter ending on that date. FOSUN shall deliver to Ardelyx a report summarizing the Net Sales of Licensed Products during each Calendar Quarter following the First Commercial Sale of a Licensed Product in the Territory. A draft of such report shall be provided within [***] days the end of each Calendar Quarter for which royalties are due from FOSUN to allow Ardelyx to estimate its royalty payments from FOSUN. A final report shall be delivered within [***] ([***]) Business Days following the end of each Calendar Quarter . Any royalties payable to Ardelyx or its designee under this Agreement shall be paid on the date that final report for the Calendar Quarter is delivered to Ardelyx under this Section 6.07.

Section 6.08 Taxes.

(a) The royalties, milestones and other amounts payable by FOSUN to Ardelyx pursuant to this Agreement ("**Payments**") shall not be reduced on account of Taxes unless required by Applicable Laws. To the extent any payments made by FOSUN pursuant to this Agreement become subject to withholding Taxes under Applicable Laws, FOSUN shall deduct and withhold the amount of such Taxes for the account of Ardelyx to the extent required by Applicable Laws; such amounts payable to Ardelyx shall be reduced by the amount of withholding Taxes deducted and withheld; and FOSUN shall pay the amounts of such Taxes to the proper governmental authority in a timely manner and transmit to Ardelyx an official tax certificate or other evidence of such tax obligations together with proof of payment from the relevant governmental authority of all amounts deducted and withheld sufficient to enable Ardelyx to claim such payment of Taxes.

Any such withholding Taxes required under Applicable Laws to be paid or withheld shall be an expense of, and borne solely by, Ardelyx. Except as provided in this Section 6.08(a), all taxes or duties in connection with payments made by FOSUN for Indirect Taxes, including any value added or similar tax or local tax or surcharge on value added taxes and any import duty or fees, shall be borne by FOSUN.. Notwithstanding the foregoing, if Ardelyx is entitled (whether under any applicable tax treaty or otherwise under Applicable Laws) to a reduction in the rate of, or the elimination of, withholding Tax, it may deliver to FOSUN or the appropriate governmental authority (with the assistance of FOSUN to the extent that this is reasonably required and is expressly requested in writing) the prescribed forms necessary to reduce the applicable rate of withholding or to relieve FOSUN of its obligation to withhold Tax, and FOSUN shall apply the reduced rate of withholding, or dispense with withholding, as the case may be. FOSUN agrees to take reasonable and lawful efforts to minimize such Taxes to Ardelyx. FOSUN shall cooperate with Ardelyx as reasonably requested in any claim for refund or application to any Tax Authority. If FOSUN intends to withhold Tax from any Payment, FOSUN shall inform Ardelyx reasonably in advance of making such Payment to permit Ardelyx an opportunity to provide any forms or information or obtain any Tax Authority approval as may be available to reduce or eliminate such withholding.

(b) Tax Gross-up. Notwithstanding anything to the contrary herein, if (i) FOSUN redomiciles or assigns its rights or obligations under this Agreement, (ii) as a result of such redomiciliation or assignment, FOSUN (or its assignee) is required by Applicable Law to withhold taxes, or such redomiciliation or assignment results in the imposition of Indirect Taxes that were not otherwise applicable, from or in respect of any amount payable under this Agreement, and (iii) such withholding taxes or Indirect Taxes exceed the amount of withholding taxes or Indirect Taxes that would have been applicable but for such redomiciliation or assignment, then any such amount payable to Ardelyx pursuant to this Agreement shall be increased to take into account such withholding taxes or Indirect Taxes as may be necessary so that, after making all required withholdings (including withholdings on the additional amounts payable) and/or paying such Indirect Taxes, as the case may be, Ardelyx receives an amount equal to the sum it would have received had no such increased withholding been made and no such Indirect Taxes had been imposed. The obligation to pay additional amounts pursuant to the preceding sentence shall not apply, however, to the extent such increased withholding tax or Indirect Taxes would not have been imposed but for the assignment by Ardelyx of its rights or obligations under this Agreement or the redomiciliation of Ardelyx outside of the United States, to the extent such assignment or redomiciliation occurs after the redomiciliation or assignment by FOSUN described in the first sentence of this Section 6.08(b). Solely for purposes of this Section 6.08(b), a Party's "**domicile**" shall include its jurisdiction of incorporation or tax residence and a "**redomiciliation**" shall include a reincorporation or other action resulting in a change in tax residence of the applicable Party or its assignee.

(c) Notwithstanding anything to the contrary contained in this Section 6.08 or elsewhere in this Agreement, the following shall apply with respect to Indirect Taxes. If any Indirect Taxes are chargeable in respect of any Payments, FOSUN shall be responsible for such Indirect Taxes and shall not reduce any Payments due Ardelyx hereunder as a result of such Indirect Taxes. FOSUN shall pay such Indirect Taxes at the applicable rate in respect of any such Payments following the receipt, where applicable, of an Indirect Taxes invoice issued by Ardelyx in respect of those Payments, such Indirect Taxes to be payable on the due date of the payment of

the Payments to which such Indirect Taxes relate or at the time such Indirect Taxes are required to be collected by Ardelyx, in the case of payment of Indirect Taxes to Ardelyx. The sum of the net amount received by Ardelyx and the withholding income Tax levied by China Tax Authority discussed in Section 6.08(a) above for each payment shall not be less than the amount of the Upfront and Milestone Payments set forth in Section 6.01, 6.02 and 6.03.The Parties shall issue invoices for all goods and services supplied under this Agreement consistent with Indirect Tax requirements, and to the extent any invoice is not initially issued in an appropriate form, FOSUN shall promptly inform Ardelyx and shall cooperate with Ardelyx to provide such information or assistance as may be necessary to enable the issuance of such invoice consistent with Indirect Tax requirements.

Section 6.09 Payments or Reports by Affiliates. Any Payment required under any provision of this Agreement to be made to Ardelyx or any report required to be made by FOSUN shall be made by an Affiliate of FOSUN if such Affiliate is designated by FOSUN as the appropriate payer or reporting entity.

Section 6.10 Mode of Payment. All payments set forth in this Article VI shall be remitted by wire transfer to the bank account of Ardelyx as designated in writing to FOSUN.

Section 6.11 Payment Currency. All amounts payable and calculations under this Agreement shall be in United States dollars. As applicable, Net Sales and any adjustments to payments under this Agreement shall be translated into United States dollars at an exchange rate determined by using the 30-day trailing average of the daily Middle Exchange Rate for the renminbi of People's Bank of China (the central bank of the government of China) as published daily at http://www.safe.gov.cn/wps/portal/english/Home.

Section 6.12 Imports. For the avoidance of doubt, the Parties acknowledge and agree that none of the milestones or royalties payable under this Agreement are related to the license (or right) to import or any import of Licensed Products. FOSUN shall be responsible for any import clearance, including payment of any import duties and similar charges, in connection with any Licensed Products or Licensed Compounds transferred to FOSUN under this Agreement. The Parties shall co-operate in accordance with Applicable Laws to ensure where permissible that no import duties are paid on imported materials. Where import duties are payable, the Parties shall co-operate to ensure that the Party responsible for shipping values the materials in accordance with Applicable Laws and minimizes where permissible any such duties and any related import taxes that are not reclaimable from the relevant authorities.

Section 6.13 Discounted Sales. In the event that one or more Licensed Products is included as part of a package of products offered to customers of FOSUN, and discounts on packages including Licensed Products are offered independently in the Territory, FOSUN shall not discount the price of the Licensed Products sold as part of a package unreasonably compared to the discount FOSUN offers on prices of the other products included in such package.

ARTICLE VII.
CONFIDENTIALITY

Section 7.01 Confidentiality. The Parties agree that the Party receiving Confidential Information disclosed by or on behalf of the other Party pursuant to this Agreement shall, and shall cause its officers, directors, employees, agents, Affiliates and Sublicensees and other Persons to which a sublicense is granted, to, keep confidential and not publish or otherwise disclose or use for any purpose other than to conduct its activities under this Agreement or otherwise as expressly authorized by this Agreement any Confidential Information furnished to it by or on behalf of the other Party pursuant to this Agreement.

Section 7.02 Exceptions. Notwithstanding the foregoing, the obligations set forth in Section 7.01 shall not apply in respect of Confidential Information to the extent that it can be established by the receiving Party that such Confidential Information:

(a) was already known to the receiving Party, other than under an obligation of confidentiality, at the time of disclosure by or on behalf of the other Party;

(b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the receiving Party;

(c) was independently developed without use of the disclosing Party's information, as evidenced by contemporaneous written records;

(d) became generally available to the public or otherwise part of the public domain after its disclosure to the receiving Party and other than through any act or omission of the receiving Party in breach of this Agreement; or

(e) was disclosed to the receiving Party, other than under an obligation of confidentiality, by a Third Party who had no obligation to the disclosing Party not to disclose such information to others.

Section 7.03 Receipt of Third Party Information and Materials. Neither Party shall knowingly receive documents relating to Licensed Products or Licensed Compounds under an obligation of confidentiality to Third Parties that requires the Party receiving such documents to withhold access to the other Party without such Party's written consent.

Section 7.04 Authorized Disclosure. Each Party may disclose Confidential Information to the extent that such disclosure is:

(a) required by law, order, or regulation of a government agency or a court of competent jurisdiction, or by the rules of a securities exchange, provided that the Party required to make such disclosure shall (i) give the other Party reasonable advance notice of and an opportunity to comment on any such required disclosure, (ii) if requested by the other Party, use Commercially Reasonable Efforts to obtain protective orders or any available limitations on or exemptions from such disclosure requirement where applicable and practicable;

(b) made to a patent office for the purposes of filing or enforcing a Patent as permitted in this Agreement, provided, however, that reasonable measures shall be taken to assure confidential treatment of such information, to the extent such protection is available;

(c) made by a Party or its Affiliates, Distributors, Sublicensees or other sublicensees to the Regulatory Health Authority for the purposes of any filing, application or request for Regulatory Approval for Licensed Compounds or Licensed Products as permitted in this Agreement;

(d) made to advisors, actual or potential Third Party partners, investors, licensees, sublicensees or acquirers of all or substantially all of the assets to which this Agreement relates;

(e) made by FOSUN or its Affiliates, Distributors, Sublicensees, or other sublicensees to Third Parties as may be necessary or useful in connection with the Exploitation of the Licensed Compounds or Licensed Products as contemplated by this Agreement, including subcontracting or sublicensing transactions in connection therewith; or

provided that with respect to disclosures as per subsection (d) and (e) or the following sentence, the Party making such disclosures shall ensure that each Third Party recipient is bound by obligations of confidentiality no less restrictive than those contained in this Agreement and shall be liable to the other Party for any breach of such confidentiality obligations by the relevant recipient. In addition (but without prejudice to) the above provisions, each Party shall be entitled to disclose, under a binder of confidentiality containing provisions as protective as those of this Article VII, Confidential Information to any Third Party for the purpose of carrying out activities authorized under this Agreement, including without limitation disclosures to Sublicensees or other sublicensees.

Section 7.05 Survival. This Article VII (other than Section 7.03) shall survive for a period of [***] ([***]) years following the termination or expiration of the Agreement, provided that the First Commercial Sale of a Licensed Product had commenced at the time this Agreement terminates or expires. However, this Article VII (other than Section 7.03) shall survive for a period of [***] ([***]) years following the Effective Date of this Agreement, provided that the First Commercial Sale of a Licensed Product had not commenced at the time this Agreement terminates or expires.

Section 7.06 Termination of Prior Agreements. This Agreement supersedes the Confidentiality Agreement between Ardelyx and FOSUN dated as of February 23, 2017, (the "**CDA**"). All Information and Materials exchanged between the Parties under the CDA shall be deemed Confidential Information and shall be subject to the terms of this Article VII, and shall be included within the definitions of Licensed Technology and FOSUN [***] Technology, as applicable.

Section 7.07 Publications. Except as required by law, each Party agrees that it shall not publish or publicly present any information relating to Licensed Compounds or Licensed Products, (a) without the opportunity for prior review by the other Party and (b) other than in compliance with this Section 7.07. Each Party shall provide to the other Party the opportunity to review any proposed publications or presentations (including without limitation information to be presented

verbally) that relate to Licensed Compounds or Licensed Products as early as reasonably practical, but at least [***] ([***]) days prior to their intended submission for publication or presentation and such submitting Party agrees, upon written request from the other Party within the Review Period (as defined below), not to submit such abstract or manuscript for publication or to make such presentation until the other Party agrees, which agreement shall not be unreasonably withheld. The other Party shall have [***] ([***]) days after its receipt of any such publication or presentation (the "**Review Period**") to notify the submitting Party in writing of any specific objections to the intended publication or presentation. Each Party shall, in any such publication or presentation, delete from the proposed disclosure any Confidential Information and Materials of the other Party. Additionally, if the other Party notifies the submitting Party within the Review Period that the other Party objects to such disclosure on the basis that a patent application claiming information contained in such disclosure should be filed prior to such disclosure, the submitting Party agrees to reasonably delay disclosure of the relevant information, for up to [***] ([***]) days after the other Party's timely notification of its objection as per the above, or until such application has been filed, if earlier. Once any such abstract or manuscript is accepted for publication, the submitting Party will provide the other Party with a copy of the final version of the manuscript or abstract.

ARTICLE VIII.
OWNERSHIP OF INTELLECTUAL PROPERTY AND PATENT RIGHTS

Section 8.01 Disclosure. During the Term, the Parties shall promptly disclose to one another all Joint Technology and Sole Program Know-How (whether patentable or not).

Section 8.02 Ownership.

(a) Inventorship of all inventions and other Know-How conceived or first made in the course of activities performed after the Effective Date in the course of the Parties' performance under this Agreement shall be determined in accordance with the laws of inventorship of the United States. Subject to the licenses granted in Article II and to the other provisions of this Agreement, all such inventions and other Know-How invented by employees or independent contractors of one Party ("**Sole Program Know-How**") shall be solely owned by the inventing Party, and any inventions and Know-How that are invented jointly by employees or independent contractors of each Party will be owned jointly by the Parties ("**Joint Know-How**"). For clarity, Ardelyx's Development and Commercialization of a Licensed Compound or Licensed Product outside of the Field and/or outside of the Territory shall not be activities performed in the course of Ardelyx's performance under this Agreement, and any inventions and other Know-How conceived or first made during the course of such Development and Commercialization shall be Ardelyx [***] Technology rather than Sole Program Know-How owned by Ardelyx.

(b) To the extent permissible under Applicable Laws, each Party will ensure that prior to conducting work on such Party's behalf under this Agreement, each employee and contractor is obligated by Applicable Law, or written contract to (i) promptly disclosure to such Party of all inventions and Know-How conceived or reduced to practice by such employee or contractor during any performance under this Agreement, (ii) automatically assign to such Party all right, title and interest in and to all such inventions and Know-How and all Intellectual Property Rights therein, and (iii) adhere to similar obligations of confidentiality as are set forth in this Agreement. Each

Party will require each employee and contractor conducting work on such Party's behalf under this Agreement to maintain records in sufficient detail and in a good scientific manner appropriate for regulatory purposes and purposes of pursuing Patent protection on inventions to properly reflect all work done.

Section 8.03 Prosecution and Maintenance of Patent Rights.

(a) Ardelyx. Ardelyx (or with respect to Ardelyx [***] Patents, Ardelyx or its licensor) shall be primarily responsible for and control the worldwide preparation, filing, prosecution (including without limitation conducting any interferences, oppositions, reissue proceedings, reexaminations and patent term extensions) and maintenance of Licensed Patents, Ardelyx [***] Patents and Joint Patents (collectively, the "**Ardelyx Controlled Patents**"); provided that with respect to all Ardelyx Controlled Patents, other than Ardelyx [***], Ardelyx shall provide FOSUN with advance copies of, and a reasonable opportunity to comment upon, proposed patent filings, related prosecution strategies and proposed correspondence with patent officials, all to the extent in the Territory and relating to any Ardelyx Controlled Patents (other than the Ardelyx [***]), and will consider comments received from FOSUN with respect to such proposed filings, strategies and correspondence in the Territory in good faith and will not unreasonably reject such comments. Ardelyx agrees to discuss in good faith any changes reasonably requested by FOSUN to such filings, strategies and correspondence in the Territory upon their being received.

(b) FOSUN. FOSUN shall be primarily responsible for and control the worldwide preparation, filing, prosecution (including without limitation conducting any interferences, oppositions, reissue proceedings, reexaminations and patent term extensions) and maintenance of FOSUN Sole Invention Patents, FOSUN [***] Patents ("**FOSUN Controlled Patents**") using in-house patent attorneys or counsel reasonably acceptable to Ardelyx; provided with respect to all FOSUN Controlled Patents, other than FOSUN [***], that FOSUN shall provide Ardelyx with advance copies of, and a reasonable opportunity to comment upon, proposed patent filings, related prosecution strategies and proposed correspondence with patent officials or other Third Parties relating to any FOSUN Sole Invention Patents, and will consider comments received from Ardelyx with respect to such proposed filings, strategies and correspondence in good faith and will not unreasonably reject such comments. FOSUN agrees to discuss in good faith any changes reasonably requested by Ardelyx to such filings, strategies and correspondence promptly upon their being received. FOSUN agrees to implement any such recommended changes with the goal of optimizing overall patent protection for Licensed Compounds and Licensed Products, and Joint Technology. In any event, FOSUN will not finally abandon any claims and will not limit any claims that are specific to Licensed Compounds or Licensed Products without Ardelyx's prior written consent.

(c) The Party responsible for prosecuting Patents pursuant to Section 8.03(a) or Section 8.03(b) shall provide all documentation it is required to provide pursuant to such Sections so as to provide the other Party a reasonable opportunity to review and comment thereon in advance of filing. A Party providing comments in accordance with Section 8.03(a) or Section 8.03(b) shall provide such comments expeditiously and in any event in reasonably sufficient time to meet any filing deadline communicated to it by the other Party that is consistent with the preceding sentence. The Party receiving any such patent application and correspondence shall maintain such

information in confidence pursuant to Article VII, except (for the avoidance of doubt) for patent applications that have been published and official correspondence that is publicly available.

(d) Other than as described in Section 8.04(c) below, after the Effective Date, the Party prosecuting patent applications and maintaining Patents pursuant to this Section 8.03 shall be solely responsible for all costs and expenses associated with the filing, prosecution and maintenance of such Patents.

(e) If FOSUN decides not to file, prosecute or maintain a FOSUN Controlled Patent pursuant to Section 8.03(b), it shall give Ardelyx reasonable notice to that effect sufficiently in advance of any deadline for any filing with respect to such Patent to permit Ardelyx or its licensees in the territories where FOSUN has decided not to file, prosecute or maintain the FOSUN Controlled Patent to carry out such activity (but with respect to FOSUN [***] Patents only to the extent that the Patent is a FOSUN [***] Patent). After receiving such notice, Ardelyx may elect by written notice to FOSUN within [***] ([***]) days after receiving such notice from FOSUN to file, prosecute and maintain the relevant Patent, at its sole cost and expense. For the avoidance of doubt, where FOSUN is in receipt of an official action with a shortened response deadline of [***] ([***]) days or less, FOSUN will communicate such notice to Ardelyx as soon as possible and Ardelyx may make its election (pursuant to the foregoing sentence) no later than [***] ([***]) days prior to the deadline. If Ardelyx does so elect, then FOSUN shall cooperate with Ardelyx as necessary to enable Ardelyx to perform such acts as may be reasonably necessary for Ardelyx to file, prosecute or maintain such Patent, including the execution and filing of appropriate instruments and to facilitate the transition of such patent activities to Ardelyx.

(f) Each Party agrees to bring to the attention of the other Party any Third Party Patent it discovers, or has discovered, and which relates to the subject matter of this Agreement.

Section 8.04 Enforcement Rights.

(a) Infringement by Third Parties in the Territory

(i) The Party first having knowledge that any (x) Ardelyx Controlled Patents or (y) FOSUN Controlled Patents, in each case, claiming or covering inventions that are necessary or useful to Exploit a Licensed Compound or Licensed Product, is infringed, or misappropriated by a Third Party, or suspected of being infringed or misappropriated by a Third Party in the Territory shall promptly notify the other Party thereof in writing. Such notice shall set forth the facts of that infringement, misappropriation, or suspected infringement or misappropriation in reasonable detail.

(ii) Ardelyx (or in the case of Ardelyx [***] Patents, Ardelyx and/or Ardelyx's licensee) shall have the first right, but not the obligation, to institute, prosecute, and control any action or proceeding or negotiation of any settlements at its expense with respect to any infringement of Ardelyx Controlled Patents, by counsel of its own choice. With respect to actions, proceedings or settlements in the Territory, FOSUN shall have the right to participate in such action or negotiations at its expense and be represented if it so desires by counsel of its own choice. If necessary, at Ardelyx's discretion, FOSUN agrees (i) in any such action in the Territory, and (ii) in any such action outside of the Territory with

respect to a Joint Patent, to be joined as a party plaintiff and to give Ardelyx (or Ardelyx's licensee or licensor, as the case may be), reasonable assistance and any needed authority to control, file, and to prosecute such action, at Ardelyx's or its licensee's or licensor's expense. If Ardelyx or its licensee or licensor, as the case may be, elects not to institute and prosecute an action or proceeding or to conduct such negotiation to abate such infringement, within a period of [***] ([***]) days after both Parties become aware of the infringement or suspected infringement, then Ardelyx shall discuss with FOSUN the reasons for this decision. FOSUN shall then have the right, but not the obligation, to institute, prosecute, and control any such action in the Territory at its expense (but with respect to Ardelyx [***] Patents, only to the extent that the Patent is an Ardelyx [***] Patent). In such case, Ardelyx agrees, and to use Commercially Reasonable Efforts to cause its licensor to be joined as a party plaintiff and to give FOSUN reasonable assistance and any needed authority to control, file, and prosecute the suit as may be necessary; provided, however, that Ardelyx and/or its licensor if the licensor is the owner of such Patent, shall have the right to participate at its expense in such action and be represented if it so desires by counsel of its own choice. No settlement or consent judgment or other voluntary final disposition of a suit in the Territory under this Section 8.04(a)(ii) may be entered into without the consent of Ardelyx (and in the case of an Ardelyx [***] Patent owned by an Ardelyx licensor, such licensor) and FOSUN, which consent shall not be withheld, delayed or conditioned unreasonably.

(iii) FOSUN (or in the case of FOSUN [***] Patents, FOSUN and/or FOSUN's licensor or licensee) shall have the first right, but not the obligation, to institute, prosecute, and control any action or proceeding or negotiation of any settlements with respect to any infringement of FOSUN Controlled Patents, by counsel of its own choice with Ardelyx (or, with respect to actions or proceedings or negotiations outside of the Territory, Ardelyx and/or its licensees in such territory where the infringement is alleged to have occurred) having the right to participate in such action or negotiations at its expense and be represented if it so desires by counsel of its own choice. If necessary, Ardelyx agrees in any such action to be joined as a party plaintiff and to give FOSUN reasonable assistance and any needed authority to control, file, and to prosecute such action, at FOSUN's expense. If FOSUN elects not to institute and prosecute an action or proceeding or to conduct such negotiation to abate such infringement, within a period of [***] ([***]) days after both Parties become aware of the infringement or suspected infringement, then FOSUN will discuss with Ardelyx the reasons for this decision. Ardelyx (or in the case of alleged infringement outside of the Territory, Ardelyx and/or its licensees in such territories where the infringement is alleged to have occurred) shall then have the right, but not the obligation, to institute, prosecute, and control any such action in the Territory. In such case, FOSUN agrees to be joined as a party plaintiff and to give Ardelyx (or its licensee, as the case may be) reasonable assistance and all authority to control, file, and prosecute the suit as may be necessary; provided, however, that FOSUN shall have the right to participate at its expense in such action and be represented if it so desires by counsel of its own choice. No settlement or consent judgment or other voluntary final disposition of a suit (i) in the Territory under this Section 8.04 (a)(iii) may be entered into without the joint consent of Ardelyx and FOSUN, which consent shall not be withheld, delayed or conditioned unreasonably, and (ii) outside of the Territory under this Section 8.04(a)(iii)

may entered into without the consent of Ardelyx, FOSUN and, if applicable, Ardelyx's licensee in the territory where the infringement is alleged to have occurred..

(iv) With respect to any proceeding, negotiation or settlement with respect to an alleged infringement within or outside of the Territory, any and all costs that are incurred by the Party bringing suit in the exercise of rights under Section 8.04(a) (including without limitation the internal costs and expenses specifically attributable to such suit) shall be reimbursed first out of any damages or other monetary awards recovered in favor of the Parties. If such recovery is insufficient to reimburse the costs of FOSUN, Ardelyx and Ardelyx's licensees, if applicable, then each Party shall receive a pro rata portion of the recovery based on such Party's costs relative to all costs incurred by the Parties in such action. If FOSUN is the Party bringing suit in the Territory, any remaining damage awards shall be deemed Net Sales for the purposes of Section 6.04. If Ardelyx (or its licensor) is the only Party bringing suit in the Territory, [***] shall be distributed [***]. If the suit is brought outside of the Territory, [***] shall be distributed [***].

(b) **Defense and Settlement of Third Party Claims Against Licensed Products**. If a Third Party asserts that a Patent or other right owned or controlled by it is infringed by the Development, Manufacture, or Commercialization of any Licensed Compound or Licensed Product in the Territory, the Party first obtaining knowledge of such a claim shall immediately provide the other Party written notice of such claim and the related facts in reasonable detail. In such event, the Parties shall discuss how best to control the defense of any such claim. In the any event Ardelyx shall cooperate with FOSUN in any such defense. Both Parties shall have the right to participate in such defense and to be represented in any such action by counsel of its selection.

(c) **Allocation of Expenses Incurred Pursuant to Section 8.04**. The expenses of patent defense, settlement, and judgments pursuant to Section 8.04(b) or any action pursuant to Section 8.04(b) or Section 8.04(d) shall be borne [***]

(d) **Settlement of Third Party Claims for Infringement in the Territory; Payment of Third Party Royalties**. If a Third Party asserts that a Patent or other right owned or controlled by it is infringed by the Development, Manufacture, or Commercialization or other Exploitation of any Licensed Compound or Licensed Product in the Territory, and as a result of settlement procedures or litigation under Section 8.04 (b), FOSUN is required to pay the Third Party a royalty or make any payment of any kind for the right to sell a Licensed Product in the Territory, such expense shall be borne solely by FOSUN, subject to any applicable reductions under Section 6.04(f).

(e) **Oppositions by Parties**. If either Party desires to bring an opposition, action for declaratory judgment, nullity action, interference, reexamination, or other attack upon the validity, title, or enforceability of any Patents Controlled by a Third Party in the Territory that claim the Manufacture, use, or sale or other Exploitation of any Licensed Compound or Licensed Product, such Party shall so notify the other Party in writing, and the Parties shall promptly confer to discuss whether to bring such action or the manner in which to settle such action. The Party not bringing an action under this Section 8.04 (e) shall be entitled to separate representation in such proceeding by counsel of its own choice and at its own expense, and shall otherwise cooperate fully with the Party bringing such action at the other Party's expense.

(f) **Oppositions by Third Parties**. If any Patent becomes the subject of any proceeding commenced by a Third Party in connection with an opposition, reexamination request, action for declaratory judgment, nullity action, interference, or other attack upon the validity, title, or enforceability thereof in the Territory, then the Party having the right to prosecute such Patent at such time pursuant to Section 8.03 shall control such defense, at its sole cost. The prosecuting Party shall permit the non-prosecuting Party, and in the case of an Ardelyx [***] Patent, Ardelyx's licensee or licensor, to participate in the proceeding to the extent permissible under law, and to be represented by its own counsel in such proceeding, at the non-prosecuting Party's expense, or that of Ardelyx's licensee or licensor, as the case may be. If either Party decides that it does not wish to defend against such action, then the other Party shall have a backup right to assume defense of such Third Party action at its own expense. Any awards or amounts received in defending any such Third Party action shall be allocated [***]. Any recoveries obtained in such action shall be shared, as set forth in Section 8.04 (a)(iv).

(g) **Protective Order**. If, in any action brought pursuant to this Section 8.04 any information is the subject of a protective order that may be reviewed by counsel only, the Parties will endeavor to structure such protective order so as to enable their respective internal counsel to be included as permitted reviewers of such information.

Section 8.05 Trademarks.

(a) Subject to applicable regulatory requirements and on a Licensed Product by Licensed Product basis, FOSUN shall have the option to (i) select the Trademarks to be used for the marketing and sale of the Licensed Products in the Territory or (ii) license from Ardelyx the Trademarks owned by Ardelyx ("**Ardelyx Trademarks**"), in each case (i) and (ii), to use in connection with the Commercialization of each Licensed Product (in either case, "**Product Trademarks**").

(b) If FOSUN decides to select its own Trademarks to be used for the marketing and sale of the Licensed Products in the Territory (the "**FOSUN Trademarks**"). FOSUN shall solely bear the full costs and expense of and be responsible for filing, prosecuting and maintaining all FOSUN Trademarks. FOSUN shall, in its sole discretion, protect, defend, and maintain each FOSUN Trademark for use with Licensed Products in the Territory, and all registrations therefor. Ardelyx shall notify FOSUN promptly in writing upon learning of any actual, alleged, or threatened infringement of a FOSUN Trademark used in connection with Licensed Compounds or Licensed Products or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses with respect to Licensed Compounds or Licensed Products. Ardelyx shall cooperate as reasonably requested by FOSUN in any actions or proceedings brought by FOSUN to halt the infringement. All of the [***] in bringing, maintaining, and prosecuting any action to maintain, protect, or defend a FOSUN Trademark (or registration therefor) shall be borne [***]. Any recovery in any such action that is [***].

(c) Ardelyx Trademark.

(i) If FOSUN decides to license one or more Ardelyx product Trademarks to Commercialize a Licensed Product in the Field and in the Territory, FOSUN shall provide a written notice ("**Trademark Notice**") to Ardelyx indicating which such Ardelyx

Trademarks it wishes to license from Ardelyx. Upon Ardelyx's receipt of the Trademark Notice, the Parties shall discuss in good faith a license grant under which Ardelyx would grant FOSUN a royalty-free (subject to this (c)) license, sublicensable exclusive license to use the Ardelyx product Trademarks indicated in the Trademark Notice in the Field and in the Territory during the Term; provided that, in the event FOSUN wishes to use the Ardelyx product Trademark licensed pursuant to this (c) upon expiration of the Term, then FOSUN shall pay to Ardelyx a royalty on the Annual Net Sales of the applicable Licensed Product made by FOSUN, its Affiliates, or its Sublicensees at a rate of [***] percent ([***]%). Notwithstanding the foregoing, if FOSUN elects to keep paying the royalties as defined in Section 6.04 after the expiration of the Term, Ardelyx shall keep granting FOSUN the royalty-free (subject to this (c)) license, sublicensable exclusive license of Ardelyx product Trademarks pursuant to this (c).

(ii) Ardelyx shall solely bear the full costs and expense of and be responsible for filing, prosecuting and maintaining all Ardelyx Trademarks. Ardelyx shall, protect, defend, and maintain each Ardelyx Trademark and all registrations therefor. FOSUN shall notify Ardelyx promptly in writing upon learning of any actual, alleged, or threatened infringement of a Ardelyx Trademark used in connection with Licensed Compounds or Licensed Products or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses with respect to Licensed Compounds or Licensed Products. Ardelyx shall have the right, but not the obligation, to institute, prosecute and control any action, proceeding or negotiation of any settlements in the Territory with respect to any infringement of Ardelyx Trademarks. FOSUN shall cooperate as reasonably requested by Ardelyx in any actions or proceedings brought by Ardelyx to halt the infringement. All of the unrecovered costs, expenses, and legal fees (including without limitation internal costs, expenses, and legal fees) in bringing, maintaining, and prosecuting any action to maintain, protect, or defend a Ardelyx Trademark (or registration therefor) shall be borne solely by Ardelyx.

(iii) If an Ardelyx Trademark becomes the subject of any proceeding commenced by a Third Party in connection with an opposition or other attack upon the validity, title, or enforceability thereof in the Territory, then Ardelyx shall have the first right, but not the obligation, to control such defense, at its sole cost. Any awards or amounts or recoveries received in defending any such Third Party action shall be allocated based on the percentage of costs incurred by the Parties in defending such action.

(d) FOSUN shall be responsible for the design and procurement of all packaging (non-commercial and commercial) and labeling of the Licensed Products.

ARTICLE IX.
REPRESENTATIONS, WARRANTIES, AND COVENANTS

Section 9.01 Representations, Warranties, and Covenants.

(a) Each of the Parties hereby represents and warrants to the other Party that:

(i) this Agreement is a legal and valid obligation binding upon such Party and enforceable in accordance with its terms. The execution, delivery, and performance of the Agreement by such Party does not conflict with any agreement, instrument, or understanding, oral or written, to which it is a Party or by which it is bound, nor violate any law or regulation of any court, Governmental Body, or administrative or other agency having jurisdiction over it;

(ii) it is not aware of any government authorization, consent, approval, license, exemption of or filing or registration with any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, under any Applicable Laws, currently in effect, necessary for, or in connection with, the transaction contemplated by this Agreement or any other agreement or instrument executed in connection herewith, or for the performance by it of its obligations under this Agreement and such other agreements (save for Regulatory Approvals, INDs and similar regulatory authorizations necessary for the Development or Commercialization of the Licensed Compounds and Licensed Products as contemplated hereunder);

(iii) such Party has not, and during the Term will not, grant any right to any Third Party relating to its respective Patents and Know-How which would conflict with the rights granted to the other Party hereunder; and

(iv) such Party will at all times and in all material respects comply with all Applicable Laws relating to its activities under this Agreement.

(v) such Party shall implement appropriate processes and controls with respect to technology and work flow methodologies in connection with its activities under or in connection with this Agreement so as to protect the security and privacy of personally identifiable information in accordance with Applicable Laws.

(b) Ardelyx represents, warrants and covenants as of the Effective Date (or as of such other /additional time as may be explicitly specified below) to FOSUN that:

(i) Ardelyx is the sole and exclusive owner of the entire right, title and interest in the Listed Patents existing as of the Effective Date. Ardelyx has all rights necessary to grant the licenses under the Licensed Technology existing as of the Effective Date that it grants to FOSUN in this Agreement. The Listed Patents are not subject to any encumbrance, lien or claim of ownership by any Third Party. To Ardelyx's Knowledge, the Licensed Technology in the Territory had not infringed and will not infringe any Intellectual Property Rights of any Third Party.

(ii) To Ardelyx's Knowledge, all applicable fees due to patent authorities with respect to the filing and prosecution of the Listed Patents existing as of the Effective Date have been paid on or before the due date for payment (as such due date may be extended in accordance with Applicable Law or patent authority rules and regulations).

(iii) As of the Effective Date, to Ardelyx's Knowledge, there is no actual or threatened infringement or misappropriation of the Licensed Patents or Licensed Know-How by any Person.

(iv) Ardelyx has not been debarred by the FDA, is not subject to any similar sanction of other Regulatory Health Authorities in the Territory, and is not subject to any such debarment or similar sanction by any such Regulatory Health Authority, and Ardelyx has not used, and will not engage, in any capacity, in connection with this Agreement, any Person who either has been debarred by such a Regulatory Health Authority, or is the subject of a conviction described in Section 306 of the FFDCA (21 U.S.C. §335a). Ardelyx shall inform FOSUN in writing immediately if it or any Person engaged by Ardelyx who is performing services under this Agreement is debarred or is the subject of a conviction described in Section 306 of the FFDCA (21 U.S.C. §335a) or if any action, suit, claim, investigation or legal or administrative proceeding is pending or, to Ardelyx's Knowledge, is threatened, relating to the debarment or conviction of Ardelyx or any such Person performing services hereunder.

(c) FOSUN represents, warrants and covenants as of the Effective Date (or as of such other /additional time as may be explicitly specified below) to Ardelyx that:

(i) FOSUN has not been debarred by the FDA (and is not subject to any similar sanction of other Regulatory Health Authorities in the Territory), and is not subject to any such debarment or similar sanction by any such Regulatory Health Authority, and FOSUN has not used, and will not engage, in any capacity, in connection with this Agreement, any Person who either has been debarred by such a Regulatory Health Authority, or is the subject of a conviction described in Section 306 of the FFDCA (21 U.S.C. §335a). FOSUN shall inform Ardelyx in writing immediately if it or any Person engaged by FOSUN who is performing services under this Agreement is debarred or is the subject of a conviction described in Section 306 of the FFDCA (21 U.S.C. §335a), or if any action, suit, claim, investigation or legal or administrative proceeding is pending or, to FOSUN's knowledge, is threatened, relating to the debarment or conviction of FOSUN or any such Person performing services hereunder.

(ii) To the extent permissible under Applicable Laws, each employee and contractor of FOSUN performing obligations under this Agreement shall, prior to conducting any such obligations hereunder, be obligated by Applicable Law, or written contract to (i) promptly disclose to FOSUN of all inventions and Know-How conceived or reduced to practice by such employee or contractor during any performance under this Agreement, (ii) automatically assign to FOSUN all right, title and interest in and to all such inventions and Know-How and all Intellectual Property Rights therein, and (iii) adhere to similar obligations of confidentiality as are set forth in this Agreement. FOSUN shall not knowingly engage in any activities that use the inventions covered or claimed in the Licensed Patents, Ardelyx [***] Patents or any Licensed Know-How in a manner that is outside the scope of the license rights expressly granted to it hereunder.

(iii) FOSUN shall perform, or cause its Affiliates or Third Party contractors to perform, its responsibilities under this Agreement in compliance with this Agreement, all Applicable Laws, applicable CFDA (or foreign equivalent) requirements, including, without limitation, then-current GLP, GCP and GMP.

Section 9.02 Manufacturing by FOSUN. FOSUN covenants to Ardelyx that any Licensed Product manufactured by or for FOSUN or its Affiliates shall: (a) be manufactured in compliance with Applicable Laws; (b) conform to the applicable Specifications for such Licensed Product; (c) conform to the certificates of analysis supplied with the shipment of such Licensed Product; and (d) shall be packaged and shipped in accordance with the applicable Specifications therefor in effect at the time of delivery.

Section 9.03 No Debarment. In the course of the Development of Licensed Compound and Licensed Product in accordance with this Agreement, neither Party has used, and during the term of this Agreement neither Party will use, any employee or consultant that is debarred by any Regulatory Health Authority or, to the best of such Party's knowledge, is the subject of debarment proceedings by any Regulatory Health Authority. If either Party learns that its employee or consultant performing on behalf under this Agreement has been debarred by any Regulatory Health Authority, or has become the subject of debarment proceedings by any Regulatory Health Authority, such Party shall so promptly notify the other Party and shall prohibit such employee or consultant from performing on its behalf under this Agreement. The foregoing shall be without prejudice to the warranties contained in Section 9.01(b)(iv).

Section 9.04 Anti-Bribery and Anti-Corruption Compliance.

(a) Compliance with Laws. Each of the Parties shall implement appropriate processes and controls with respect to technology and work flow methodologies in connection with its activities under or in connection with this Agreement so as to protect the security and privacy of personally identifiable information in accordance with Applicable Law.

(b) Compliance With Applicable Anti-Corruption Laws. Each party understands and agrees that it has complied and will continue to comply with all applicable Anti-Corruption Laws in connection with this Agreement.

(i) Each Party represents and warrants that no payments of money or anything of value have been or will be offered, promised, or paid, whether directly or indirectly, by any of its directors, officers, employees, Affiliates, or third party representatives to any Government Official in connection with this Agreement: (a) to influence any official act or decision of any Government Official; (b) to induce any Government Official to do or omit to do any act in violation of lawful duty; (c) to secure any improper business advantage; or (d) to obtain or retain business for, or otherwise direct business to, any Party in connection with this Agreement.

(ii) Each Party warrants and represents that, in connection with this Agreement, the Party, its directors, officers, employees, and third party representatives: (a) have not and will not request, accept, offer, promise, or give any bribe, kickback, or other corrupt payment to any person, including any representative of any commercial entity, in violation of any applicable Anti-Corruption Law; and (b) have not and will not request, offer, promise, or give any financial or other advantage to induce another person to perform a function or activity in order to obtain or retain an improper business advantage in any way relating to this Agreement.

(c) Notification Of Investigations Into Potential Non-Compliance With Applicable Anti-Corruption Laws. Each Party warrants and represents that it will promptly inform the other Party if that Party, or any of its directors, officers, employees, Affiliates, third party representatives, or Sublicensees becomes subject to any investigation relating to any actual or potential violation of any applicable Anti-Corruption Law in connection with this Agreement, including any meeting, interview, inspection, or audit requested by any Governmental Body.

(d) Cooperation With Due Diligence And Investigations. Each Party will provide reasonable cooperation in connection with any good faith investigation conducted by the other Party into potential violations of applicable Anti-Corruption Laws in connection with this Agreement.

(e) Compliance Program. Each Party will adopt, implement, and/or update and, throughout the course of this Agreement, have, maintain, and enforce an appropriate and risk-based anti-corruption compliance program designed to reasonably ensure compliance with the representations contained in this Section of the Agreement and all applicable Anti-Corruption Compliance Laws.

(f) Periodic Compliance Certifications. On an annual basis following the execution of this Agreement, or as reasonably requested in good faith by the other Party, each Party agrees to submit to a compliance certificate to the other Party which restates the representations and warranties that are set forth in this Section 9.04 and provides certification by such Party that it has adhered, during the period covered by the compliance certificate, to the representations and warranties.

ARTICLE X.
RECORD RETENTION, AUDIT AND USE OF NAME

Section 10.01 Records Retention; Audit.

(a) Each Party shall keep or cause to be kept accurate records of account in accordance with P.R.C. GAAP, in the case of FOSUN, and in accordance with U.S. GAAP, in the case of Ardelyx, showing information that is necessary for the accurate determination of the royalties and other payments due under Article VI, or any other payment due hereunder. Such records or books of account shall be kept until the [***] ([***]) anniversary of December 31 of the Calendar Year in which the relevant Licensed Product are sold (in the case of royalty or other payments due under Section 6.04) or in the period for which any other payment hereunder is required to be made. For clarity, each Party shall cause its Affiliates to keep, and shall require pursuant to a written agreement that any Sublicensee, other sublicensee or subcontractor performing activities hereunder keep accurate records or books of account in a manner that will permit such Party to comply with its obligations under the foregoing sentence.

(b) Upon the written request of the other Party, each Party shall permit a qualified accounting firm acceptable to both Parties to inspect during regular business hours and no more than once a year and once in any given Calendar Year, and going back no more than [***] ([***]) years preceding the current Calendar Year, all or any part of the audited Party's records and books necessary to check the accuracy of any payments made or required to be made hereunder. The

accounting firm shall enter into appropriate obligations with the audited Party to treat all information it receives during its inspection in confidence. The accounting firm shall disclose to Ardelyx and FOSUN only whether the payments made are correct and details concerning any discrepancies, but no other information shall be disclosed to the Party requesting the inspection. The charges of the accounting firm shall be paid by the Party requesting the inspection, except that if the payments being audited have been underpaid or the costs being reimbursed have been overstated, in each case by more than [***] percent ([***]%), the charges will be paid by the Party whose records and books are being inspected. Any failure by a Party to exercise its rights under this Section 10.01 with respect to a Calendar Year within the [***] ([***]) year period allotted therefor shall constitute a waiver by such Party of its right to later object to any payments made by the other Party under this Agreement during such Calendar Year.

Section 10.02 Publicity Review. Subject to the further provisions of this Section 10.02, no Party shall originate any written publicity, news release, or other announcement relating to this Agreement or to performance hereunder or the existence of an arrangement between the Parties (collectively, "**Written Disclosure**"), without the prior prompt review of a copy of the materials proposed to be disclosed and written approval of the other Party. This Section 10.02, shall not prohibit the disclosure under Section 7.04(a). Notwithstanding the foregoing provisions of this Section 10.02, Each Party may make any public Written Disclosure it believes in good faith based upon the advice of counsel is required under the Securities Laws of the United States, or any listing or trading agreement concerning its publicly traded securities, or under any applicable secuities laws, or any rule or order of stock exchange; provided that, prior to making such Written Disclosure, Ardelyx or FOSUN shall where reasonably practicable provide the other Party with a copy of the materials proposed to be disclosed and an opportunity to promptly review and comment on the proposed Written Disclosure. To the extent that FOSUN reasonably requests that any information in the materials proposed to be disclosed be deleted, Ardelyx shall use reasonable efforts to request confidential treatment of such information pursuant to Rule 406 of the Securities Act of 1933 or Rule 24b-2 of the Securities Exchange Act of 1934, as applicable (or any other applicable regulation relating to the confidential treatment of information) so that any information that FOSUN reasonably requests to be deleted, to the extent permitted by the applicable government agency, are omitted from such materials. Notwithstanding the foregoing, each Party may issue an individual press release regarding the transaction contemplated by this Agreement; and the contents of each such press release shall be mutually agreed by the Parties in writing prior to any publication thereof. For clarity, Ardelyx shall have the right to issue press releases and other public announcements regarding the Development or Commercialization of Licensed Products outside of the Territory and/or outside of the Field without the prior review or written approval of FOSUN.

Section 10.03 Use of Names. Neither Party shall use the name, insignia, symbol, trademark, trade name or logotype of the other Party or its Affiliates in relation to this transaction or otherwise in any public announcement, press release, or other public document without the prior written consent of such other Party; provided, however, that either Party may use the name of the other Party in any document required to be filed with any government authority, including without limitation the FDA and the Securities and Exchange Commission or otherwise as may be required by Applicable Law, provided that such disclosure shall be governed by Section 7.04. Further, the restrictions imposed on each Party under this Section 10.03 are not intended, and shall not be construed, to prohibit a Party from identifying the other Party in its internal business

communications, provided that any Confidential Information in such communications remains subject to Article VII.

ARTICLE XI.
TERM AND TERMINATION

Section 11.01 Term. The term of this Agreement shall commence as of the Effective Date and, unless sooner terminated as provided herein, shall continue in effect until the date on which all of FOSUN's payment obligations under Article VI have been performed or have expired (the "**Term**").

Section 11.02 Termination Rights.

(a) **Termination for Cause**. Subject to the provisions of this Section 11.02, if either Party (the "**Breaching Party**") shall have committed a material breach of any of its material obligations under this Agreement, and such material breach shall remain uncured and shall be continuing for a period of [***] ([***]) days following the Breaching Party's receipt of notice of such breach from the other Party (the "**Non-Breaching Party**") stating the Non-Breaching Party's intent to terminate this Agreement in its entirety pursuant to this Section 11.02(a) if such breach remains uncured, then, in addition to any and all other rights and remedies that may be available, the Non-Breaching Party shall have the right to terminate this Agreement effective upon the expiration of such [***] ([***]) day period (subject, however, to the provisions set forth below in this Section 11.02(a)). Notwithstanding the above, if (i) such material breach cannot reasonably be cured within such [***] ([***]) day period, (ii) the Breaching Party provides, within such [***] ([***]) day period, the Non-Breaching Party with a written detailed plan that contains measures that can be reasonably expected to cure such breach in a time frame reasonably acceptable to both Parties, which shall not extend beyond [***] ([***]) months from the date the plan is presented to the Non-Breaching Party, and (iii) the Breaching Party commences to perform such measures in accordance with such plan, and (iv) the Breaching Party thereafter diligently continues to perform such measures as detailed in such plan, then the Non-Breaching Party shall not be entitled to terminate this Agreement (and any notice of termination issued pursuant to the foregoing sentence shall not become effective) unless and until the earlier of (x) the Breaching Party ceases to diligently perform such measures despite then not having cured the breach, or (y) the Breaching Party fails to cure the breach in the time frame agreed to by the Non-Breaching Party in the plan, which shall not exceed [***] ([***]) months from the date the plan is presented to the Non-Breaching Party.

(b) **Termination for Convenience**.

(i) Prior to its expiration, this Agreement may be terminated in its entirety at any time by FOSUN effective upon [***] ([***]) days (or such longer period as FOSUN may elect at its sole discretion) prior written notice to Ardelyx.

(ii) Additionally, if FOSUN ceases all Exploitation of the Licensed Products for a continuous period of more than [***] ([***]) consecutive months, FOSUN shall, at Ardelyx written request following the expiration of such [***] ([***]) month period (such request to reference explicitly this Section 11.02(b)(ii)), provide to Ardelyx within [***] ([***]) months after FOSUN's receipt of such request a written reasonable plan under which FOSUN would recommence Exploitation of the Licensed Products under this Agreement within [***]

([***]) months after having provided such plan to Ardelyx. FOSUN shall, after providing such plan to Ardelyx, perform substantially in accordance therewith. If FOSUN fails to provide such plan to recommence Exploitation of Licensed Products within such [***] ([***]) month period or if FOSUN fails to recommence such Exploitation within the aforementioned [***] ([***]) month period, FOSUN shall be deemed to have exercised its right to terminate this Agreement in its entirety pursuant to this Section 11.02(b) effective upon expiration of such [***] ([***]) month or (as the case may be) [***] ([***]) month period.

(c) **Termination for Challenge of Licensed Patents**. Prior to its expiration, Ardelyx may terminate this Agreement in its entirety by written notice to FOSUN if (i) FOSUN or its Affiliates challenges the validity, scope or enforceability of or otherwise opposes any Patent included in the Licensed Patents or Ardelyx [***] Patents or corresponding Patents outside the Territory and (ii) FOSUN does not cause such measures to cease within [***] ([***]) days after having received written notice thereof from Ardelyx, requesting such measures to cease and stating Ardelyx's intention to terminate this Agreement if such measures are not ceased within the prescribed time. If a Sublicensee of FOSUN challenges the validity, scope or enforceability of or otherwise opposes any Patent included in the Licensed Patents or Ardelyx [***] Patents under which such Sublicensee is sublicensed or corresponding Patents outside of the Territory, then FOSUN shall, upon written notice from Ardelyx terminate such sublicense or cause the Sublicensee to cease such measures, [***] as promptly as possible. FOSUN shall include provisions in all agreements under which a Sublicensee obtains a sublicense under any Patent included in the Licensed Patents or Ardelyx [***] Patents providing that if the Sublicensee challenges the validity or enforceability of or otherwise opposes any such Patent under which the Sublicensee is sublicensed, FOSUN may terminate such sublicense.

(d) **Termination for Insolvency**. A Party may terminate this Agreement effective immediately upon written notice to the other Party if at any time during the Term, the other Party (the "**Debtor**") (i) becomes insolvent, (ii) has a case commenced by or against it under the Bankruptcy Code, (iii) files for or is subject to the institution of bankruptcy, liquidation or receivership proceedings, (iv) assigns all or a substantial portion of its assets for the benefit of creditors, (v) has a receiver or custodian appointed for the Debtor's business, or (vi) has a substantial part of its business being subject to attachment or similar process; provided, however, that in the event of any involuntary case under the Bankruptcy Code, the first Party shall not be entitled to terminate this Agreement pursuant to this subsection (d) if the case is dismissed within [***] ([***]) days after the commencement thereof.

Section 11.03 Consequences of an FOSUN Triggered Termination. In the event (a) Ardelyx terminates this Agreement pursuant to Section 11.02(a) for FOSUN's material breach; (b) Ardelyx terminates this Agreement pursuant to Section 11.02(c) for patent challenge by FOSUN; (c) Ardelyx terminates this Agreement pursuant to Section 11.02(d) for FOSUN's insolvency; or (d) FOSUN terminates this Agreement pursuant to Section 11.02(b) (a termination as per (a) through (d) being an "**FOSUN Triggered Termination**"), both Ardelyx and FOSUN shall, subject to Section 11.03(a), continue to be obligated during the termination notice period (as applicable) to perform as far as reasonably practicable all of its obligations under this Agreement and any

other agreements concluded between the Parties in accordance with this Agreement. If an FOSUN Triggered Termination occurs after the first Regulatory Approval of one or more Licensed Products in the Territory, FOSUN shall continue to use Commercially Reasonable Efforts to

Commercialize such Licensed Product(s) in the Territory until the earlier of (i), if applicable, the expiration of the [***] ([***]) day notice period, in the event of a termination by FOSUN pursuant to Section 11.02(b); (ii) receipt of Ardelyx's written notice that FOSUN may cease such Commercialization activities; or (iii), if applicable, the effective date of the termination notice issued pursuant to Section 11.02(a), Section 11.02(c), or Section 11.02(d). In addition, as a result of an FOSUN Triggered Termination the following shall apply:

(a) All licenses and rights to the Licensed Technology granted to FOSUN hereunder shall terminate as of the effective date of such termination, except to the extent and for so long as is necessary to permit FOSUN to meet its obligations under Section 5.04, to finish work-in-progress and sell any inventory as per Section 11.03(m) and to otherwise perform any responsibilities in connection with any then ongoing Clinical Trial or other activity that cannot be terminated as of such date under Applicable Laws, including GCP, it being agreed that all such activities and responsibilities shall be discontinued and ceased (unless otherwise agreed or required under Applicable Laws by transitioning such activities and responsibilities to Ardelyx) as promptly as possible, subject to Applicable Laws, including GCP.

(b) FOSUN shall grant, and hereby grants to Ardelyx (i) an exclusive, worldwide, royalty-free right and license, with the right to grant sublicenses, under any FOSUN Sole Invention Patents, under any FOSUN Sole Program Know-How and under FOSUN's interest in any Joint Technology, all to the extent that the practice thereof would infringe the Licensed Patents, (ii) a non-exclusive, worldwide, royalty-free right and license, with the right to grant sublicenses, under any FOSUN Sole Invention Patents, under any FOSUN Sole Program Know-How, and under FOSUN's interest in any Joint Technology, all to the extent that the practice thereof would not infringe the Licensed Patents, and (iii) a non-exclusive license, worldwide, royalty-free right and license, with the right to grant sublicenses, under the FOSUN [***] Technology, in the case of each of (i), (ii) and (iii) solely to Develop, make, have made, use, sell, have sold offer for sale and import Licensed Compounds and Licensed Products.

(c) Ardelyx shall have the right (but not the obligation) to enforce the FOSUN Sole Invention Patents and FOSUN [***] Patents against any infringement relating to Licensed Products.

(d) Ardelyx shall have the right (but not the obligation) to prosecute, maintain, enforce and defend all Licensed Patents, Ardelyx [***] Patents, and Joint Patents and FOSUN shall, as promptly as reasonably practicable, and to a reasonable extent take such other actions and execute such other instruments, assignments, and documents as may be necessary to enable Ardelyx to practice the rights set forth in this subsection (c), with such cooperation to be provided at Ardelyx's sole cost and expense.

(e) Each Party shall return all data, files, records and other materials in its possession or Control containing or comprising the other Party's Confidential Information to which such first Party does not retain rights hereunder (except one copy thereof, which may be retained by the returning Party solely for legal archive purposes).

(f) FOSUN shall, where permitted under Applicable Laws, as promptly as reasonably practical transfer to Ardelyx all INDs, Drug Approval Applications, and Regulatory Approvals with respect to Licensed Compounds and Licensed Products, and shall take such other actions and execute such other instruments, assignments, and documents as may be necessary to affect the transfer of rights hereunder to Ardelyx. Without limiting the generality of the foregoing, FOSUN agrees to submit to the CFDA and other Regulatory Authorities where reasonably appropriate and permitted under Applicable Laws in jurisdictions in which any regulatory filings have been made with respect to the Licensed Product, within [***] ([***]) Business Days after the effective date of such termination, a letter (with copy to Ardelyx) notifying the CFDA and such other Regulatory Authorities of the transfer of any regulatory filings for the Licensed Product in such jurisdictions from FOSUN to Ardelyx. Additionally, FOSUN will provide Ardelyx with copies of regulatory filings necessary to practice the rights granted to it under this Section 11.03(f).

(g) FOSUN shall [***] assign all of its rights in and to FOSUN Trademarks which are specifically filed and maintained, and used for Licensed Products other than any other Products (and all registrations and applications for registration therefor) that it owns pursuant to Section 8.05 to Ardelyx and Ardelyx shall have the exclusive right (but not the obligation) to enforce the FOSUN Trademark rights against infringers.

(h) FOSUN will assign (or cause its Affiliates to assign) to Ardelyx, at Ardelyx's request, all of FOSUN's (or its Affiliates') rights and obligations under agreements with Third Parties with respect to (i) the conduct of Clinical Trials for each Licensed Product, including Agreements with contract research organizations, clinical sites and investigators that relate to Clinical Trials in support of Regulatory Approvals in the Territory, (ii) the Manufacture of Licensed Compound or Licensed Product (subject to FOSUN's obligations under Section 5.04), and (iii) any other Third Party agreements involving the Development or Commercialization of the Licensed Products, unless in each of (i) through (iii), such agreement is not permitted to be assigned pursuant to its terms or relates to products other than Licensed Products, in which case FOSUN will cooperate with Ardelyx in all reasonable respects to transfer as promptly as reasonably practical to Ardelyx the benefit of such contract (against Ardelyx undertaking to perform all the obligations and assume all liabilities under such contract) in another mutually acceptable manner and upon Ardelyx's request facilitate discussions between Ardelyx and such Third Parties to assist Ardelyx in entering into a direct agreement with such Third Parties.

(i) To the extent they are assignable and as requested by Ardelyx, FOSUN shall execute any documents necessary to transfer to Ardelyx rights under any Third Party licenses obtained by FOSUN pursuant to and during the course of the term of this Agreement for the purpose of Exploiting the Licensed Compounds or Licensed Products, and Ardelyx shall thereafter be responsible for all costs, expenses and obligations associated with such Third Party licenses.

(j) If FOSUN at the time of termination was Manufacturing Licensed Product, FOSUN shall comply with the obligations set forth in Section 5.04. Upon Ardelyx's request, FOSUN shall transfer to Ardelyx copies of all materials, data, results, analyses, reports, websites, marketing materials, technology, regulatory filings and other Information and Materials existing in tangible or electronic form at the effective date of the FOSUN Triggered Termination, that is Controlled by FOSUN and has been generated on or before the effective date of such termination by or on behalf of FOSUN, its Affiliates or Sublicensees with respect to the Licensed Products ("**FOSUN**

Product Data") and Ardelyx shall have the right to use on a non-exclusive basis such FOSUN Product Data to enable Ardelyx to proceed to Develop, Manufacture and Commercialize Licensed Products upon and after termination of this Agreement

(k) Except where expressly provided for otherwise in this Agreement, termination of this Agreement shall not relieve the Parties of any liability, including without limitation any obligation to make payments hereunder, which accrued hereunder prior to the effective date of such termination, nor preclude any Party from pursuing all rights and remedies it may have hereunder or at law or in equity with respect to any breach of this Agreement, nor prejudice any Party's right to obtain performance of any obligation. In the event of such termination, this Section 11.03 shall survive in addition to others specified in this Agreement to survive in such event.

(l) FOSUN shall be entitled, during a period of [***] ([***]) days following the FOSUN Triggered Termination, to finish any work-in-progress, unless Ardelyx requests the transfer thereof in accordance with the terms of Section 5.04, and to sell any inventory of the Licensed Product that remains on hand as of the date of the termination, so long as FOSUN pays to Ardelyx the royalties applicable to said subsequent sales in accordance with the terms and conditions set forth in this Agreement; provided that if such termination is by Ardelyx pursuant to Section 11.02(a), that FOSUN's rights under this Section 11.03(l) shall be subject to Ardelyx's prior written consent, which shall not be unreasonably withheld, delayed or conditioned.

(m) Notwithstanding anything else set forth in this Agreement, (i) FOSUN shall not have any obligations to continue any Development, Manufacture or Commercialization of the relevant Licensed Compound or Licensed Product if FOSUN has terminated this Agreement pursuant to Section 11.02(b) with reference to any material safety concerns; and (ii) should Ardelyx elect to pursue any Development, Manufacture or Commercialization of the relevant Licensed Compound or Licensed Product following any such termination by FOSUN, Ardelyx shall - without prejudice to or limitation of any other or further obligations Ardelyx may have to FOSUN under this Agreement (including Section 12.01(b)) - indemnify FOSUN for any Third Party claims arising from Ardelyx's Development, Manufacture or Commercialization after the effective date of the termination of the relevant Licensed Compound or Licensed Product as set forth in Section 12.01(b).

Section 11.04 Consequences of Termination (or Right to Terminate) by FOSUN for Ardelyx's breach or insolvency. If FOSUN is entitled to terminate this Agreement pursuant to Section 11.02(a) as a result of a material breach by Ardelyx or Section 11.02(d) for an insolvency or other transaction described therein affecting Ardelyx, FOSUN may elect to terminate this Agreement subject to the provisions set forth in Section 11.04(a), or to continue the Agreement subject to the provisions set forth in Section 11.04(b).

(a) If FOSUN terminates the Agreement under Section 11.02(a) or under Section 11.02(d), Section 11.03 shall apply as if such termination were a FOSUN Triggered Termination, except that (i) notwithstanding anything set forth to the contrary in Section 11.03, Ardelyx shall [***], and (ii) in consideration of [***] and any other rights granted under the above provisions in Section 11.03, if this Agreement is terminated pursuant to Section 11.02(a) by FOSUN [***] Ardelyx shall [***]; provided, however, that [***]. The foregoing shall be [***] in connection with its termination pursuant to Section 11.02(a).

(b) If FOSUN has the right to terminate this Agreement under Section 11.02(a) or Section 11.02(d), but elects to continue this Agreement, this Agreement shall continue in full force and effect except that if FOSUN is entitled to terminate this Agreement under Section 11.02(a) due to Ardelyx breach (but not if FOSUN's right to terminate is based solely on Ardelyx's insolvency pursuant to Section 11.02(d)), the royalties that Ardelyx shall be entitled to receive on Net Sales of Licensed Products by FOSUN, its Affiliates, or its Sublicensees as set forth in Section 6.04 shall each be reduced by [***].

(c) Except where expressly provided for otherwise in this Agreement, termination of this Agreement by either Party shall not relieve the Parties of any liability, including without limitation any obligation to make payments hereunder, which accrued hereunder prior to the effective date of such termination, nor preclude any Party from pursuing all rights and remedies it may have hereunder or at law or in equity with respect to any breach of this Agreement, nor prejudice any Party's right to obtain performance of any obligation. In the event of such termination, this Section 11.04 shall survive in addition to others specified in this Agreement to survive in such event.

Section 11.05 Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by a Party are, and shall otherwise be deemed to be, for the purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101 of the United States Bankruptcy Code or equivalent provisions of applicable legislation in any other jurisdiction. The Parties agree that the Parties, as licensees of such rights under this Agreement, shall retain and may fully exercise all of their rights and elections under the United States Bankruptcy Code, or equivalent provisions of applicable legislation in any other jurisdiction. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against either Party under the Unites States Bankruptcy Code or equivalent provisions of applicable legislation in any other jurisdiction, the Party that is not a party to such proceeding shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, which, if not already in the non-subject Party's possession, shall be promptly delivered to it (a) upon any such commencement of a bankruptcy proceeding upon the non-subject Party's written request therefor, unless the Party subject to such proceeding elects to continue to perform all of its obligations under this Agreement, or (b) if not delivered under subsection (a) above, following the rejection of this Agreement by or on behalf of the Party subject to such proceeding upon written request therefor by the non-subject Party.

Section 11.06 Surviving Rights and Obligations. The rights and obligations set forth in this Agreement shall extend beyond the expiration or termination of the Agreement only to the extent expressly provided for herein, or to the extent that the survival of such rights or obligations are necessary to permit their complete fulfillment or discharge. Without limiting the foregoing, the Parties have identified various rights and obligations which are understood to survive, as follows: In the event of expiration or termination of this Agreement for any reason, the following provisions shall survive in addition to others specified in this Agreement to survive in such event: Article I, Article VII (with the exception of Section 7.03), Article X, Article XII (solely as to actions arising during the term of this Agreement, or as to activities conducted in the course of a Party's exercise of licenses surviving after the term of this Agreement), Article XIII and Article XIV, and, Section 2.10 (to the extent Covenant Period 2 is extended by its terms), Section 4.01, Section 5.04, Section 6.04 through Section 6.07 (solely to the extent provided in Section 11.03 and Section 11.04),

Section 6.078 through Section 6.11 inclusive (solely with respect to payments received following the effective date of termination or expiration), Section 8.01 (with regard to disclosure of the Joint Technology and Sole Program Know-How invented during the Term), Section 8.02 through Section 8.04 (solely with respect to Joint Patents, Section 8.05(c), Section 11.02, Section 11.03, Section 11.04, Section 11.05, Section 11.06 and Section 11.07.

Section 11.07 Accrued Rights. Termination, relinquishment, or expiration of the Agreement for any reason shall be without prejudice to any rights that shall have accrued to the benefit of either Party prior to such termination, relinquishment, or expiration, including without limitation damages arising from any breach hereunder. Such termination, relinquishment, or expiration shall not relieve either Party from obligations that are expressly indicated to survive termination or expiration of the Agreement.

ARTICLE XII.
INDEMNIFICATION

Section 12.01 Indemnification.

(a) FOSUN hereby agrees to indemnify, defend, and hold harmless Ardelyx, its Affiliates, and each of its and their respective employees, officers, directors and agents from and against any and all Losses incurred by them resulting from or arising out of or in connection with any suits, claims, actions or demands made or brought by a Sublicensee or other Third Party (collectively, "**Third Party Claims**") against Ardelyx, its Affiliates or their respective employees, officers, directors or agents, that result from or arise out of [***], except in any case, to the extent such Losses are Losses for which Ardelyx has an obligation to indemnify FOSUN, its Affiliates or their respective employees, officers, directors or agents pursuant to Section 12.01(b), as to which Losses each Party shall indemnify the other to the extent of their respective liability for such Losses.

(b) Ardelyx hereby agrees to indemnify, defend and hold harmless FOSUN, its Affiliates, and each of its and their respective employees, officers, directors and agents from an against any and all Losses incurred by them resulting from or arising out of or in connection with any Third Party Claims against FOSUN, its Affiliates or their respective employees, officers, directors or agents, that result from or arise out of [***]; except in any case, to the extent such Losses are Losses for which FOSUN has an obligation to indemnify Ardelyx, its Affiliates or their respective employees, officers, directors or agents pursuant to Section 12.01(a), as to which Losses each Party shall indemnify the other to the extent of their respective liability for such Losses.

Section 12.02 Mechanism.

(a) In the event that a Party (the "**Indemnified Party**") is seeking indemnification under Section 12.01(a) or Section 12.01(b), it shall notify the other Party (the "**Indemnifying Party**") in writing of the relevant Third Party Claim and the relevant Loss for which indemnification is being sought as soon as reasonably practicable after it becomes aware of such claim. Each such notice shall contain a description of the Third Party Claim and the nature and amount of the Loss claimed (to the extent that the nature and amount of such Loss is known at

such time). The Indemnified Party shall furnish promptly to the Indemnifying Party copies of all papers and official documents received in respect of any such Third Party Claim or Losses. For the avoidance of doubt, all indemnification claims in respect of a Party, its Affiliates, and each of its and their respective employees, officers, directors and agents shall be made solely by such Party to this Agreement. The Indemnified Party shall permit the Indemnifying Party to assume direction and control of the defense of the relevant Third Party Claim (including without limitation the right to settle the claim solely for monetary consideration), and shall cooperate as requested (at the expense of the Indemnifying Party) in the defense of the claim. The assumption of the defense of a Third Party Claim by the Indemnifying Party shall not be construed as an acknowledgement that the Indemnifying Party is liable to indemnify any Indemnified Party in respect of the Third Party Claim, nor shall it constitute a waiver by the Indemnifying Party of any defenses it may assert against any Indemnified Party's claim for indemnification.

(b) Notwithstanding Section 12.01, the failure to give timely notice to the Indemnifying Party shall not release the Indemnifying Party from any liability to the Indemnified Party to the extent the Indemnifying Party is not prejudiced thereby and, for the avoidance of doubt, the Indemnifying Party shall not be liable to the extent any Loss is caused by any delay by the Indemnified Party in providing such notice. Notwithstanding the provisions of Section 12.02(a) requiring the Indemnified Party to tender to the Indemnifying Party the exclusive ability to defend such claim, if the Indemnifying Party declines to or fails to timely assume control of the relevant Third Party Claim, the Indemnified Party shall be entitled to assume such control, conduct the defense of, and settle such claim, all at the sole costs and expense of the declining or failing Party; provided, however, that neither Party shall settle or dispose of any such claim in any manner that would adversely affect the rights or interests or admit fault, of the other Party without the prior written consent of such other Party, which shall not be unreasonably withheld, delayed or conditioned. Each Party, at the other Party's expense and reasonable request, shall cooperate with such other Party and its counsel in the course of the defense or settlement of any such claim, such cooperation to include without limitation using reasonable efforts to provide or make available documents, information, and witnesses.

Section 12.03 Insurance. Each Party shall have and maintain such type and amounts of liability insurance covering the Manufacture, supply, use and sale of the Licensed Compounds and the Licensed Products as is normal and customary in the pharmaceutical industry generally for Persons similarly situated, and shall upon request provide the other Party with a copy of its policies of insurance in that regard, along with any amendments and revisions thereto.

ARTICLE XIII.
DISPUTE RESOLUTION

Section 13.01 Referral of Disputes to the Parties Senior Executives. In the event of any dispute between the Parties arising out of or in connection with this Agreement, either Party may, by written notice to the other, have such dispute referred to the Senior Executives for attempted resolution by good faith negotiations within [***] ([***]) days after such notice is received.

Section 13.02 Mechanism.

(a) If (i) Ardelyx at any time has a good faith belief that FOSUN may be in material breach of its obligations under Section 4.03, (ii) Ardelyx has notified FOSUN of its belief in writing and the Parties are not in agreement as to whether or not such breach under Section 4.03 exists, and (iii) the Parties have not resolved the dispute through good faith negotiations pursuant to Section 13.01 within the prescribed time, then Ardelyx shall have the right (but not the obligation) to request, through written notice to FOSUN (a "**Mediation Notice**") within thirty (30) days after the expiry of the time period set forth in Section 13.01, that the Parties shall attempt in good faith to settle such dispute by mediation administered by the American Arbitration Association ("**AAA**") under its Commercial Mediation Procedures. For clarity, Ardelyx shall not be obligated to exercise its right to initiate mediation pursuant to this Section 13.02(a) before initiating arbitration pursuant to Section 13.02(b), or before notifying FOSUN that it is exercising its right of termination under Section 11.02(a). If Ardelyx's elects to exercise its right to initiate mediation within the prescribed time, then the following shall apply: If the Parties are unable to reach agreement on the selection of the mediator within fifteen (15) Business Days after FOSUN's receipt of the Mediation Notice from Ardelyx, then either or both Parties shall immediately request the AAA to select a mediator with the requisite background, experience and expertise in the biopharmaceutical industry to assist the Parties in resolving the dispute amicably. The place of mediation shall be San Francisco, California, and all negotiations and communications shall be in English. The Parties shall have the right to be represented by counsel during the mediation. Each Party shall bear its own costs and expenses and attorneys' fees, and the Parties shall share equally all costs of engaging such mediator and using the AAA to mediate such matter. Any decisions or recommendations of the mediator shall be confidential and non-binding on the Parties. If the Parties are unable to resolve the dispute through mediation pursuant to this Section 13.02(a) within a period of ninety (90) days following FOSUN's receipt of the Mediation Notice from Ardelyx, then Ardelyx shall thereafter have the right to refer the dispute to arbitration pursuant to Section 13.02(b) or notify FOSUN that it is exercising its right of termination under Section 11.02(a).

(b) Subject to Section 13.01 and Section 13.02(a), any dispute, controversy or claim arising out of or relating to this Agreement, including the existence, negotiation, validity, formation, interpretation, breach, performance or application of this Agreement shall be settled by binding arbitration administered by the AAA in accordance with its Commercial Arbitration Rules (or the AAA International Arbitration Rules, if recommended under the AAA guidelines), as such rules may be modified by this Section 13.02(b) or otherwise by subsequent written agreement of the Parties. The number of arbitrators shall be three (3), of whom the Parties shall select one (1) each. The two arbitrators so selected will select the third and final arbitrator. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, the AAA shall select the third arbitrator. The place of arbitration shall be New York City, New York, and all proceedings and communications shall be in English. The Parties shall have the right to be represented by counsel. Any judgment or award rendered by the arbitrators shall be final and binding on the Parties. The Parties agree that such judgment or award may be enforced in any court of competent jurisdiction.

Section 13.03 Preliminary Injunctions. Notwithstanding anything to the contrary, a Party may seek a temporary restraining order or a preliminary injunction from any court of competent jurisdiction in order to prevent immediate and irreparable injury, loss, or damage on a provisional basis, pending the decision of the arbitrator(s) on the ultimate merits of any dispute.

Section 13.04 Patent Disputes. Notwithstanding anything to the contrary, any and all issues regarding the scope, inventorship, construction, validity, or enforceability of Patents shall be determined in a court of competent jurisdiction under the local patent laws of the jurisdictions having issued the Patents in question.

Section 13.05 Confidentiality. All proceedings and decisions of the arbitrator(s) in connection with an arbitral proceeding pursuant to Section 13.02 shall be deemed Confidential Information of each of the Parties and shall be subject to Article VII.

ARTICLE XIV.
MISCELLANEOUS

Section 14.01 Assignment; Performance by Affiliates.

(a) Neither Party may assign any of its rights or obligations under this Agreement in any country in whole or in part without the prior written consent of the other Party, except that each Party shall have the right, without such consent, (i) to perform any of its obligations and exercise any of its rights under this Agreement through, and to assign all of its rights and obligations under this Agreement to, any of its Affiliates, such performance or exercise by such Affiliate, or such assignment, as applicable, [***]; and (ii) on written notice to the other Party, to assign all of its rights and obligations under this Agreement to a non-Affiliate successor in interest, whether by merger, consolidation, reorganization, acquisition, stock purchase, asset purchase or other similar transaction, to all or substantially all of the business to which this Agreement relates. In the event that a Party performs its obligations or exercises its rights under this Agreement through an Affiliate (without having assigned all of its rights and obligations to such Affiliate as permitted under this Section 14.01), doing so shall not relieve the relevant Party of its responsibilities for the performance of its obligations under this Agreement, and the relevant Party shall remain responsible and be guarantor of the performance by its Affiliates and shall cause its Affiliates to comply with the provisions of this Agreement in connection with such performance).

(b) This Agreement shall survive any succession of interest permitted pursuant to Section 14.01(a)(ii), whether by merger, consolidation, reorganization, acquisition, stock purchase, asset purchase or other similar transaction, provided, that, in the event of such merger, consolidation, reorganization, acquisition, stock purchase, asset purchase or other similar transaction, no Intellectual Property Rights of the acquiring corporation shall be included in the technology licensed hereunder, unless such Intellectual Property Rights arise as a result of the performance of this Agreement by such corporation after such transaction becomes effective.

(c) This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the Parties. Any assignment not in accordance with this Agreement shall be void.

Section 14.02 Force Majeure. In this Agreement, "**Force Majeure**" means an event which is beyond a non-performing Party's reasonable control, including an act of God, strike, lock-out or other industrial/labor disputes (whether involving the workforce of the Party so prevented or of any other Person), war, riot, civil commotion, terrorist act, epidemic, quarantine, fire, flood, storm, earthquake, natural disaster or compliance with any law or governmental order, rule,

regulation or direction, whether or not it is later held to be invalid. A Party that is prevented or delayed in its performance under this Agreement by an event of Force Majeure (a "**Force Majeure Party**") shall, as soon as reasonably practical but no later than [***] ([***]) days after the occurrence of a Force Majeure event, give notice in writing to the other Party specifying the nature and extent of the event of Force Majeure, its anticipated duration and any action being taken to avoid or minimize its effect. Subject to providing such notice and to this Section 14.02, the Force Majeure Party shall not be liable for delay in performance or for non-performance of its obligations under this Agreement, in whole or in part, except as otherwise provided in this Agreement, where non-performance or delay in performance has resulted from an event of Force Majeure. The suspension of performance allowed hereunder shall be of no greater scope and no longer duration than is reasonably required and the Force Majeure Party shall exert all reasonable efforts to avoid or remedy such Force Majeure.

Section 14.03 Further Actions. Each Party agrees to execute, acknowledge, and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

Section 14.04 Notices. All notices hereunder shall be in writing and shall be deemed given if delivered personally or by facsimile transmission (receipt verified), mailed by registered or certified mail (return receipt requested), postage prepaid, or sent by internationally recognized overnight delivery service that maintains records of delivery, to the Parties at the following addresses (or at such other address for a Party as shall be specified by like notice; provided, that notices of a change of address shall be effective only upon receipt thereof).

If to Ardelyx, addressed to:

Ardelyx, Inc.
34175 Ardenwood Blvd.
Fremont, CA 94555
Attention: Michael Raab, CEO
Facsimile: 510-745-0493

With a copy to:

Latham & Watkins LLP
140 Scott Drive
Menlo Park, CA 94025-1008
Attention: Judith A. Hasko, Esq.
Facsimile: (650) 463-2600

If to FOSUN, addressed to

Strategic Product Development Center
Shanghai Fosun Pharmaceutical Industrial Development Co., Ltd
Building A, 1289 Yishan Road
Minhang District, Shanghai 200233
P.R.China

Attention: [***]
Facaimile: [***]
Email: [***]

With a copy to:

Legal Department
Shanghai Fosun Pharmaceutical (Group) Co., Ltd
Building A, 1289 Yishan Road
Minhang District, Shanghai 200233
P.R.China
Attention: [***]
Facaimile: [***]
Email: [***]

Section 14.05 Waiver. Except as specifically provided for herein, the waiver from time to time by either of the Parties of any of their rights or their failure to exercise any remedy shall not operate or be construed as a waiver of any other of such Party's rights or remedies provided in this Agreement.

Section 14.06 Severability. If any term, covenant or condition of this Agreement or the application thereof to any Party or circumstance shall, to any extent, be held to be invalid or unenforceable, then (a) the remainder of this Agreement, or the application of such term, covenant, or condition to Parties or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law, and (b) the Parties covenant and agree to renegotiate any such term, covenant, or application thereof in good faith in order to provide a reasonably acceptable alternative to the term, covenant, or condition of this Agreement or the application thereof that is invalid or unenforceable, it being the intent of the Parties that the basic purposes of this Agreement are to be effectuated.

Section 14.07 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of Delaware, USA, without giving effect to any conflict of law principle that would otherwise result in the application of the laws of any State or jurisdiction other than the State of Delaware, USA.

Section 14.08 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.

Section 14.09 Entire Agreement. This Agreement, including without limitation all exhibits attached hereto, sets forth all the covenants, promises, agreements, warranties, representations, conditions, and understandings between the Parties and supersedes and terminates all prior and contemporaneous agreements and understanding between the Parties, including without limitation the agreements and amendments set forth in Section 7.06. There are no covenants, promises, agreements, warranties, representations, conditions, or understandings, either oral or written, between the Parties other than as set forth in this Agreement. No subsequent alteration, amendment, change, or addition to this Agreement shall be binding upon the Parties unless reduced to writing and signed by the respective authorized officers of the Parties.

Section 14.10 Limitation of Liability. EXCEPT IN CIRCUMSTANCES OF GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT BY A PARTY OR ITS AFFILIATES, OR WITH RESPECT TO THIRD PARTY CLAIMS UNDER Section 12.01, IN NO EVENT SHALL EITHER PARTY OR ITS RESPECTIVE AFFILIATES AND SUBLICENSEES BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, WHETHER IN CONTRACT, WARRANTY, TORT, STRICT LIABILITY, OR OTHERWISE, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS, REVENUE, MILESTONES OR ROYALTIES. This Section 14.10 shall not limit either Party's obligations under Article XII.

Section 14.11 No Partnership. It is expressly agreed that the relationship between Ardelyx and FOSUN shall not constitute a partnership, joint venture, or agency. Neither Ardelyx nor FOSUN shall have the authority to make any statements, representations, or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior consent of such other Party to do so.

[SIGNATURE PAGE FOLLOWS]

In Witness Whereof, the Parties have executed this Agreement in duplicate originals by their proper officers as of the Effective Date.

Ardelyx, Inc.		**Fosun Pharmaceutical Industrial Development Co., Ltd.**	
By:	/s/ Michael Raab	By:	/s/ Yifang Wu
Name:	Michael Raab	Name:	Yifang Wu
Title:	CEO	Title:	President

EXHIBIT A

TENAPANOR STRUCTURE

[***]

EXHIBIT B

LISTED PATENTS

Application No.	Publication No.	Patent No.	Status
[***]			

Exhibit 19.1

ARDELYX, INC.
INSIDER TRADING COMPLIANCE POLICY AND PROCEDURES

(As amended on February 18, 2025)

I. SUMMARY

Preventing insider trading is necessary to comply with securities laws and to preserve the reputation and integrity of Ardelyx, Inc. (the "Company") as well as that of all persons affiliated with the Company. "Insider trading" occurs when any person purchases or sells a security (e.g., stock) while in possession of "inside information" relating to the security. "Inside information" is information that is both "material" and "non-public." Insider trading violates several laws, including civil and criminal laws. This Insider Trading Compliance Policy (this "Policy") is designed to facilitate compliance with those laws. The penalties for violating insider trading laws include imprisonment, disgorgement of profits, civil fines, and criminal fines. Insider trading is also prohibited by this Policy, and violation of this Policy may result in Company-imposed sanctions, including removal or dismissal for cause. The Company reserves the right to take disciplinary or other measure(s) it determines in its sole discretion to be appropriate in any particular situation, including disclosure of wrongdoing to governmental authorities.

II. PERSONS COVERED AND ADMINISTRATION OF POLICY

This Policy applies to all officers, directors and employees of the Company and extends to all activities within and outside an individual's duties at the Company. For purposes of this Policy, "officers" refer to those individuals who meet the definition of "officer" under Section 16

of the Securities Exchange Act of 1934 (as amended, the "Exchange Act"). Individuals subject to this Policy are responsible for ensuring that members of their household comply with this Policy. This Policy also applies to any entities controlled by individuals subject to this Policy, including any corporations, limited liability companies, partnerships or trusts, and transactions by these entities should be treated for the purposes of this Policy as if they were for the individual's own account.

The Company may determine that this Policy applies to additional persons with access to material nonpublic information, such as contractors or consultants, listed under "Applicable Contractors and Consultants" (if any) on Schedule A or any other consultant otherwise designated as such by written notice from the Company's Chief Legal Officer, together with members of their households and any other person designated above as being subject to this Policy and by the Company's Chief Legal Officer are referred to collectively as "Covered Persons."

Questions regarding this Policy should be directed to the Company's Chief Legal Officer, who is responsible for the administration of this Policy.

III. POLICY STATEMENT

Unless otherwise permitted by this Policy, no Covered Person shall:

- purchase, sell, gift, or otherwise transfer any type of security of the Company while in possession of material nonpublic information about the Company;

- purchase, sell, gift, or otherwise transfer any security of any other company, including a customer, supplier, business partner, or an economically-linked company, such as a competitor or peer company, while in possession of material nonpublic information obtained in connection with your employment by or service to the Company (to the extent there is a reasonable likelihood that such information would be considered important to an investor in making an investment decision in such other company);
- directly or indirectly communicate (or "tip") material nonpublic information to anyone outside the Company unless in accordance with Company policy regarding confidential information; or
- directly or indirectly communicate material nonpublic information to anyone within the Company except on a need-to-know basis.

For this purpose:

"Securities" includes stocks, bonds, notes, debentures, options, warrants, equity and other convertible securities, as well as derivative instruments.

"Purchase" and *"sale"* are defined broadly under the federal securities law. *"Purchase"* includes not only the actual purchase of a security, but also any contract to purchase or otherwise acquire a security. *"Sale"* includes not only the actual sale of a security, but also any contract to sell or otherwise dispose of a security. These definitions extend to a broad range of transactions,

including conventional cash-for-stock transactions, conversions, the exercise of stock options or warrants, puts, calls, pledging and margin loans, or other derivative securities.

The laws and regulations concerning insider trading are complex, and Covered Persons are encouraged to seek guidance from the Chief Legal Officer prior to considering a transaction in Company securities.

IV. BLACKOUT PERIODS

Quarterly Blackout Periods

The Chief Legal Officer will designate a list of persons on Schedule B, as it may be revised by the Chief Legal Officer, or his or her designee, in each of his or her reasonable discretion, who (together with their controlled entities and household members) must not purchase, sell, gift or otherwise transfer any security of the Company during any blackout period, except as otherwise permitted by this Policy.

The quarterly blackout period:

- begins on the tenth (10^{th}) calendar day before the end of any fiscal quarter of the Company and
- ends one full trading day after the public release of earnings data for such fiscal quarter.

For the purposes of this Policy, a "trading day" is a day on which U.S. national stock exchanges are open for trading. If, for example, the Company were to make an announcement on Monday prior to 9:30 a.m. Eastern Time, then the blackout period would terminate after the close of trading on Monday. If an announcement were made on Monday after 9:30 a.m. Eastern Time, then the blackout period would terminate after the close of trading on Tuesday. If you have any question as to whether information is publicly available, please direct an inquiry to the Chief Legal Officer.

Additional Blackout Periods

From time to time, the Chief Legal Officer may determine that an additional blackout period is appropriate. Persons subject to an additional blackout period must not purchase, sell, gift or otherwise transfer any security of the Company, except as otherwise permitted by this Policy, and must not disclose to others that an additional blackout period is in effect.

V. PRECLEARANCE OF TRADES

All transactions in the Company's securities (including without limitation, acquisitions and dispositions of Company stock, the "cashless exercise" of stock options and the sale of Company stock issued upon exercise of stock options) by all directors and officers and those employees and consultants (if any) listed on Schedule C, as it may be revised by the Chief Legal Officer, or his or her designee, in each of his or her reasonable discretion (together with their controlled entities and household members, each, a "Preclearance Person") must be precleared by the Chief Legal Officer, or his or her designee, by emailing preclearance@ardelyx.com.

A request for pre-clearance must be in writing, should be made at least two business days in advance of the proposed transaction, and should include the identity of the Preclearance Person, a description of the proposed transaction, the proposed date of the transaction, and the number of shares or other securities involved. In addition, the Preclearance Person must confirm in writing that he or she is not aware of material nonpublic information about the Company. The Chief Legal Officer, or his or her designee, shall have sole discretion to decide whether to clear any contemplated transaction. Notwithstanding receipt of preclearance, if the Preclearance Person becomes aware of material nonpublic information, or becomes subject to a blackout period before the transaction is effected, the transaction may not be completed.

Preclearance should not be understood to represent legal advice by the Company that a proposed transaction complies with the law and preclearance does not relieve anyone of their responsibility under SEC rules. None of the Company, the Chief Legal Officer, or the Company's other employees will have any liability for any delay in reviewing, or refusal of, a request for preclearance.

VI. EXEMPT TRANSACTIONS

The prohibitions set forth in Section IV and Section V do not apply to:

- purchases of the Company's securities from the Company or sales of the Company's securities to the Company, or the surrender to or withholding by the Company of the Company's securities (*e.g.*, to cover withholding obligations upon the vesting or settlement of equity-based awards);
- exercises of stock options or other equity awards or vesting of equity-based awards that do not involve a market sale of the Company's securities (note that the "cashless exercise" of a Company stock option or other equity award through a broker does involve a market sale of the Company's securities, and therefore would not qualify under this exception);
- initial elections to participate in the Company's Employee Stock Purchase Plan ("ESPP"), subsequent elections to change the contribution amount under the ESPP, or purchases made pursuant to and in accordance with the ESPP;
- gift transactions for family or estate planning purposes, where securities are gifted to a person or entity subject to this Policy, except that gift transactions involving Company securities are subject to pre-clearance;
- "sell-to-cover" transactions pursuant to a non-discretionary policy adopted by the Company that is intended to facilitate the payment of withholding taxes associated with vesting of equity awards (other than stock options); or
- purchases or sales of the Company's securities made pursuant to a plan adopted to comply with Exchange Act Rule 10b5-1 ("Rule 10b5-1") and which plan (i) was precleared in advance pursuant to this Policy and (ii) has not been amended or modified in any respect after such initial preclearance without such amendment or

  modification being precleared in advance pursuant to this Policy. For more information about Rule 10b5-1 trading plans, see Section IX below.

Exceptions to the blackout period policy may be approved by the Chief Legal Officer or, in the case of exceptions for directors, the Audit Committee of the Board of Directors.

VII. MATERIAL NON-PUBLIC INFORMATION

The materiality of a fact depends upon the circumstances. A fact is considered "material" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security, or if the fact is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of a company's business or to any type of security, debt or equity. Also, information that something is likely to happen in the future—or even just that it may happen— could be deemed material.

Examples of material information may include (but are not limited to) information about:

- corporate earnings or earnings forecasts;
- communications sent to or received from the U.S. Food and Drug Administration;
- possible mergers, acquisitions, tender offers or dispositions;
- major new products or product developments;
- important business developments such as developments regarding strategic collaborations;
- management or control changes;
- significant borrowing or financing developments including pending public sales or offerings of debt or equity securities;
- defaults on borrowings;
- bankruptcies;
- cybersecurity or data security incidents; and
- significant litigation or regulatory actions.

Information is "non-public" if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors in a Regulation FD-compliant method, such as through a press release, a filing with the Securities and Exchange Commission ("SEC") or a Regulation FD compliant

conference call. The Chief Legal Officer shall have sole discretion to decide whether information is public for purposes of this Policy.

The circulation of rumors, even if accurate and reported in the media, does not constitute public dissemination. In addition, even after a public announcement, a reasonable period of time

may need to lapse in order for the market to react to the information. Generally, one should allow one full trading day following release of information to the public, as a reasonable waiting period before such information is deemed to be public.

VIII. POST-TERMINATION AND PROHIBITED TRANSACTIONS

A. Post-Termination Transactions

If an individual is in possession of material non-public information when his or her service terminates, that individual may not trade in the Company's securities until that information has become public or is no longer material.

B. Prohibited Transactions

The Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct if the persons subject to this Policy engage in certain types of transactions. Therefore, Covered Persons shall comply with the following policies with respect to certain transactions in the Company's securities:

1. Short Sales

Short sales of the Company's securities are prohibited by this Policy. Short sales are sales of shares that the insider does not own at the time of sale, or sales of shares against which the insider does not deliver the shares within 20 days after the sale, evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, Section 16(c) of the Exchange Act prohibits Section 16 reporting persons (i.e., directors, officers, and the Company's 10% stockholders) from making short sales of the Company's equity securities.

2. Options

Transactions in puts, calls, or other derivative securities involving covered equity securities, on an exchange, on an over-the-counter market, or in any other organized market, are prohibited by this Policy. A transaction in options is, in effect, a bet on the short-term movement of the Company's stock and, therefore, creates the appearance that a Covered Person is trading based on material non-public information. Transactions in options, whether traded on an exchange, on an over-the-counter market, or any other organized market, also may focus a Covered Person's attention on short-term performance at the expense of the Company's long-term objectives.

3. Hedging Transactions

Hedging transactions involving covered securities, such as prepaid variable forward contracts, equity swaps, collars and exchange funds, or other transactions that hedge or offset, or are designed to hedge or offset, any decrease in the market value of the Company's equity securities, are prohibited by this Policy. Such transactions allow the Covered Person to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the Covered Person may no longer have the same objectives as the Company's other stockholders.

4. Margin Accounts and Pledging

Individuals are prohibited from pledging covered securities as collateral for a loan, purchasing covered securities on margin (i.e., borrowing money to purchase the securities), or placing covered securities in a margin account. This prohibition does not apply to cashless exercises of stock options under the Company's equity plans, nor to situations approved in advance by the Company's Chief Legal Officer.

IX. RULE 10b5-1 TRADING PLANS

The trading restrictions set forth in this Policy, other than those transactions described under "Prohibited Transactions", do not apply to transactions under a previously established contract, plan or instruction to trade in the Company's securities entered into in accordance with the terms of Rule 10b5-1 and all applicable state laws (a "Trading Plan") that:

- has been submitted to and pre-approved by the Company's Chief Legal Officer or Chief Financial Officer, or such other person as the Company's Board of Directors may designate from time to time at least 30 days before the commencement of any transactions under the Trading Plan;
- includes a "Cooling Off Period" for:
    - Section 16 reporting persons that extends to the later of 90 days after adoption or modification of a Trading Plan or two business days after filing the Form 10-K or Form 10-Q covering the fiscal quarter in which the Trading Plan was adopted, up to a maximum of 120 days; and

- employees and any other persons, other than the Company, that extends 30 days after adoption or modification of a Trading Plan;

- for Section 16 reporting persons, includes a representation in the Trading Plan that the Section 16 reporting person is (i) not aware of any material non-public information about the Company or its securities; and (ii) adopting the Trading Plan in good faith and not as part of a plan or scheme to evade Rule 10b-5;

- has been entered into in good faith at a time when the individual was not in possession of material non-public information about the Company and not otherwise in a blackout period, and the person who entered into the Trading Plan has acted in good faith with respect to the Trading Plan;

- either (i) specifies the amounts, prices, and dates of all transactions under the Trading Plan, (ii) provides a written formula, algorithm, or computer program for determining the amount, price, and date of the transactions, or (iii) prohibits the individual from exercising any subsequent influence over the transactions; and

- complies with all other applicable requirements of Rule 10b5-1.

The Chief Legal Officer may impose such other conditions on the implementation and operation of the Trading Plan as the Chief Legal Officer deems necessary or advisable.

Individuals may not adopt more than one Trading Plan at a time except under the limited circumstances permitted by Rule 10b5-1 and subject to preapproval by the Chief Legal Officer.

An individual may only modify a Trading Plan outside of a blackout period and, in any event, when the individual does not possess material non-public information. Modifications to and terminations of a Trading Plan are subject to preapproval by the Chief Legal Officer and modifications of a Trading Plan that change the amount, price, or timing of the purchase or sale of the securities underlying a Trading Plan will trigger a new Cooling-Off Period.

The Company reserves the right to publicly disclose, announce, or respond to inquiries from the media regarding the adoption, modification, or termination of a Trading Plan and non-Rule 10b5-1 trading arrangements, or the execution of transactions made under a Trading Plan. The Company also reserves the right from time to time to suspend, discontinue, or otherwise prohibit transactions under a Trading Plan if the Chief Legal Officer or the Board of Directors, in its discretion, determines that such suspension, discontinuation, or other prohibition is in the best interests of the Company.

Compliance of a Trading Plan with the terms of Rule 10b5-1 and the execution of transactions pursuant to the Trading Plan are the sole responsibility of the person initiating the Trading Plan, and none of the Company, the Chief Legal Officer, or the Company's other employees assumes any liability for any delay in reviewing and/or refusing to approve a Trading Plan submitted for approval, nor the legality or consequences relating to a person entering into, informing the Company of, or trading under, a Trading Plan.

X. INTERPRETATION, AMENDMENT, AND IMPLEMENTATION OF THIS POLICY

The Chief Legal Officer shall have the authority to interpret and update this Policy and all related policies and procedures. In particular, such interpretations and updates of this Policy, as authorized by the Chief Legal Officer, may include amendments to or departures from the terms of this Policy to the extent consistent with the general purpose of this Policy and applicable securities laws.

Actions taken by the Company, the Chief Legal Officer, or any other Company personnel do not constitute legal advice, nor do they insulate you from the consequences of noncompliance with this Policy or with securities laws.

XI. REVIEW AND ACKNOWLEDGMENT OF THIS POLICY

Each Covered Person that is employed by the Company is required to review this Policy and acknowledge such review and understanding of this Policy through ComplianceWire upon commencement of their employment with the Company and annually thereafter.

SCHEDULE A

APPLICABLE CONTRACTORS AND CONSULTANTS

[intentionally omitted]

SCHEDULE B

INDIVIDUALS SUBJECT TO QUARTERLY BLACKOUT PERIODS

[intentionally omitted]

SCHEDULE C

INDIVIDUALS SUBJECT TO PRECLEARANCE REQUIREMENT

[intentionally omitted]

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement on Form S-8 (No. 333-197408) pertaining to the 2008 Stock Incentive Plan, as amended, the 2014 Equity Incentive Award Plan and the 2014 Employee Stock Purchase Plan of Ardelyx, Inc.,
2. Registration Statements on Form S-8 (Nos. 333-202663 and 333-230156) pertaining to the 2014 Equity Incentive Award Plan and the 2014 Employee Stock Purchase Plan of Ardelyx, Inc.,
3. Registration Statements on Form S-3 (Nos. 333-205630, 333-213085, 333-217441, 333-239764, 333-269297 and 333-291230) of Ardelyx, Inc.,
4. Registration Statements on Form S-8 (Nos. 333-210079, 333-216154, 333-223694 and 333-237057) pertaining to the 2014 Equity Incentive Award Plan of Ardelyx, Inc.,
5. Registration Statement on Form S-8 (No. 333-214538) pertaining to the 2016 Employment Commencement Incentive Plan of Ardelyx, Inc.,
6. Registration Statements on Form S-8 (Nos. 333-254187 and 333-270314) pertaining to the 2014 Equity Incentive Award Plan, the 2014 Employee Stock Purchase Plan and the 2016 Employment Commencement Incentive Plan of Ardelyx, Inc.,
7. Registration Statements on Form S-8 (Nos. 333-263145 and 333-277428) pertaining to the 2014 Equity Incentive Award Plan and the 2016 Employment Commencement Incentive Plan of Ardelyx, Inc.,
8. Registration Statement on Form S-8 (No. 333-283006) pertaining to the Amended and Restated 2014 Equity Incentive Award Plan and the Amended and Restated 2014 Employee Stock Purchase Plan of Ardelyx, Inc., and
9. Registration Statement on Form S-8 (No. 333-291229) pertaining to the Amended and Restated 2014 Equity Incentive Award Plan of Ardelyx, Inc.;

of our reports dated February 19, 2026, with respect to the financial statements of Ardelyx, Inc. and the effectiveness of internal control over financial reporting of Ardelyx, Inc. included in this Annual Report (Form 10-K) of Ardelyx, Inc. for the year ended December 31, 2025.

/s/ Ernst & Young LLP
Boston, Massachusetts
February 19, 2026

Exhibit 31.1

CERTIFICATION

I, Michael Raab, certify that:

1. I have reviewed this Annual Report on Form 10-K of Ardelyx, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

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

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

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

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

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

Date: February 19, 2026

By: /s/ Michael Raab

Michael Raab
President, Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Susan Hohenleitner, certify that:

1. I have reviewed this Annual Report on Form 10-K of Ardelyx, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

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

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

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

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

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

Date: February 19, 2026

By: /s/ Susan Hohenleitner

Susan Hohenleitner
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Annual Report of Ardelyx, Inc. (the "Company") on Form 10-K for the period ending December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Michael Raab, President and Chief Executive Officer of the Company, and Susan Hohenleitner, Chief Financial Officer of the Company, respectively, do each hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: February 19, 2026

By: /s/ Michael Raab

Michael Raab
President, Chief Executive Officer and Director
(Principal Executive Officer)

Date: February 19, 2026

By: /s/ Susan Hohenleitner

Susan Hohenleitner
Chief Financial Officer
(Principal Financial Officer)