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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2026

OR

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

For the transition period from ____ to ____

Commission file number: 001-42706

CARIS LIFE SCIENCES, INC.
(Exact name of registrant as specified in its charter)

Texas	**85-2077369**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

750 W. John Carpenter Freeway
Suite 800
Irving, TX 75039
(Address of principal executive offices, including ZIP code)

Registrant's telephone number, including area code: (866) 771-8946

Not applicable
(Former name or former address, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value	CAI	The Nasdaq Stock Market LLC
Common Stock, $0.001 par value	CAI	New York Stock Exchange Texas

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

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

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

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

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

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

As of November 2, 2026, the registrant had 286,784,504 shares of common stock, par value $0.001 per share, outstanding.

CARIS LIFE SCIENCES, INC.
FORM 10-Q

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Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q (this "Quarterly Report") contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding our expectations of future results of operations and financial condition, business strategy, future solutions, and launches of new solutions, technology, R&D costs, regulatory approvals, potential market opportunity, anticipated trends in our business, timing and likelihood of success, as well as plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties, and other important factors that are in some cases beyond our control and may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements.

The words "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," or "would," or the negative of these terms or other similar expressions, are intended to identify forward looking statements. Forward-looking statements contained in this Quarterly Report include, but are not limited to, statements about:

- developments in the precision medicine industry, including the market size for molecular information services and our biopharma partners' use of molecular information;
- our expectations as to our addressable U.S. market in oncology, future financial performance, results of operations, or other operational results or metrics;
- our ability to scale the Caris platform and develop and successfully launch new solutions or enhancements to existing solutions, as well as commercial market acceptance for our solutions, acceptance of preventive as well as diagnostic testing paradigms, and our ability to generate and meet demand for new and enhanced solutions;
- our ability to capture, aggregate, analyze, or otherwise utilize molecular information in novel ways;
- our ability to compete with companies that are currently in, or may in the future enter, the industry in which we operate;
- validation and performance of our solutions;
- third-party payer reimbursement and coverage decisions, including the effect of legislative, regulatory, or administrative actions on reimbursement;
- the ability of our solutions to help our biopharma partners and physicians improve the efficiency and success of their therapeutic development, and clinical programs;
- our ability to establish, maintain, protect, enforce and enhance our intellectual property rights;
- federal, state, and foreign regulatory requirements, including FDA regulation of our solutions, the timing, likelihood, or conditions of regulatory filings and approvals, and our compliance with applicable laws and regulations;
- government investigations or litigation;
- our ability to hire and retain key personnel;
- our anticipated cash needs and our estimates regarding our capital requirements;
- our estimates regarding our expenses, future revenue, and capital requirements; and
- remediating the material weakness in our internal control over financial reporting.

These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including those described in the section titled "Risk Factors" and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2025 and in other filings we make with the Securities and Exchange Commission from time to time. Moreover, we operate in a competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, the forward-looking events and circumstances discussed in this Quarterly Report may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

Although we believe that the expectations reflected in our forward-looking statements are reasonable based on the information available to us when they are made, we cannot guarantee that the future results, advancements, discoveries, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur. In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Quarterly Report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or

review of, all potentially available relevant information. These statements are inherently uncertain, and you are cautioned not to unduly rely upon these forward-looking statements. We undertake no obligation to update any forward-looking statements, which speak only as of the date they are made, for any reason after the date of this Quarterly Report.

Part I - Financial Information

Item 1. Condensed Consolidated Financial Statements (Unaudited)

CARIS LIFE SCIENCES, INC
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(amounts in thousands, except share data)	As of September 30, 2026	As of December 31, 2025
Assets		
Current assets:		
Cash, cash equivalents, and restricted cash	$ 665,321	$ 797,799
Short-term marketable securities	102,059	2,295
Accounts receivable	133,322	112,140
Supplies	138,372	63,625
Prepaid expenses and other current assets	28,194	21,941
Total current assets	1,067,268	997,800
Property and equipment, net	102,295	63,170
Goodwill	19,344	19,344
Other assets	66,716	45,349
Total assets	**$ 1,255,623**	**$ 1,125,663**
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 63,836	$ 39,206
Accrued expenses and other current liabilities	95,021	87,770
Current portion of indebtedness	89	169
Total current liabilities	158,946	127,145
Long-term indebtedness, net	393,178	378,823
Other long-term liabilities	64,018	42,388
Total liabilities	616,142	548,356
Commitments and contingencies (see note 8)		
Shareholders' equity:		
Preferred stock, $0.001 par value per share; 100,000,000 shares authorized as of September 30, 2026 and December 31, 2025; no shares issued and outstanding as of September 30, 2026 and December 31, 2025	—	—
Common stock, $0.001 par value per share; 2,800,000,000 shares authorized as of September 30, 2026 and December 31, 2025; 286,717,657 and 284,137,810 shares issued as of September 30, 2026 and December 31, 2025, respectively; 286,717,657 and 282,526,097 shares outstanding as of September 30, 2026 and December 31, 2025, respectively; shares issued and outstanding include 3,288 and 23,446 unvested shares subject to repurchase as of September 30, 2026 and December 31, 2025, respectively	287	283
Treasury stock at cost, 0 and 1,611,713 shares of common stock as of September 30, 2026 and December 31, 2025, respectively	—	(16,896)
Additional paid-in capital	3,173,932	3,141,720
Accumulated deficit	(2,534,633)	(2,548,736)
Accumulated other comprehensive income (loss)	(105)	936
Total shareholders' equity	639,481	577,307
Total liabilities and shareholders' equity	**$ 1,255,623**	**$ 1,125,663**

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

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

(amounts in thousands, except share and per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Molecular profiling services	$ 262,707	$ 207,587	$ 725,760	$ 484,593
Pharma research and development services	12,651	9,246	29,483	34,554
Total revenue	**275,358**	**216,833**	**755,243**	**519,147**
Costs and operating expenses:				
Cost of Services - Molecular profiling services	89,172	66,980	243,383	193,195
Cost of Services - Pharma research and development services	3,901	2,347	8,630	7,698
Selling and marketing expense	59,853	41,267	158,661	123,355
General and administrative expense (see note 9)	69,278	51,973	195,534	168,458
Research and development expense	33,838	21,624	97,511	69,739
Total costs and operating expenses	**256,042**	**184,191**	**703,719**	**562,445**
Income (Loss) from operations	**19,316**	**32,642**	**51,524**	**(43,298)**
Other expense, net:				
Interest income	6,332	7,360	19,985	9,482
Interest expense	(9,249)	(13,507)	(31,286)	(45,497)
Changes in fair value of financial instruments	—	(2,081)	—	(52,285)
Other income (expense), net	475	(89)	(24,607)	(18,447)
Total other expense, net	**(2,442)**	**(8,317)**	**(35,908)**	**(106,747)**
Income (Loss) before income taxes	**16,874**	**24,325**	**15,616**	**(150,045)**
Income tax expense	(1,624)	—	(1,513)	—
Net income (loss)	**15,250**	**24,325**	**14,103**	**(150,045)**
Other comprehensive income (loss), net of tax:				
Unrealized loss on available-for-sale securities	(153)	—	(408)	—
Foreign currency translation adjustments	(481)	79	(633)	538
Comprehensive income (loss)	**14,616**	**24,404**	**13,062**	**(149,507)**
Net income (loss) attributable to common shareholders:				
Net income (loss)	15,250	24,325	14,103	(150,045)
Deemed dividend from Series D redeemable convertible preferred stock	—	—	—	(384,436)
Adjustments of redeemable convertible preferred stock to redemption value	—	—	—	(85,433)
Net income (loss) attributable to common shareholders	**$ 15,250**	**$ 24,325**	**$ 14,103**	**$ (619,914)**
Net income (loss) per share attributable to common shareholders:				
Basic	$ 0.05	$ 0.09	$ 0.05	$ (4.83)
Diluted	$ 0.05	$ 0.08	$ 0.05	$ (4.83)
Weighted-average shares used in computing net income (loss) per share attributable to common shareholders:				
Basic	283,894,498	282,099,073	283,118,633	128,447,673
Diluted	295,140,869	297,211,838	294,241,534	128,447,673

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

CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND SHAREHOLDERS' EQUITY (DEFICIT) (UNAUDITED)

	Three Months Ended September 30, 2026							
	Common Stock		Treasury Stock					
(amounts in thousands, except share data)	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balances at June 30, 2026	282,582,915	$ 283	—	$ —	$ 3,140,805	$ (2,549,883)	$ 529	$ 591,734
Stock-based compensation	—	—	—	—	18,498	—	—	18,498
Issuance of common stock upon exercise of stock options	4,697,108	5	—	—	24,393	—	—	24,398
Shares withheld related to net share settlement of stock-based compensation	(59,588)	—	—	—	(96)	—	—	(96)
Repurchase of common stock	(514,525)	(1)	514,525	(9,994)	—	—	—	(9,995)
Retirement of treasury stock	—	—	(514,525)	9,994	(9,994)	—	—	—
Vesting of shares from early exercised stock options	—	—	—	—	326	—	—	326
Issuance of common stock for RSUs vested	11,747	—	—	—	—	—	—	—
Other comprehensive loss	—	—	—	—	—	—	(634)	(634)
Net income	—	—	—	—	—	15,250	—	15,250
Balances at September 30, 2026	286,717,657	$ 287	—	$ —	$ 3,173,932	$ (2,534,633)	$ (105)	$ 639,481

	Three Months Ended September 30, 2025										
	Redeemable Convertible Preferred Stock		Common Stock		Treasury Stock						
(amounts in thousands, except share data)	Shares	Amount	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Related Party Promissory Note Receivable	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balances at June 30, 2025	—	$ —	281,090,538	$ 282	1,620,638	$ (16,917)	$ 3,123,888	$ —	$ (2,655,018)	$ 669	$ 452,904
Issuance of Series E Preferred Stock, net of issuance costs	—	(276)	—	—	—	—	—	—	—	—	—
Issuance of Series F Preferred Stock, net of issuance costs	—	(104)	—	—	—	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	—	—	13,655	—	—	—	13,655
Issuance of common stock upon exercise of stock options	—	—	600,133	1	—	—	1,152	—	—	—	1,153
Common stock withheld for taxes and net exercises	—	—	(220,273)	—	—	—	(16,152)	—	—	—	(16,152)
Vesting of shares from early exercised stock options	—	—	—	—	—	—	327	—	—	—	327
RSU's vested upon IPO, settled in August 2025	—	—	1,048,250	—	—	—	—	—	—	—	—
Shares withheld for taxes related to settled RSUs	—	—	(415,389)	—	—	—	—	—	—	—	—
Conversion of preferred stock to common stock	—	380	—	—	—	—	(380)	—	—	—	(380)
Net exercise of the 2025 Warrants in connection with initial public offering	—	—	—	—	—	—	(573)	—	—	—	(573)
Conversion of the 2025 Convertible Note	—	—	—	—	—	—	3,034	—	—	—	3,034
Other comprehensive income (loss)	—	—	—	—	—	—	(8)	—	—	79	71
Net income	—	—	—	—	—	—	—	—	24,325	—	24,325
Balances at September 30, 2025	—	$ —	282,103,259	$ 283	1,620,638	$ (16,917)	$ 3,124,943	$ —	$ (2,630,693)	$ 748	$ 478,364

(amounts in thousands, except share data)	Nine Months Ended September 30, 2026							
	Common Stock		Treasury Stock					
	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balances at December 31, 2025	282,526,097	$ 283	1,611,713	$ (16,896)	$ 3,141,720	$ (2,548,736)	$ 936	$ 577,307
Stock-based compensation	22,416	—	—	—	56,589	—	—	56,589
Issuance of common stock upon exercise of stock options	5,006,373	5	—	—	26,054	—	—	26,059
Shares withheld related to net share settlement of stock-based compensation	(470,304)	—	—	—	(5,427)	—	—	(5,427)
Repurchase of common stock	(1,721,323)	(2)	1,721,323	(31,371)	—	—	—	(31,373)
Issuance of treasury stock related to ESPP	206,798	—	(206,798)	3,438	(501)	—	—	2,937
Retirement of treasury stock	—	—	(3,126,238)	44,829	(44,829)	—	—	—
Vesting of shares from early exercised stock options	—	—	—	—	326	—	—	326
Issuance of common stock for RSUs vested	1,147,600	1	—	—	—	—	—	1
Other comprehensive loss	—	—	—	—	—	—	(1,041)	(1,041)
Net income	—	—	—	—	—	14,103	—	14,103
Balances at September 30, 2026	286,717,657	$ 287	—	$ —	$ 3,173,932	$ (2,534,633)	$ (105)	$ 639,481

(amounts in thousands, except share data)	Nine Months Ended September 30, 2025										
	Redeemable Convertible Preferred Stock		Common Stock		Treasury Stock						
	Shares	Amount	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Related Party Promissory Note Receivable	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Shareholders' Equity (Deficit)
Balances at December 31, 2024	734,142,041	$2,221,651	35,842,319	$ 38	182,500	$ (330)	$ —	$ (26,456)	$(2,472,299)	$ 210	$ (2,498,837)
Issuance of Series E Preferred Stock, net of issuance costs	12,345,674	57,217	—	—	—	—	—	—	—	—	—
Issuance of Series F Preferred Stock, net of issuance costs	4,657,401	21,617	—	—	—	—	—	—	—	—	—
Stock-based compensation	—	—	—	—	—	—	56,639	—	—	—	56,639
Issuance of common stock upon exercise of stock options	—	—	1,948,254	1	—	—	3,775	—	—	—	3,776
Common stock withheld for taxes and net exercises	—	—	(355,232)	—	—	—	(18,218)	—	—	—	(18,218)
Vesting of shares from early exercised stock options	—	—	—	—	—	—	327	—	—	—	327
RSU's vested upon IPO, settled in August 2025	—	—	1,048,250	—	—	—	—	—	—	—	—
Shares withheld for taxes related settled RSUs	—	—	(415,389)	—	—	—	—	—	—	—	—
Interest income from related party promissory notes	—	—	—	—	—	—	—	(128)	—	—	(128)
Payment of related party promissory notes	—	—	—	—	—	—	—	26,584	—	—	26,584
Repurchases of common stock	—	—	(1,438,138)	—	1,438,138	(16,587)	—	—	—	—	(16,587)

Adjustment of preferred stock to redemption value	—	85,433	—	—	—	—	(77,084)	—	(8,349)	—	(85,433)
Conversion of preferred stock to common stock, including the derecognition of associated embedded derivatives of $60,086	(751,145,116)	(2,385,918)	211,378,638	211	—	—	2,445,793	—	—	—	2,446,004
Issuance of common stock in connection with initial public offering, net of offering costs, underwriting discounts and commissions	—	—	27,058,823	27	—	—	519,425	—	—	—	519,452
Net exercise of the 2018 and 2020 Warrants in connection with initial public offering	—	—	4,174,907	4	—	—	131,742	—	—	—	131,746
Net exercise of the 2025 Warrants in connection with initial public offering	—	—	784,231	—	—	—	15,926	—	—	—	15,926
Conversion of the 2025 Convertible Note, including the derecognition of associated embedded derivatives of $13,082	—	—	2,076,596	2	—	—	46,640	—	—	—	46,642
Other comprehensive income (loss)	—	—	—	—	—	—	(22)	—	—	538	516
Net loss	—	—	—	—	—	—	—	—	(150,045)	—	(150,045)
Balances at September 30, 2025	—	$ —	282,103,259	$ 283	1,620,638	$ (16,917)	$3,124,943	$ —	$(2,630,693)	$ 748	$ 478,364

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(amounts in thousands)	Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities		
Net income (loss)	$ 14,103	$ (150,045)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	18,209	18,324
Stock-based compensation expense	56,589	56,639
Non-cash operating lease expense	4,321	4,323
Amortization of debt discounts	3,234	12,163
Changes in fair value of financial instruments	—	52,284
Loss on debt extinguishment	25,232	17,930
Other	3,074	788
Changes in operating assets and liabilities:		
Accounts receivable	(21,182)	61,232
Supplies	(78,467)	(11,144)
Prepaid expenses and other current assets	(5,711)	(4,805)
Other assets	(409)	(326)
Accounts payable	18,042	(1,196)
Accrued expenses and other liabilities	2,072	(17,792)
Net cash provided by operating activities	39,107	38,375
Cash flows from investing activities		
Sale of marketable securities	1,874	—
Purchases of marketable securities	(101,991)	—
Capitalized software and purchases of property and equipment	(49,887)	(11,170)
Net cash used in investing activities	(150,004)	(11,170)
Cash flows from financing activities		
Payments made on finance lease obligations	(125)	(67)
Proceeds from exercise of stock options	26,054	3,775
Payment of taxes withheld from net settlement of exercised options and vested RSUs	(5,426)	(18,218)
Payment of deferred offering costs	—	(7,710)
Repurchase of common stock	(31,371)	(22)
Repayment of the 2023 term loan	(406,307)	—
Proceeds from the 2026 term loan, net of issuance costs	393,500	—
Payment of third-party debt issuance costs	(1,107)	—
Proceeds from share purchases under employee stock purchase plan	2,937	—
Issuance of Series E Preferred Stock, net of issuance costs	—	87,637
Issuance of Series F Preferred Stock, net of issuance costs	—	33,601
Issuance of the 2025 Convertible Notes, net of issuance costs	—	27,865
Issuance of the 2025 Warrants	—	10,270
Payments of the 2023 term loan amendment fee	—	(4,000)
Proceeds from initial public offering, net of underwriting discounts and commissions	—	528,459
Net cash provided by (used in) financing activities	(21,845)	661,590
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(149)	159
Net increase (decrease) in cash, cash equivalents, and restricted cash	(132,891)	688,954
Cash, cash equivalents, and restricted cash at beginning of period	800,042	68,028
Cash, cash equivalents, and restricted cash at end of period	$ 667,151	$ 756,982
Reconciliation of cash, cash equivalents, and restricted cash		
Cash, cash equivalents, and restricted cash	$ 665,321	$ 754,739
Restricted cash included in other long-term assets	1,830	2,243
Total cash, cash equivalents, and restricted cash	$ 667,151	$ 756,982

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Nature of the Business

Caris Life Sciences, Inc. (the "Company" or "Caris") is a leading TechBio company. The Company commercializes and develops innovative solutions to transform healthcare through the use of comprehensive molecular information, artificial intelligence ("AI"), and machine learning ("ML") algorithms.

The Company's current molecular profiling services portfolio is focused on oncology and consists primarily of the MI Profile platform, a tissue-based molecular profiling solution, and Caris Assure, a novel blood-based molecular profiling solution.

The Company also collaborates with biopharmaceutical companies to provide commercial services and prospective and retrospective testing, along with data and bioinformatics collaborations and novel target identification and discovery solutions.

The Company is a Texas corporation (Caris Life Sciences, Inc.) headquartered in Irving, Texas. The Company also has locations in Phoenix, Arizona; New York, New York; Cambridge, Massachusetts; Basel, Switzerland; and Tokyo, Japan.

Note 2. Summary of Significant Accounting Policies and Estimates

Basis of Financial Statement Presentation

The condensed consolidated financial statements include the accounts of Caris and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The Company's condensed consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States ("GAAP"). Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASUs") of the Financial Accounting Standards Board ("FASB").

Unaudited Interim Consolidated Financial Information

The unaudited condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements and reflect, in the opinion of management, all adjustments of a normal and recurring nature that are necessary for the fair statement of the Company's financial position as of September 30, 2026, its results of operations for the three and nine months ended September 30, 2026 and 2025, and cash flows for the nine months ended September 30, 2026 and 2025. The interim results of operations are not necessarily indicative of the results to be expected for the year ending December 31, 2026, or for any other future annual or interim period. The condensed consolidated balance sheet as of December 31, 2025 included herein was derived from the audited financial statements as of that date and should be read in conjunction with the audited annual consolidated financial statements. Certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with GAAP have been condensed or omitted from these unaudited condensed consolidated financial statements.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with GAAP in the United States requires the use of estimates and assumptions about future events that affect the amounts reported in the Company's condensed consolidated financial statements and related notes, including the amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses during the periods reported.

Significant estimates and assumptions are used for, but not limited to:

- revenue recognition
- fair value of stock-based awards
- fair value of financial assets and liabilities

Future events and their effects cannot be predicted with certainty. Accordingly, the accounting estimates require the exercise of judgment. These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. The accounting estimates used in the preparation of the Company's condensed consolidated financial statements may change as new events occur, additional information is obtained, and the operating environment changes. The Company will evaluate and update the assumptions and estimates on an ongoing basis and may employ outside experts to assist in its evaluation, as considered necessary. Actual results could materially differ from those estimates.

Marketable Securities

The Company classifies its marketable securities, which mainly consist of high-grade U.S. Treasury Notes, as available-for-sale. High-grade U.S. Treasury Notes with original maturities from date of acquisition between three and twelve months from the balance sheet dates are classified as short-term marketable securities, while those with maturities over twelve months from the balance sheet dates are classified as long-term marketable securities. The Company records all marketable securities at fair value, with changes reflected within unrealized gain or loss on available-for-sale securities on the consolidated statements of operations and comprehensive income (loss). The cost of short-term investments is adjusted for amortization of premiums or accretion of discounts to maturity, and such amortization or accretion is included in interest income.

Revenue Recognition

The Company recognizes revenue under ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). Revenue is recognized when control of goods and services are transferred to customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services.

ASC 606 provides for a five-step model that includes:

Step 1: Identify the contract(s) with a customer.
Step 2: Identify performance obligations in the contract.
Step 3: Determine the transaction price.
Step 4: Allocate the transaction price to the performance obligations in the contract.
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company derives revenue from two distinct channels:

- Molecular profiling services involving the provision of precision oncology solutions utilizing MI Profile, Caris Assure, Caris Detect, Caris MI Clarity and Caris ChromoSeq
- Pharma research and development services involving delivery of laboratory, strategic data, and research services to biopharmaceutical customers

Molecular Profiling Services

For the majority of its molecular profiling services, the Company recognizes revenue from the sale of its precision oncology solutions, provided to customers, including certain hospitals, institutions and patients, at the point in time when the results of the profiling services are delivered to ordering physicians. Most cases requested on behalf of customers are provided without a written agreement; however, the Company determines that an implied contract exists with its customers for whom a physician orders the case. Results from molecular profiling services are delivered via fax, electronically, or in hard copy. Shipping and handling activities are considered fulfillment activities and as such, amounts incurred are recorded within Cost of Services - Molecular profiling services on the condensed consolidated statements of operations and comprehensive income (loss). The Company identifies each sale of the Company's profiling service as a distinct performance obligation. Payment terms are a function of a patient's existing insurance benefits and applicable reimbursement contracts established between the Company and payers. Collection of consideration the Company expects to receive typically occurs within 90 to 120 days of billing. Occasionally, payers may recoup or we may refund consideration, mainly as a result of claim processing.

The total consideration to which the Company expects to be entitled in exchange for the Company's services may be fixed or variable. Consideration includes reimbursement from patients, hospitals, and third-party commercial and governmental payers, such as insurance companies, adjusted for variable consideration related to implicit price concessions that the Company may grant. The Company estimates the variable consideration under a portfolio approach

for third-party payers, hospitals and patients with similar reimbursement characteristics. This includes analysis of an average reimbursement per case per portfolio and a percentage of cases reimbursed by considering the historical reimbursement data (including any refunds and recoupments) from such third-party payers, hospitals and patients. Specifically, the Company calculates the historical average reimbursement rates for each portfolio and applies an estimated reimbursement rate, based on historical trends, to the number of cases delivered each period. The period for which historical data is drawn upon is determined on a by-portfolio basis for each payer group, taking into consideration the average collection period. Additionally, the estimate also considers current contractual and statutory requirements, patient insurance eligibility and payer reimbursement contracts, and any known current or anticipated reimbursement trends not reflected in the historical data and only recognizes revenue for variable consideration that the Company determines is probable will not result in a significant reversal in the future. The Company monitors the estimated amount to be collected at each reporting period based on actual cash collections in order to assess whether a revision to the estimate is required. Subsequent changes to the estimate of the transaction price are recorded as adjustments to molecular profiling services revenue in the period where such changes occur. Both the estimate and any subsequent revision are uncertain and require the use of management's judgment in the estimation of the variable consideration and application of the constraint for such variable consideration.

Pharma Research and Development Services

The Company collaborates with biopharmaceutical companies to provide commercial services and prospective and retrospective testing, along with data and bioinformatics collaborations and novel target identification and discovery solutions.

Contracts with biopharmaceutical customers may include multiple distinct performance obligations, such as molecular profiling services, pharma research and development services, and strategic data services. The Company evaluates the terms and conditions included within its contracts with biopharmaceutical customers for proper revenue recognition, including whether services are capable of being distinct and considered distinct within the context of the contract. The performance obligations for biopharmaceutical customers vary by contract. Such contracts may include a performance obligation to provide molecular profiling services, to facilitate the development and regulatory approval of drugs, or to provide target discovery services. Under those contracts, the Company receives payments upon the achievement of milestones, as well as provision of on-going support. The transaction price of the development services contracts may include variable consideration, due to the uncertainty associated with the achievement of the milestones. In making the assessment of whether variable consideration should be included in the transaction price, the Company considers its historical experience with similar milestones, the degree of complexity and uncertainty associated with each milestone, and whether achievement of the milestone is dependent on parties other than the Company. The Company recognizes pharma research and development services revenue over the period in which biopharmaceutical research and development services are provided. Depending on the nature of the service, the Company recognizes revenue using either the output or input method to measure progress, whichever provides a more faithful depiction of the transfer of goods or services. Use of an output method or input method to depict the transfer of services generally does not result in a material difference with respect to the timing of revenue recognition because most services commence and end within the same reporting period. A constraint for variable consideration is applied such that it is probable a significant reversal of revenue will not occur when the uncertainty associated with the contingency is resolved. Application of the constraint for variable consideration is updated at each reporting period as a revision to the estimated transaction price.

Standalone Selling Price

The Company determines standalone selling prices by considering the historical selling prices of its performance obligations in similar transactions, where applicable, as well as other factors, including, but not limited to, the price that customers in the market would be willing to pay, competitive pricing from other vendors, industry publications, current pricing practices and management estimates.

Contract Balances

The timing of revenue recognition may differ from the timing of invoicing to customers. Accounts receivable are recorded at the invoiced amount, net of an allowance for credit losses. A receivable is recognized in the period the Company delivers goods or provides services, or when the right to consideration is unconditional. In situations where revenue recognition occurs before invoicing, an unbilled receivable is created, which represents a contract asset. As of September 30, 2026 and December 31, 2025, the unbilled receivable balance was $3.0 million and $7.2 million, respectively, which is included in accounts receivable on the condensed consolidated balance sheets.

The Company recognizes contract liabilities primarily related to payments received in advance of satisfaction of performance obligations from contracts with customers. Contract liabilities are relieved as the Company fulfills its obligations under the contract and revenue is recognized. As of September 30, 2026 and December 31, 2025, the contract liability balance was $18.9 million and $24.5 million, respectively, with the short-term contract liability balance included in accrued expenses and other current liabilities and the long-term contract liability included in other long-term liabilities on the condensed consolidated balance sheets.

The following table shows the changes in the contract liabilities during the period:

		(amounts in thousands)
Balance at December 31, 2025	$	24,492
Increase in contract liabilities		11,125
Revenue recognized during the period that was included in deferred revenues at the beginning of the period		(12,117)
Revenue recognized from performance obligations satisfied within the same period		(4,574)
Balance at September 30, 2026	$	18,926

The amount of revenue recognized during the nine months ended September 30, 2025 pertaining to amounts deferred as of December 31, 2024 was $7.1 million.

Transaction Price Allocated to Remaining Performance Obligations

The transaction price allocated to remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and non-cancelable amounts that will be invoiced and recognized as revenue in future periods and excludes performance obligations that are subject to cancellation terms. The Company has elected not to disclose information regarding the transaction price allocated to the remaining performance obligations for which the original expected duration of the contract is one year or less. The amount of transaction price allocated to the remaining performance obligations for contracts with original expected duration over one year as of September 30, 2026 was $10.8 million. The Company expects to recognize substantially all of this amount within the next twelve months.

Additionally, for the three months ended September 30, 2026 and 2025, the Company recorded $17.2 million and $38.3 million, respectively, of adjustments to revenue related to services delivered in prior periods, which is based on variability that was subsequently resolved. For the nine months ended September 30, 2026 and 2025, the Company recorded $46.1 million and $23.4 million, respectively, of adjustments to revenue related to services delivered in prior periods, which is based on variability that was subsequently resolved.

Collaboration Agreements

The Company is party to various collaboration and licensing agreements under which the Company out-licenses certain know-how and molecular data. The collaboration arrangements are intended to solidify the Company's third-party partnerships to align oncology capabilities and create industry-leading molecular oncology research platforms to accelerate drug development and novel research. Under these collaboration arrangements, the Company generally receives a split of fees from its collaborative partners that are earned pursuant to statements of work ("SOWs") executed with end users of the Company's licensed molecular data.

The Company's collaboration and licensing agreements are within the scope of ASC Topic 808, Collaborative Arrangements ("ASC 808") and ASC 606 because the counterparty to these agreements meets the definition of a customer. As such, the Company recognizes revenue earned from the licenses of molecular data granted to the Company's collaborative partners in accordance with ASC 606. Each license of molecular data granted by the Company to a collaborative partner represents a distinct performance obligation in the contract. The transaction price for a given arrangement is entirely variable and depends on the SOWs executed by the counterparty with end users. The amount of revenue allocated to each license is equal to the amount of revenue to which the Company expects to be entitled. The Company recognizes revenue at the point in time that it delivers the molecular data to the third-party collaborative partner. For the three months ended September 30, 2026 and 2025, the Company recognized collaboration revenue of $1.5 million and $— million, respectively, and $4.1 million and $6.9 million for the nine months ended September 30,

2026 and 2025, respectively, which is included in revenue from pharma research and development services on the condensed consolidated statements of operations and comprehensive income (loss).

Concentration of Credit Risk

Financial instruments that potentially expose the Company to concentration of credit risk consist primarily of cash, cash equivalents, marketable securities, and accounts receivable. The Company maintains its cash primarily with domestic financial institutions of high credit quality, with balances that exceed amounts insured by the Federal Deposit Insurance Corporation as of September 30, 2026 and December 31, 2025, respectively.

The Company invests in treasury notes issued by the U.S. Government. U.S. treasury notes with original maturities of three months or less are classified within cash equivalents. Short-term marketable securities are comprised of U.S. treasury notes with original maturities between three and twelve months. The Company believes it is not exposed to any significant credit risk on cash, cash equivalents, and marketable securities and performs periodic evaluations of the credit standing of such institutions. The goal of the Company's investment policy is to ensure safety and preservation of the principal balance, and diversification of risk over cash balances held on deposit.

The Company is subject to credit risk from its accounts receivable. The Company's accounts receivable arise from the provision of molecular profiling services and pharma research and development services, primarily with biopharmaceutical companies, all of which have high credit ratings. The Company has not experienced any material losses related to receivables from individual customers, or groups of customers. The Company does not require collateral. Accounts receivable are recorded net of allowance for credit losses, if any. Concentrations of credit risk are limited due to the number of payers and their dispersion across multiple geographic regions.

For the three and nine months ended September 30, 2026 and 2025, the Company's revenues were primarily derived from the sale of Caris molecular profiling services. As discussed above, payment terms of the services are a function of a patient's existing insurance benefits and applicable reimbursement contracts established between the Company and payers. Revenue associated with each payer, including its affiliated entities, as a percentage of the Company's total revenue for the respective period, and accounts receivable balance attributable to each payer, including its affiliated entities, as a percentage of the Company's total accounts receivable balance at the respective condensed consolidated balance sheet date, are as follows:

	% Revenue for the three months ended September 30,		% Revenue for the nine months ended September 30,		% Accounts receivable as of	
Major Payer	2026	2025	2026	2025	September 30, 2026	December 31, 2025
Payer 1	35.2%	37.7%	37.3%	43.3%	20.7%	18.4%
Payer 2	12.1%	21.2%	13.8%	17.2%	21.8%	22.6%
Payer 3	13.9%	12.9%	14.2%	10.9%	14.2%	*

*Represents major payers below 10.0%.

Supplies

Supplies consist primarily of laboratory items and reagents used by the Company in providing services. All supplies are raw materials and are stated at the lower of cost or net realizable value on a first-in, first-out basis. The Company periodically reviews its supplies for excess or obsolescence and writes down obsolete or otherwise unmarketable supplies to their estimated net realizable value.

Fair Value Measurements

Fair value is defined as the exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions market participants would use in pricing an asset or liability.

The basis for these assumptions establishes a three-level fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- *Level 1* - Observable inputs such as quoted prices in active markets for identical assets and liabilities;
- *Level 2* - Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- *Level 3* - Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Assets and liabilities measured at fair value are based on one or more of three valuation techniques. The three valuation techniques are as follows:

- *Market approach* – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;
- *Cost approach* – Amount that would be required to replace the service capacity of an asset (i.e., replacement cost); and
- *Income approach* – Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing models, and lattice models).

Financial instruments consist of cash, cash equivalents, restricted cash, short-term marketable securities, accounts receivable, prepaid expenses and other current assets, accounts payable, accrued expenses and other current liabilities, debt, warrants, and derivative instruments.

As of September 30, 2026 and December 31, 2025, the carrying amounts of the Company's cash equivalents, restricted cash, accounts receivable, prepaid expenses and other current assets, accounts payable, accrued expenses and other current liabilities approximate their fair value based on the short-term nature of these items. There were no transfers between Levels 1, 2 or 3 for the periods ended September 30, 2026 and December 31, 2025.

The Company's financial assets and liabilities subject to fair value measurements on a recurring basis and the level of inputs used in such measurements were as follows:

	As of September 30, 2026			
	Fair Value	Level 1	Level 2	Level 3
Financial assets		(amounts in thousands)		
Short-term marketable securities	$ 102,059	$ 102,059	$ —	$ —

	As of December 31, 2025			
	Fair Value	Level 1	Level 2	Level 3
Financial assets		(amounts in thousands)		
Short-term marketable securities	$ 2,295	$ 2,295	$ —	$ —

Short-term marketable securities

The Company's short-term marketable securities, which have maturities of less than one year, are mainly comprised of U.S. Treasury Notes that have observable quoted prices. There were no outstanding U.S. Treasury Notes as of December 31, 2025. The following is a summary of the Company's U.S. Treasury Notes, which are classified as available-for-sale securities, as of September 30, 2026:

	As of September 30, 2026			
	Amortized Cost	Gross Unrealized Gain	Gross Unrealized Loss	Estimated Fair Value
		(amounts in thousands)		
U.S. Treasury Notes	$ 100,038	$ —	$ (408)	$ 99,630

Debt - 2026 Term Loan

As of September 30, 2026, the estimated fair value of the 2026 Term Loan (as defined in Note 6) was $406.7 million, compared to a carrying value of $393.0 million. The Company estimated the fair value of the 2026 Term Loan as of September 30, 2026 using a discounted cash flow analysis, which represented the use of Level 3 inputs in the fair value hierarchy.

Debt - 2023 Term Loan

As of December 31, 2025, the estimated fair value of the Company's 2023 Term Loan (as defined in Note 6) previously in effect was $373.5 million, compared to a carrying value of $378.5 million. The Company estimated the fair value of the 2023 Term Loan as of December 31, 2025 based on a discounted cash flow analysis, which represented the use of Level 3 inputs in the fair value hierarchy. The Company repaid the outstanding balance of the 2023 Term Loan on April 1, 2026.

Net Income (Loss) per Share Attributable to Common Shareholders

The Company calculates basic net income (loss) per share attributable to common shareholders by dividing the net income (loss) attributable to common shareholders by the weighted-average number of shares of common stock outstanding during the period. Net income (loss) attributable to common shareholders is equal to net income (loss) less accretion on preferred securities to their redemption value to the extent such securities were outstanding during the period, where applicable. Diluted net income (loss) per share attributable to common shareholders is calculated by adjusting the weighted-average number of shares of common stock outstanding for the dilutive effect of potential common stock equivalents, consisting of stock options, restricted stock units, and shares committed under employee stock purchase plans, using the treasury stock method. Potential common stock equivalents are excluded from the calculation of diluted net income (loss) per share in periods in which their effect would be anti-dilutive. Accordingly, in periods in which the Company reports a net loss, diluted net loss per share attributable to common shareholders is the same as basic net loss per share attributable to common shareholders.

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement- Reporting Comprehensive Income-Expense disaggregation disclosures (Subtopic 220-40) Disaggregation of Income Statement Expenses*. This ASU requires disclosure of specified information about certain costs and expenses in the notes to financial statements. This ASU is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Adoption of this ASU should be applied on a prospective basis. Early adoption is permitted. We are currently evaluating the impact that this guidance will have on the disclosures within our financial statements, and expect to adopt this ASU for the fiscal year beginning January 1, 2027.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software*. This ASU removes all references to prescriptive and sequential software development stages throughout Subtopic 350-40. This will require an entity to change how it starts capitalizing software costs, along with updating how entities evaluate the probable-to-complete recognition threshold. For all entities, the ASU is effective for annual reporting periods beginning after December 15, 2027, with early adoption permitted. The amendments of this ASU can be applied using any of the following three approaches: prospective transition approach; modified transition approach that is based on the status of the project and whether software costs were capitalized before the date of adoption; and retrospective transition approach. We are currently evaluating the impact that this guidance will have, and expect to adopt this ASU for the year ending December 31, 2028.

In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270) Narrow-Scope Improvements*. This ASU clarifies interim disclosure requirements and the applicability of Topic 270. The amendment's objective is to provide clarity on the current interim reporting requirements. The ASU also includes a disclosure principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The amendments of this ASU are required to be adopted for interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments of this ASU can be applied either prospectively or retrospectively to any or all prior periods presented in the financial statements. We are currently evaluating the impact that this guidance will have.

Note 3. Condensed Consolidated Balance Sheet and Statement of Operations and Comprehensive Income (Loss) Components

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:

	As of September 30, 2026	As of December 31, 2025
	(amounts in thousands)	
Prepaid expenses	$ 23,284	$ 19,586
Other current assets	4,910	2,355
Total prepaid expenses and other current assets	$ 28,194	$ 21,941

Property and Equipment, Net

Property and equipment, net consist of the following:

	As of September 30, 2026	As of December 31, 2025
	(amounts in thousands)	
Computer equipment and software	$ 71,653	$ 76,430
Capitalized software	48,355	27,898
Laboratory equipment	141,441	106,227
Furniture and fixtures	8,843	8,368
Leasehold improvements/Leased buildings	67,806	63,812
Aircraft and vehicles	21,769	21,415
Total property and equipment	359,867	304,150
Less: accumulated depreciation and amortization	(257,572)	(240,980)
Property and equipment, net	$ 102,295	$ 63,170

Total depreciation and amortization expense was $6.6 million and $4.9 million for the three months ended September 30, 2026 and 2025, respectively, and $18.2 million and $18.3 million for the nine months ended September 30, 2026 and 2025, respectively.

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following:

	As of September 30, 2026	As of December 31, 2025
	(amounts in thousands)	
Trade accruals	$ 13,159	$ 6,887
Accrued payroll and employee medical	18,040	11,104
Accrued bonus	23,676	31,487
Current portion of early exercise stock option liability	53	327
Contract liability	18,374	24,492
Current portion of operating lease liabilities	6,287	6,359
Other accrued expenses	15,432	7,114
Total accrued expenses and other current liabilities	$ 95,021	$ 87,770

Other Long-Term Liabilities

Other long-term liabilities consist of the following:

	As of September 30, 2026	As of December 31, 2025
	(amounts in thousands)	
Long-term operating lease liabilities, net of current portion	$ 63,466	$ 42,335
Long-term portion of early exercise stock option liability	—	53
Long-term contract liability	552	—
Total other long-term liabilities	$ 64,018	$ 42,388

Other Income (Expense), Net

Other income (expense), net, consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(amounts in thousands)			
Loss on debt extinguishment	$ —	$ —	$ (25,232)	$ (17,930)
Other	475	(89)	625	(517)
Total other income (expense), net	$ 475	$ (89)	$ (24,607)	$ (18,447)

Note 4. Income Taxes

The Company is subject to tax liabilities imposed by multiple jurisdictions. The Company determines its best estimate of the annual effective tax rate at each interim period using expected annual pre-tax earnings, statutory tax rates, and available tax planning opportunities. Certain significant or unusual items are separately recognized in the quarter in which they occur, which can cause variability in the effective tax rate from quarter to quarter. The Company recognizes interest and penalties related to uncertain tax positions, if any, as an income tax expense.

The Company is subject to taxation in the United States and various states and foreign jurisdictions. Due to the net operating loss carryforwards, all years remain open for income tax examination by the taxing authorities.

Note 5. Shareholders' Equity and Equity Compensation

Preferred Stock

The Company is authorized to issue 100,000,000 shares of preferred stock with a par value of $0.001 per share. As of September 30, 2026, there were no shares of preferred stock issued and outstanding.

Common Stock

As of September 30, 2026 and December 31, 2025, 2,800,000,000 shares of common stock with a $0.001 par value were authorized. There were 286,717,657 and 282,526,097 shares outstanding as of September 30, 2026 and December 31, 2025, respectively.

Each share of common stock entitles the holder to one vote on all matters submitted to a vote of the Company's shareholders. Common shareholders are entitled to receive dividends if and when declared by the Company's board of directors, subject to the preferential dividend rights of any preferred stock then outstanding and compliance with our contractual obligations. No dividends have been declared or paid by the Company since its inception.

Share Repurchase Program

On June 7, 2026, the Company's Board of Directors authorized the Company to repurchase up to $100.0 million of the Company's outstanding common stock pursuant to a share repurchase program (the "Repurchase Program"). Under the Repurchase Program, the Company may repurchase shares of common stock on a discretionary basis through open market purchases, in privately negotiated transactions, or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended. Any shares repurchased under the Repurchase Program, along with all 1,611,713 shares that were previously held as treasury stock, will be retired and will resume the status of authorized but unissued shares of common stock. The timing, manner, price and amount of any repurchases will be determined based on a variety of factors, including market conditions, the trading price of the Company's common stock, general business conditions, and other factors the Company deems relevant. The Repurchase Program does not obligate the Company to acquire any specific number of shares and may be modified, suspended, or discontinued at any time.

The total cost of repurchased shares of common stock in excess of par value, including the cost of commissions and excise taxes, is recorded to treasury stock. The Company records the retirement of treasury stock at cost and records the excess of the repurchase price over the par value of shares acquired in additional paid-in capital, to the extent available.

As of September 30, 2026, the Company had repurchased and retired 1,514,525 shares of common stock pursuant to the Repurchase Program for $27.9 million, leaving $72.1 million available to repurchase additional shares.

2020 Incentive Plan

Prior to the initial public offering ("IPO"), the 2020 Incentive Plan (the "2020 Plan") provided for the Company's grant of awards of options, restricted awards, performance awards or share appreciation rights to employees, consultants, and directors of the Company. Following the June 2025 IPO and the adoption of the 2025 Incentive Plan (as defined below), the Company will not make any additional grants under the 2020 Plan. Any outstanding awards granted under the 2020 Plan remain subject to the terms of the 2020 Plan, and any shares underlying outstanding awards under the 2020 Plan that expire or are repurchased, forfeited, canceled, or withheld will become available for issuance under the 2025 Incentive Plan.

2025 Incentive Plan

Effective May 23, 2025, the Company's Board of Directors adopted, and the shareholders approved, the 2025 Incentive Plan (the "2025 Plan"). The 2025 Plan provides for the grant of incentive stock options ("ISOs"), nonstatutory stock options ("NSOs"), share appreciation rights, restricted awards, performance awards, and other awards. The material terms of the 2025 Plan are substantially similar to the 2020 Plan, except with respect to the number of authorized shares, which initially equaled 15,125,002 shares, plus the number of shares that would otherwise return to the share reserve of the 2020 Plan following the pricing of the Company's IPO.

The 2025 Plan's share reserve will increase on January 1 of each calendar year during the term of the 2025 Plan, beginning in 2026, by a number of shares as determined by the administrator of the 2025 Plan and in consultation with the Company, provided, that such increase (if any) will be no greater than the amount by which (y) 4% of the aggregate number of outstanding shares of our common stock as of the last day of the immediately preceding fiscal year exceeds (z) the aggregate number of shares remaining available for grant under the 2025 Plan on the last day of the immediately preceding fiscal year.

To the extent permitted by applicable laws or any exchange rule, any shares of common stock issued under the 2025 Plan that are issued (a) in connection with the Company's acquisition of an unaffiliated business entity, (b) to the employees of such entity, and (c) in substitution of equity incentive awards previously issued to such employees by such entity shall not reduce the number of shares of common stock available for issuance under the 2025 Plan.

Employee Stock Purchase Plan

The Company's Board of Directors has adopted, and the shareholders approved, the 2025 Employee Stock Purchase Plan (the "ESPP"), which became effective in connection with the IPO. The ESPP enables eligible employees to purchase shares of the Company's common stock with payroll deductions. A total of 2,571,250 shares of the Company's common stock were initially reserved for issuance under the ESPP, and 254,010 shares were added to the reserved

amount on January 1, 2026 pursuant to the ESPP's evergreen provision described below. As of September 30, 2026, 2,618,462 shares under the ESPP were available to purchase.

The number of shares reserved for issuance and sale under the ESPP will increase automatically on January 1 of each calendar year during the term of this Plan beginning in 2026, by a number of shares equal to 1% of the Common Stock outstanding on the last day of the immediately preceding fiscal year, unless the ESPP administrator should decide to increase the number of shares available under the ESPP by a lesser amount.

The purchase price designated by the ESPP administrator will be no less than the lower of 85% of the closing trading price per share of our common stock on the first trading date of an offering period in which a participant is enrolled or 85% of the closing trading price per share on the purchase date, which will occur on the last trading day of each purchase period within an offering period. Common stock sold to employees pursuant to the ESPP may be authorized but unissued common stock or reacquired common stock (however reacquired).

Unless otherwise determined by the compensation committee, the ESPP will provide for separate six-month offering periods beginning on December 1 and June 1 of each year.

The Company began recognizing stock-based compensation expense related to the ESPP upon commencement of the initial offering period on December 1, 2025. Compensation expense is recognized on a straight-line basis over the six-month offering period, based on the fair value of the purchase rights granted to participants as determined under ASC 718. During the nine months ended September 30, 2026, 206,798 shares of common stock were purchased pursuant to the ESPP for approximately $2.9 million and delivered to participants.

Option Activity

Under the 2020 Plan, the Company has granted incentive stock options and non-qualified stock options to its employees and other service providers (non-employees). Most of the Company's stock options vest incrementally over five years, subject to the grantee's continuous employment with the Company ("time-vesting options"). The Company recognizes compensation cost on a straight-line basis over the requisite service period for its time-vesting options. In addition to its time-vesting options, the Company has also granted stock options to certain non-employees for which vesting is tied to the grantee's performance ("performance-vesting options"). The Company evaluates whether it is probable that the performance metric will be achieved for its performance-vesting options and recognizes compensation cost on a straight-line basis over the implied service period if achievement of the performance metric is deemed probable. No option shall be exercisable after the expiration of 10 years from the date it was granted. The exercise price of each option shall be not less than 100.0% of the fair market value of the common stock subject to the option on the date the option is granted. The Company granted no stock options under the 2025 Plan for the nine months ended September 30, 2026.

The following table summarizes the Company's stock option activity during the nine months ended September 30, 2026:

	Options Outstanding			
	Number of Options	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contract Term (in years)	Aggregate Intrinsic Value (in thousands)
Total outstanding as of December 31, 2025:	21,885,508	$ 10.23	4.99	$ 366,605
Granted	—	—		
Exercised*	(5,006,474)	5.75		
Forfeited or expired	(621,836)	17.52		
Total outstanding as of September 30, 2026	16,257,198	$ 11.33	4.86	$ 328,714
Total exercisable as of September 30, 2026	13,042,687	$ 9.72	4.23	$ 284,721
Total vested or expected to vest as of September 30, 2026	15,894,218	$ 11.17	4.80	$ 323,850

*Includes 101 shares exercised but not settled as of September 30, 2026.

Aggregate intrinsic value represents the difference between the estimated fair value of the underlying common stock and the exercise price of outstanding, in-the-money options.

The total intrinsic value of options exercised was $87.7 million and $8.7 million during the three months ended September 30, 2026 and 2025, respectively, and $90.8 million and $13.5 million during the nine months ended September 30, 2026 and 2025, respectively. As of September 30, 2026, there was approximately $27.4 million of total unrecognized stock-based compensation cost related to the unvested options under the 2020 Plan, which is expected to be recognized over a weighted-average period of 2.38 years.

Restricted Awards Activity

The Company grants restricted stock units ("RSUs") that will be settled in shares of the Company's common stock upon vesting to its employees, consultants and non-employee directors. Vesting of restricted stock units granted generally occurs incrementally over four years, subject to the grantee's continuous service with the Company.

In March 2026 and May 2026, the Company granted performance restricted stock units ("PSUs") as a form of stock-based compensation. A percentage of the number of PSUs will vest based upon achieving the Company's operational target as of the end of 2026, and subject to continuous service by the employees through March 2028. Fifty percent of the aggregate number of achieved PSUs (if any) will vest upon certification in March 2027, with the remaining fifty percent vesting in March 2028. The grant date fair value of the PSUs was determined using the closing price of our common shares on the trading day prior to the grant date. Compensation expense for the PSUs is calculated based upon the most probable outcome of the possible performance conditions, and is recognized using the graded attribution method, which recognizes each separate vesting portion of the award as a separate award on a straight-line basis over the requisite service period.

The following table summarizes the Company's RSU and PSU activity for the nine months ended September 30, 2026:

	Shares	Weighted Average Grant Date Fair Value
Unvested as of December 31, 2025	4,494,342	$ 21.18
RSUs Granted	4,229,517	19.24
PSUs Granted	1,318,393	19.22
Vested	(1,147,600)	20.79
Cancelled/forfeited	(821,739)	20.26
Unvested as of September 30, 2026	8,072,913	$ 20.00

As of September 30, 2026, there was approximately $124.8 million of total unrecognized stock-based compensation cost related to unvested RSUs and PSUs, which is expected to be recognized over a weighted-average period of 2.75 years. The fair value of RSUs vested for the nine months ended September 30, 2026 and 2025 was $17.6 million and $22.0 million, respectively.

Stock-Based Compensation Expense

The Company recorded stock-based compensation expense in the condensed consolidated statements of operations and comprehensive income (loss) as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(amounts in thousands)			
Cost of services - Molecular profiling services	$ 669	$ 1,104	$ 3,712	$ 2,452
Cost of services - Pharma research and development services	4	17	26	20
Selling and marketing expense	4,501	3,322	13,310	6,554
General and administrative expense	9,710	6,410	28,054	39,438
Research and development expense	3,614	2,802	11,487	8,175
Total	$ 18,498	$ 13,655	$ 56,589	$ 56,639

Valuation of Stock-Based Awards

The Company records stock-based compensation expense for stock-based awards based on the estimated fair value of the awards on the date of the grant. The fair value of the Company's restricted stock units is based on the fair value of the Company's common stock at the closing market price on the day before the date of grant.

The Company estimates the fair value of stock options using a Black-Scholes option pricing model. Prior to the IPO, the absence of a public market for the Company's common stock required the Company's Board of Directors to estimate the fair value of its common stock for purposes of granting options and for determining stock-based compensation expense by considering several objective and subjective factors, including contemporaneous third-party valuations, actual and forecasted operating and financial results, market conditions and performance of comparable publicly traded companies, developments and milestones in the Company, the rights and preferences of common and convertible preferred stock, transactions involving the Company's common stock, and assumptions for a discount for lack of marketability. The fair value of the Company's common stock was determined in accordance with the applicable elements of the American Institute of Certified Public Accountants Accounting and Valuations Guide, *Valuation of Privately Held Company Equity Securities Issued as Compensation*. Following the IPO, the fair value of the Company's common stock is determined based on its closing market price.

The key assumptions used in determining the fair value of options granted and a summary of the methodology applied to develop each assumption are as follows:

	Nine Months Ended September 30,
	2025
Expected volatility	68.3% - 69.5%
Risk-free interest rate	3.9% - 4.2%
Expected term (years)	5.00 - 6.55
Expected dividend rate	—%
Expected forfeiture rate	0.0% - 8.5%

There were no options granted for the three and nine months ended September 30, 2026.

The Company estimates the fair value of stock purchase rights granted under the ESPP at the start of the offering period using the Black-Scholes options-pricing model. Key weighted-average assumptions used in the model include expected stock price volatility, risk-free interest rate, expected term (equal to the six-month offering period), expected dividend yield, and expected forfeiture rate. The Company uses historical data to estimate expected volatility and other assumptions consistent with those used for stock option valuations.

Expected volatility. This is a measure of the amount by which the share price has fluctuated or is expected to fluctuate. An increase in the expected price volatility will increase the fair value of the option granted and the related compensation expense. As the Company was not publicly traded prior to June 2025, the expected price volatility for the Company's options was determined by using an average of historical volatilities of selected industry peers deemed to be comparable to the business corresponding to the expected term of the awards. Subsequent to the Company's IPO, expected volatility is based on the historical volatility of its common stock.

Risk-free interest rate. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for U.S. Treasury notes with maturities corresponding to the expected term of the awards.

Expected term. This is the period of time over which the options granted are expected to remain outstanding and is based on the Company's estimate, taking into consideration vesting term, contractual term and historical actual lives. Options granted have a maximum term of ten years. An increase in the expected life will increase the fair value of the option granted and the related compensation expense. Due to the lack of historical share option exercise data, the Company utilizes the simplified method for determining the expected term.

Dividend rate. The Company has not made any dividend payments, nor does it have plans to pay dividends in the foreseeable future. Therefore, an expected dividend yield of zero is utilized.

Forfeitures. Forfeitures are estimated at the time of grant and reduce compensation expense ratably over the vesting period. This estimate is adjusted periodically based on the extent to which actual forfeitures differ, or are expected to differ, from the previous estimate.

Note 6. Long-Term Debt

The carrying value of debt presented within current portion of indebtedness and long-term indebtedness, net of debt discounts, on the condensed consolidated balance sheets as of September 30, 2026 and December 31, 2025 includes the following components:

	As of September 30, 2026	As of December 31, 2025
	(amounts in thousands)	
2023 Term Loan Initial Draw - January 18, 2023	$ —	$ 200,000
Exit fee on 2023 Term Loan - January 18, 2023	—	2,000
2023 Term Loan Subsequent Draw - March 5, 2024	—	200,000
Exit fee on 2023 Term Loan - March 5, 2024	—	2,000
2026 Term Loan Initial Draw - April 1, 2026	400,000	—
Less: Unamortized debt discounts and financing costs	(6,998)	(25,550)
Net debt	$ 393,002	$ 378,450

On April 1, 2026, the Company fully repaid the 2023 Term Loan (as defined below), originally maturing in 2028, and entered into the 2026 Term Loan (as defined below), which matures in 2031.

Term Loan

On April 1, 2026, the Company entered into a financing agreement (the "2026 Financing Agreement") with certain lenders, including funds affiliated with Blackstone Credit and Blackstone Holdings Finance Co. LLC (collectively, "Blackstone"), and Blue Owl Capital Corporation ("Blue Owl," and collectively with Blackstone, the "2026 Lenders"), with Blue Owl serving as administrative agent. Pursuant to the 2026 Financing Agreement, the 2026 Lenders agreed to lend the Company up to an aggregate principal amount of $400.0 million (the "2026 Term Loan"), of which $400.0 million was funded at closing. The 2026 Financing Agreement also provides for a committed delayed draw term loan facility of up to $300.0 million, available to be drawn in one or more tranches through August 2027 solely to fund permitted acquisitions (the "Delayed Draw Facility"), and an uncommitted incremental facility of up to $500.0 million. The 2026 Term Loan matures on April 1, 2031, requires no scheduled principal amortization, and is payable interest-only quarterly, with the entire principal balance due at maturity. As of September 30, 2026, the Company has not drawn down from the Delayed Draw Facility or the uncommitted incremental facility.

The 2026 Term Loan bears interest, at the Company's election, at either the Term secured overnight financing rate ("Term SOFR") plus 5.00% or the Base Rate plus 4.00%. The Base Rate is a rate per annum equal to the greatest of (a) the prime rate; (b) the Federal Funds effective rate plus 0.50%; (c) one-month Term SOFR plus 1.00%; and (d) 2.00% per annum. The Company elected the Term SOFR option upon funding, and elected to continue with the Term SOFR option for the upcoming interest period as of September 30, 2026. As of September 30, 2026, the interest rate in effect was 8.7%. The effective interest rate for the 2026 Term Loan is 9.2%.

In connection with the 2026 Term Loan, the Company incurred debt issuance costs of $7.6 million, consisting of fees paid to the 2026 Lenders and third-party costs. These costs were recorded as a direct deduction from the face amount of the 2026 Term Loan and are being amortized to interest expense over the term of the loan using the effective interest method.

Upon prepayment, the Company is subject to a prepayment penalty based on the timing of repayment. If an event of default occurs and is continuing, the administrative agent may, at the direction of the required lenders, declare all amounts outstanding under the 2026 Financing Agreement immediately due and payable.

The Company's obligations under the 2026 Financing Agreement are secured by a first-priority lien on substantially all of the assets of the Company and its subsidiaries. The 2026 Financing Agreement includes customary representations and warranties, affirmative and negative covenants, as well as a financial covenant requiring maintenance of minimum qualified cash (unrestricted cash or marketable securities in accounts subject to control agreements) of $50.0 million tested as of the last day of each fiscal quarter. As of September 30, 2026, the Company was in compliance with all covenants under the 2026 Financing Agreement.

On January 18, 2023, the Company entered into the 2023 Term Loan Agreement with OrbiMed Royalty & Credit Opportunities III, LP, OrbiMed Royalty & Credit Opportunities IV, LP (collectively, "OrbiMed"), and Braidwell Transaction Holdings LLC ("Braidwell", and collectively with OrbiMed, the "2023 Lenders"). Pursuant to the 2023 Term Loan Agreement, the Company issued senior, secured promissory notes by which the 2023 Lenders agreed to lend the Company up to an aggregate principal amount of $400.0 million (the "2023 Term Loan"), $200.0 million of which was received by the Company upon issuance (the "2023 Initial Draw"), and the remaining $200.0 million was received by the Company in March 2024 (the "Delayed Draw").

The proceeds of the 2026 Term Loan, together with cash on hand, were used to repay the 2023 Term Loan in full on April 1, 2026. Because the 2023 Term Loan was repaid using borrowings from new lenders, the transaction was accounted for as an extinguishment of debt. The Company recognized a loss on extinguishment of debt of $25.2 million, which includes an exit fee and repayment premiums. The loss is presented as other income (expense), net within the condensed consolidated statements of operations and comprehensive income (loss).

Interest Expense

The components of interest expense associated with the Company's long-term indebtedness, excluding finance leases, are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(amounts in thousands)			
Debt discount amortization	$ 312	$ 2,463	$ 3,234	$ 12,163
Interest expense	8,926	11,036	28,016	33,311
Interest expense on long-term indebtedness, excluding finance leases	$ 9,238	$ 13,499	$ 31,250	$ 45,474

Note 7. Leases

The Company enters into various building leases for office, lab and other uses. Additionally, certain of the Company's arrangements to utilize data centers contain leases. These leases are generally considered operating leases.

During the three months ended September 30, 2026, the Company executed an operating lease for approximately 21,234 square feet of office and laboratory space in Dallas, Texas ("Pegasus Park Lease"). The Pegasus Park

Lease has an initial term of approximately 10.7 years, with two five-year renewal options. The Company is not reasonably certain to exercise either option, and both are excluded from the lease term. The agreement provides for total undiscounted fixed lease payments of approximately $15.9 million. The Company recognized an operating lease right-of-use asset of $9.3 million and a corresponding operating lease liability of $9.3 million.

Additionally, during the three months ended September 30, 2026, the Company amended its office lease in Irving, Texas. The amendment adds approximately 51,586 square feet of expansion space, extends the term of the Company's existing space to run coterminously with the expansion space for approximately 8.1 years following the expansion commencement date, and terminates the lease of one smaller suite upon that date. The Company accounted for the amendment as a lease modification and remeasured the lease liability for the existing space as of the amendment date. The expansion space provides for total undiscounted fixed lease payments of approximately $9.3 million, and is expected to commence in the fourth quarter of 2026. As the expansion space had not commenced as of September 30, 2026, no right-of-use asset or lease liability had been recognized for it.

Because the rates implicit in the leases were not readily determinable, the Company used its incremental borrowing rate to measure the operating lease liabilities at the commencement or modification dates. As of September 30, 2026 and December 31, 2025, the weighted average discount rate for operating leases was 10.4% and 11.3%, respectively.

Note 8. Commitments and Contingencies

Purchase Obligations

The Company enters into various supply agreements that contain purchase commitments. Most of the commitments are based on a binding forecast for an agreed-upon period, which is 12-months or less.

Litigation

During the ordinary course of business, the Company has become and may in the future become subject to pending and threatened legal and regulatory actions and proceedings. While it is not feasible to predict or determine the ultimate outcome of these matters, the Company believes that none of its current legal proceedings are likely to have a material adverse effect on its financial position as of September 30, 2026 and December 31, 2025, nor its results of operations or cash flows for both the three months ended September 30, 2026 and 2025 and the nine months ended September 30, 2026 and 2025.

Note 9. Related Parties

The Company's officers and directors have ownership interests in certain vendors providing services to the Company. During the three months ended September 30, 2026 and 2025, the Company made payments to these entities for services and expenses for $0.6 million and $0.6 million, respectively. During the nine months ended September 30, 2026 and 2025, the Company made payments to these entities for services and expenses for $1.8 million and $2.0 million, respectively.

Additionally, during the three months ended September 30, 2026 and 2025, the Company recorded general and administrative expenses due to related parties of $0.4 million and $0.7 million, respectively. During the nine months ended September 30, 2026 and 2025, the Company recorded general and administrative expenses due to related parties of $2.0 million and $1.9 million, respectively.

Note 10. Net Income (Loss) Per Share Attributable to Common Shareholders

The following table sets forth the computation of the basic and diluted net income (loss) per share attributable to common shareholders:

(amounts in thousands, except share and per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ 15,250	$ 24,325	$ 14,103	$ (150,045)
Deemed dividend from Series D redeemable convertible preferred stock	—	—	—	(384,436)
Adjustments of redeemable convertible preferred stock to redemption value	—	—	—	(85,433)
Net income (loss) attributable to common shareholders	$ 15,250	$ 24,325	$ 14,103	$ (619,914)
Denominator:				
Weighted-average shares - basic	283,894,498	282,099,073	283,118,633	128,447,673
Effect of dilutive securities:				
Dilutive awards and units	1,822,081	1,659,504	1,514,738	—
Dilutive options	9,377,324	13,453,261	9,568,942	—
Dilutive ESPP	46,966	—	39,221	—
Weighted-average shares - diluted	295,140,869	297,211,838	294,241,534	128,447,673
Net income (loss) per share attributable to common shareholders:				
Basic	$ 0.05	$ 0.09	$ 0.05	$ (4.83)
Diluted	$ 0.05	$ 0.08	$ 0.05	$ (4.83)

The following potential common stock equivalents were excluded from the calculation of diluted net income (loss) per share attributable to common shareholders because their effect would have been anti-dilutive for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Unvested RSUs and PSUs	43,517	74,786	321,985	4,368,855
Outstanding stock options	2,891,537	1,519,047	3,672,750	22,670,564
Shares committed under ESPP	206,999	—	207,935	—
Unvested shares subject to repurchase	3,288	23,446	3,288	23,446
Total	3,145,341	1,617,279	4,205,958	27,062,865

Note 11. Segment and Geographic Information

The Company operates as a single operating segment. An operating segment is defined as a component of an entity for which discrete financial information is available and regularly reviewed by the entity's chief operating decision maker ("CODM") in deciding how to allocate resources and in assessing performance. The Company's CODM, its Chairman and Chief Executive Officer, manages the Company's operations on a consolidated basis for the purposes of allocating resources, making operating decisions and evaluating financial performance.

Net income (loss) as reported on the condensed consolidated statements of operations and comprehensive income (loss) is used by the CODM to assess segment performance against management budgets and prior period operating results for the purpose of making results-driven decisions about organizational resource allocation.

Segment revenues are derived from molecular profiling, strategic data, and research services that are delivered to the Company's biopharmaceutical and clinical customers, who are predominantly located in the United States. The Company provides these services primarily by leveraging the Company's proprietary technologies and clinico-genomic database, which are core to the Company's operations and are deployed similarly across the service offerings.

Significant segment expenses that the CODM reviews and utilizes to manage the Company's operations are cost of services, sales and marketing, general and administrative, and research and development expenses at the consolidated level, which are presented in the Company's condensed consolidated statements of operations and comprehensive income (loss). Other segment items in consolidated net income (loss) include interest income, interest expense, changes in fair value of financial instruments, and other income (expense), net, which are presented in the Company's condensed consolidated statements of operations and comprehensive income (loss).

The following table sets forth the Company's revenue by geographic areas based on the customer's location:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(amounts in thousands)			
United States	$ 271,736	$ 213,550	$ 747,142	$ 510,161
International	3,622	3,283	8,101	8,986
Total revenue	$ 275,358	$ 216,833	$ 755,243	$ 519,147

No single country outside of the United States accounted for more than 10.0% of total revenue during each of the three months ended September 30, 2026 and 2025, or the nine months ended September 30, 2026 and 2025. As of September 30, 2026 and December 31, 2025, approximately 99.0% of the Company's total assets are located in the United States.

Note 12. Subsequent Events

No significant subsequent events that required recognition or disclosure were identified through the date that the condensed consolidated financial statements were issued.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes included in Item 1 of this Quarterly Report and our audited consolidated financial statements and the related notes and the discussion under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2025. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under the section titled "Risk Factors" and elsewhere in this Quarterly Report and in our Annual Report on Form 10-K for the year ended December 31, 2025. See the section titled "Special Note Regarding Forward-Looking Statements" elsewhere in this Quarterly Report. Our historical results are not necessarily indicative of the results that may be expected for any period in the future. Unless context requires otherwise, references to "we," "us," "our," "Caris," or "the Company" here refer to Caris Life Sciences, Inc. together with its wholly owned subsidiaries.

Overview

We are a leading TechBio company. We develop and commercialize innovative solutions to transform healthcare through the use of comprehensive molecular information and AI/ML algorithms at scale. Our entire portfolio of precision medicine solutions is designed to benefit patients, with an initial focus on oncology, and serves the clinical, academic, and biopharma markets.

We founded Caris in 2008 with the belief and vision that combining a vast set of consistently generated molecular information with robust data-driven insights could realize the potential of precision medicine for patients. We have spent the last 18 years developing and building our portfolio of comprehensive, proprietary molecular profiling solutions and generating what we believe to be one of the largest and most comprehensive multi-modal clinico-genomic datasets in oncology based on tests we have run on over 1,200,000 cases as of September 30, 2026. Our Caris Molecular Intelligence platform is purpose-built to leverage the convergence of next-generation sequencing ("NGS"), AI and ML technologies, and high-performance computing. The power of our differentiated Caris platform has enabled us to develop the latest generation of advanced precision medicine diagnostic solutions designed to address the entire cancer care continuum, including multi-cancer early detection ("MCED"), early detection, minimal residual disease ("MRD") tracking, therapy selection, and treatment monitoring, as well as to create molecular signatures and discover and develop novel precision medicine therapeutics.

Our Molecular Intelligence product portfolio consists of our MI Profile Platform, our whole exome sequencing ("WES")/whole transcriptome sequencing ("WTS") tissue-based molecular profiling solutions that have generated the majority of our revenue to date, our Caris Assure Platform, our WES/WTS blood-based molecular profiling solutions, and our Precision Whole Genome Platform, our whole genome sequencing ("WGS") blood- and tissue-based profiling solutions. During the second quarter of 2026, we expanded our Precision Whole Genome Platform with the launch of Caris Detect, a groundbreaking multi-cancer early detection blood test designed to uncover cancer signals at earlier, more treatable stages. Caris Detect utilizes ultra-deep Whole Genome Sequencing, Whole Transcriptome Sequencing and advanced artificial intelligence to analyze molecular and biological signals associated with cancer. During the second quarter of 2026, we further expanded our Precision Whole Genome Platform with the commercial launch of Caris ChromoSeq, a combined WGS and WTS assay designed to support the comprehensive genomic evaluation of myeloid malignancies — including acute myeloid leukemia, myelodysplastic syndromes and myeloproliferative neoplasms — from a single bone marrow aspirate or peripheral blood sample, consolidating what has historically been a fragmented, multi-test diagnostic workflow. Also during the second quarter of 2026, we launched Caris MI Clarity, our first commercially available digital, AI/ML-based prognostic solution, which applies computational pathology and machine learning to digitized hematoxylin and eosin whole-slide images together with clinical inputs — without requiring additional genomic sequencing — to assess both early and late distant recurrence risk for postmenopausal patients with HR-positive/HER2-negative, node-negative early-stage breast cancer. Caris MI Clarity was developed using our proprietary multi-modal dataset, and we believe it demonstrates our ability to translate that dataset into new clinical solutions that extend beyond sequencing-based profiling.

Our purpose-built, proprietary multi-omic profiling solutions capture and analyze molecular information from tissue and blood in a comprehensive manner. We believe this approach best positions us to provide actionable treatment pathways from targeted therapies to drive superior clinical outcomes for patients while also generating a rich dataset to power insights and innovation. Our molecular profiling solutions and the data generated by our multi-omic technology

platform also provide value to our biopharma partners, such as Moderna, AbbVie, Xencor, Merck KGaA and Genentech, through partnerships that aim to increase the probability of technical and regulatory success of their therapeutic pipelines.

We believe that our early foresight to generate comprehensive data at scale over the past many years and build a robust, foundational infrastructure have uniquely positioned Caris to leverage the benefits of biological and technological advances to deliver transformative and advanced innovations in precision medicine and patient care into the future.

Our in-depth profiling of patient samples has led to the creation of what we believe to be one of the largest and most comprehensive multi-modal clinico-genomic datasets in oncology, which now also serves as the foundation for our digital solutions such as Caris MI Clarity.

With our broad commercial launch of Caris Assure for therapy selection in the first quarter of 2024, the FDA approval of MI Cancer Seek as a companion diagnostic in the fourth quarter of 2024 followed by the broad commercial launch of MI Cancer Seek in the first quarter of 2025 as the NGS component of the MI Profile Platform, and the commercial launches of Caris ChromoSeq, Caris Detect, and Caris MI Clarity in the second quarter of 2026, we believe that increased testing volumes and the continued expansion of our menu of molecular profiling and digital solutions will meaningfully contribute to our growth in 2026 and beyond.

Our Caris platform is designed to create a virtuous cycle that can enable continued innovation and improved impact for patients and physicians. We believe our comprehensive approach to profiling will continue to drive demand for our genomic profiling capabilities, leading to further expansion of our clinico-genomic datasets, which provide additional valuable inputs to develop and enhance our solutions, with the ultimate goal of contributing to improved patient results. This continuous feedback loop enabled us to develop the Caris Assure Platform, which utilized genomic data generated by the MI Profile Platform to inform our blood-based bioinformatics algorithms, allowing us to detect previously unknown features and signals in the blood that provide advanced insights into disease development. We believe we will be able to further leverage this process to continue meaningful innovation in precision oncology as well as other chronic disease states, including cardiology, neurology, and metabolic conditions.

For the three months ended September 30, 2026 and 2025, we generated total revenue of $275.4 million and $216.8 million, respectively, and reported net income of $15.3 million and $24.3 million, respectively. For the nine months ended September 30, 2026 and 2025, we generated total revenue of $755.2 million and $519.1 million, respectively, and reported net income (loss) of $14.1 million and $(150.0) million, respectively. Cash flow from operations was $39.1 million and $38.4 million for the nine months ended September 30, 2026 and 2025, respectively. Additionally, as of September 30, 2026, we had cash, cash equivalents, restricted cash and marketable securities of $769.2 million, and the aggregate principal amount of debt outstanding under our existing term loan was $400.0 million. For additional information regarding our liquidity and capital resources, see "—Liquidity and Capital Resources."

Key Factors Affecting Our Performance

We believe that our operating performance and future success depend on a number of factors that present significant opportunities for us and may pose risks and challenges, including those discussed below and in the "Risk Factors" section of this Quarterly Report and in our Annual Report on Form 10-K for the year ended December 31, 2025.

- ***Market acceptance and commercial success of our solutions.*** Our success and future growth will depend on maintaining and expanding market acceptance of our current and future molecular profiling solutions along with commercial success of these solutions across existing and new customers. Our clinical case volumes have continued to increase over time. Changes in our case volumes and the pricing of our solutions, however, are generally not impacted by the cancer type. For the three months ended September 30, 2026 and 2025, the number of clinical cases was 61,500 and 50,800, respectively. For the nine months ended September 30, 2026 and 2025, the number of clinical cases was 173,500 and 146,700, respectively. We commercially launched our MI Cancer Seek solution in January 2025 as the WES/WTS NGS component of our MI Profile platform. We initiated the broad commercial launch of Caris Assure for therapy selection in the first quarter of 2024. Realizing the potential of Caris Assure and Caris Detect across the cancer treatment continuum is a key component of our business strategy. The commercial success of our solutions will depend upon, among other things, additional validation studies and clinical trials that demonstrate the effectiveness of our solutions, particularly for early detection, MCED, MRD tracking, and treatment monitoring, and the continued adoption of Caris Assure and the adoption of our other solutions, including Caris ChromoSeq, Caris MI Clarity and Caris Detect, by patients, the medical community, and third-party payers. In addition, we expect that our ability to maintain and expand our

sales, marketing, and distribution capabilities to support the increased adoption of our molecular profiling solutions will be a key factor in our success.

- ***Biopharma partners.*** Our revenue also depends on our ability to maintain and expand relationships with our biopharma partners and attract new biopharma partners. As we continue to develop these relationships, we expect to support a growing number of projects and continue to have opportunities to offer our platform to such customers for development and research services.
- ***Development and introduction of new solutions.*** Our business success will also depend on our ability to develop and commercialize new solutions. We plan to continue to invest in the enhancement of our molecular profiling solutions, the development of new solutions to achieve meaningful innovation in precision oncology and other disease states, and the expansion of our clinico-genomic datasets to drive breakthrough science. Our ability to develop and commercialize new solutions and services could face many challenges that could impact our future performance and results of operations. Such challenges include, but are not limited to, obtaining regulatory approvals; completing certain clinical development activities, validation studies, and/or clinical trials; having guidelines or recommendations for healthcare providers, administrators, payers, and patient communities relating to such solutions; and receiving favorable exposure in peer-reviewed publications and from key opinion leaders ("KOLs").
- ***Payer coverage and reimbursements.*** Our revenue and future revenue growth will depend on our success in achieving broad coverage and adequate reimbursement for our solutions from third-party payers. Coverage and reimbursement by third-party payers, including managed care organizations, private health insurers, and government healthcare programs for the types of solutions we offer can be limited and uncertain and may depend on a number of factors, including a payer's determination that a product is appropriate, medically necessary, and cost-effective. Each payer will make its own decision as to whether to establish a policy or enter into a contract to cover our products and the amount it will reimburse for such products. While the average selling prices ("ASPs") for our solutions reimbursed by a particular payer are determined by our arrangements with that payer and do not materially differ by cancer type, any fluctuation or differences in coverage and reimbursement among our third-party payers may impact our overall ASPs and gross margins. Moreover, if we are unable to obtain and/or maintain broad coverage and adequate reimbursement for our solutions from third-party payers, we may not be able to effectively increase our clinical case volume and our revenue would be impacted.
- ***Scaling infrastructure to meet increasing demand.*** Our financial results are also dependent upon our ability to support current and future levels of demand for our solutions, including MI Profile, Caris Assure, Caris Detect, Caris MI Clarity, and Caris ChromoSeq. As the volumes of our current and new molecular profiling solutions continue to grow, we will need to simultaneously increase our capacity for sample intake and storage, enhance our customer service, improve our billing and general business processes, expand our internal quality assurance programs, incorporate new equipment, implement new technology systems and processes, expand laboratory capacity, and otherwise extend our operational capabilities to support comprehensive genomic analyses at a larger scale while retaining expected turnaround times. This may result in us purchasing additional equipment, constructing additional facilities, hiring additional qualified labor, and implementing new systems, technology, controls, and procedures. As such, our capital expenditures and cost of services may increase as we continue our efforts to expand capacity. In addition, revenue may be impacted in the event that we are not able to meet the increase in demand.

Components of Results of Operations

Revenue

Revenue consists primarily of the following:

Molecular Profiling Services

Molecular profiling services revenue is generated from the provision of precision oncology solutions to ordering physicians utilizing MI Profile, MI Cancer Seek (NGS component of MI Profile), Caris Assure, Caris Detect, Caris MI Clarity, and Caris ChromoSeq. Revenue is recorded when performance obligations are satisfied, which is deemed to be when the results of the profiling services are provided to the ordering physicians, including certain hospitals, cancer centers, and institutions. Revenue is recorded at the amount that reflects the consideration to which we expect to be entitled from customers and third-party payers in exchange for providing such services.

Pharma Research and Development Services

Pharma research and development services revenue is generated from the provision of research and development services for biopharma partners utilizing our Caris platform. Given the nature of these services, each contract may contain multiple performance obligations, such as molecular profiling solutions, research services, and strategic data services. Each performance obligation is analyzed, and revenue is recognized as or when such performance obligations are satisfied. The timing and extent of revenue recognized may vary from contract to contract.

Costs and Operating Expenses

We allocate certain overhead expenses, such as rent, utilities, and depreciation to cost of services and operating expense categories based on headcount and facility usage. As a result, an overhead expense allocation is reflected in cost of services and operating expenses.

Cost of Services - Molecular profiling services

Cost of molecular profiling services generally consists of cost of materials, direct labor (including bonus and stock-based compensation), equipment maintenance and depreciation expenses associated with processing cases (including accessioning, sequencing, quality control analyses, and shipping charges to transport samples), and freight. Costs associated with completing the molecular profiling services are recorded as the service is performed, regardless of whether revenue is recognized with respect to the service.

Cost of Services - Pharma research and development services

Cost of services for pharma research and development services generally consists of costs incurred for the performance of the services requested by our biopharma partners related to research and development services. For the development of new products, costs incurred before technological feasibility has been achieved are reported as research and development expenses, while costs incurred thereafter are reported as cost of services. Cost of services for pharma research and development services will vary depending on the nature, timing, and scope of customer projects.

We expect cost of services to increase in absolute dollars as our revenue grows. In the short term, increases to cost of services may outpace revenue growth as we invest in expanding our laboratory capacity and implementing new processes. However, over time, the cost per clinical case is expected to decrease due to economies of scale.

Selling and Marketing Expense

Our selling and marketing expense includes costs associated with our sales organization, including our direct sales force and sales management, marketing, and business development personnel. These expenses consist principally of salaries, incentive compensation, bonuses, employee benefits, travel, and stock-based compensation, as well as marketing and educational activities. We expense all selling and marketing expenses as incurred.

We believe that our marketing activities continue to drive awareness and differentiate our existing and future solutions. We expect our selling and marketing expenses to continue to increase in absolute dollars as we expand our sales force and continue to grow our presence within and outside of the United States.

General and Administrative Expense

Our general and administrative expense includes costs for our executive, accounting and finance, legal, information technology, billing, and human resources functions. These expenses consist principally of salaries, bonuses, employee benefits, travel, and stock-based compensation, as well as professional services fees (such as audit and tax consulting), general corporate costs, and allocated overhead expenses. While we expect our general and administrative expenses will increase in absolute dollars as we continue to invest in our growth and operate as a public company, we expect them to decline as a percentage of revenue over time as we scale our business and leverage our investments already made.

We expect to incur additional expenses, primarily due to the additional costs of operating as a public company, which include additional legal, accounting, corporate governance, and investor relations expenses, as well as higher directors' and officers' insurance premiums. In addition, we incur stock-based compensation expense related to our equity incentive plans.

Research and Development Expense

Our research and development expense consists of costs incurred in performing research and development activities. These expenses include direct costs for salaries and benefits, supplies used in research and development, contract services and other outside costs, costs to acquire in-process research and development projects and technologies that have no alternative future use, and allocated overhead expenses.

We expect that our overall research and development expenses will vary from period to period as a percentage of revenue, as projects are initiated and completed.

Other Expense, Net

Interest Income

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

Interest Expense

Interest expense consists primarily of contractual interest expense on our term loan, amortization of the debt discount related to our term loan and convertible notes, and interest expense on our finance leases.

Changes in Fair Value of Financial Instruments

Changes in fair value of financial instruments consists of changes in the fair value of the warrant liability and changes in the fair value of derivative liabilities. Our warrants were classified as a liability on our condensed consolidated balance sheets and re-measured to fair value at each balance sheet date with the corresponding changes in fair value recorded within changes in fair value of financial instruments. All warrants were exercised upon the closing of the IPO.

Other Income (Expense), Net

Other income (expense), net consists of items related to foreign currency gains and losses, loss on debt extinguishment, and additional immaterial items.

Results of Operations

The following table sets forth a summary of our results of operations for the periods presented:

(amounts in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Molecular profiling services	$ 262,707	$ 207,587	$ 725,760	$ 484,593
Pharma research and development services	12,651	9,246	29,483	34,554
Total revenue	**275,358**	**216,833**	**755,243**	**519,147**
Costs and operating expenses [(1)]:				
Cost of Services - Molecular profiling services	89,172	66,980	243,383	193,195
Cost of Services - Pharma research and development services	3,901	2,347	8,630	7,698
Selling and marketing expense	59,853	41,267	158,661	123,355
General and administrative expense	69,278	51,973	195,534	168,458
Research and development expense	33,838	21,624	97,511	69,739
Total costs and operating expenses	**256,042**	**184,191**	**703,719**	**562,445**
Income (Loss) from operations	19,316	32,642	51,524	(43,298)
Other expense, net:				
Interest income	6,332	7,360	19,985	9,482
Interest expense	(9,249)	(13,507)	(31,286)	(45,497)
Changes in fair value of financial instruments	—	(2,081)	—	(52,285)
Other income (expense), net	475	(89)	(24,607)	(18,447)
Total other expense, net	**(2,442)**	**(8,317)**	**(35,908)**	**(106,747)**
Income (Loss) before income taxes	**16,874**	**24,325**	**15,616**	**(150,045)**
Income tax expense	(1,624)	—	(1,513)	—
Net income (loss)	**$ 15,250**	**$ 24,325**	**$ 14,103**	**$ (150,045)**

(1) Costs and operating expenses contain the following stock-based compensation expense:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(amounts in thousands)			
Cost of services - Molecular profiling services	$ 669	$ 1,104	$ 3,712	$ 2,452
Cost of services - Pharma research and development services	4	17	26	20
Selling and marketing expense	4,501	3,322	13,310	6,554
General and administrative expense	9,710	6,410	28,054	39,438
Research and development expense	3,614	2,802	11,487	8,175
Total	$ 18,498	$ 13,655	$ 56,589	$ 56,639

The following table sets forth our results of operations as a percentage of revenue for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Molecular profiling services	95 %	96 %	96 %	93 %
Pharma research and development services	5 %	4 %	4 %	7 %
Total revenue	**100 %**	**100 %**	**100 %**	**100 %**
Costs and operating expenses:				
Cost of Services - Molecular profiling services	32 %	31 %	32 %	37 %
Cost of Services - Pharma research and development services	1 %	1 %	1 %	1 %
Selling and marketing expense	22 %	19 %	21 %	24 %
General and administrative expense	25 %	24 %	26 %	32 %
Research and development expense	12 %	10 %	13 %	13 %
Total costs and operating expenses	**92 %**	**85 %**	**93 %**	**108 %**
Income (Loss) from operations	8 %	15 %	7 %	(8)%
Other expense, net:				
Interest income	2 %	3 %	3 %	2 %
Interest expense	(3)%	(6)%	(4)%	(9)%
Changes in fair value of financial instruments	— %	(1)%	— %	(10)%
Other income (expense), net	— %	— %	(3)%	(4)%
Total other expense, net	**(1)%**	**(4)%**	**(4)%**	**(21)%**
Income (Loss) before income taxes	**7 %**	**11 %**	**3 %**	**(29)%**
Income tax expense	(1)%	— %	— %	— %
Net income (loss)	**6 %**	**11 %**	**3 %**	**(29)%**

Comparison of the Three Months Ended September 30, 2026 and 2025

Revenue

	Three Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Molecular profiling services	$ 262,707	$ 207,587	$ 55,120	26.6 %
Pharma research and development services	12,651	9,246	3,405	36.8 %
Total revenue	$ 275,358	$ 216,833	$ 58,525	27.0 %

Total revenue was $275.4 million for the three months ended September 30, 2026, compared to $216.8 million for the three months ended September 30, 2025, an increase of $58.5 million, or 27.0%.

Molecular Profiling Services Revenue

Molecular profiling services revenue increased to $262.7 million for the three months ended September 30, 2026, from $207.6 million for the three months ended September 30, 2025, an increase of $55.1 million, or 26.6%. The increase was driven primarily by higher clinical case volume and higher reimbursement, including improved average selling prices resulting from enhanced contracting and collection capabilities. Clinical cases increased to approximately 61,500 for the three months ended September 30, 2026 from approximately 50,800 for the three months ended September 30, 2025.

Revenue from clinical cases for patients covered by Medicare represented approximately 36.9% and 39.4% of our molecular profiling services revenue for the three months ended September 30, 2026 and 2025, respectively.

Pharma Research and Development Services Revenue

Pharma research and development services revenue increased to $12.7 million for the three months ended September 30, 2026, from $9.2 million for the three months ended September 30, 2025, an increase of $3.4 million, or 36.8%. The increase is a result of the timing of delivery of services under the applicable agreements.

Cost of Services

	Three Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Cost of services - Molecular profiling services	$ 89,172	$ 66,980	$ 22,192	33.1 %
Cost of services - Pharma research and development services	$ 3,901	$ 2,347	$ 1,554	66.2 %

Cost of Services - Molecular Profiling Services

Cost of services - Molecular profiling services was $89.2 million for the three months ended September 30, 2026, compared to $67.0 million for the three months ended September 30, 2025, an increase of $22.2 million, or 33.1%. The increase was primarily driven by an increase in materials and related testing costs of $17.0 million, an increase in labor costs of $3.4 million, and a $1.4 million increase in utilities, rent, and allocated overhead.

Cost of Services - Pharma Research and Development Services

Cost of services - Pharma research and development services was $3.9 million for the three months ended September 30, 2026, compared to $2.3 million for the three months ended September 30, 2025, an increase of $1.6 million, or 66.2%. The increase was driven primarily by an increase in materials and related testing costs of $1.0 million, and an increase in labor costs of $0.4 million driven by increased data and discovery deliveries.

Gross Profit

Gross profit, calculated as total revenue less cost of services, was $182.3 million for the three months ended September 30, 2026, compared to $147.5 million for the three months ended September 30, 2025, an increase of $34.8 million, or 23.6%, primarily due to the increase in molecular profiling services revenue.

Selling and Marketing Expense

	Three Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Selling and marketing expense	$ 59,853	$ 41,267	$ 18,586	45.0 %

Selling and marketing expenses were $59.9 million for the three months ended September 30, 2026, compared to $41.3 million for the three months ended September 30, 2025, an increase of $18.6 million, or 45.0%. This increase was primarily due to a $10.6 million increase in personnel costs related to our sales team expansion, a $6.9 million increase in marketing expenses, and a $0.9 million increase in software licensing expenses.

General and Administrative Expense

	Three Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
General and administrative expense	$ 69,278	$ 51,973	$ 17,305	33.3 %

General and administrative expenses were $69.3 million for the three months ended September 30, 2026, compared to $52.0 million for the three months ended September 30, 2025, an increase of $17.3 million, or 33.3%. This increase was primarily due to a $6.4 million increase in labor costs and benefits associated with an expansion of personnel, a $3.3 million increase in stock-based compensation expense, a $3.0 million increase in utilities expenses, a $2.0 million increase in software licensing expenses, and a $2.1 million increase in other expenses including depreciation, professional services, rent, and recruiting.

Research and Development Expense

	Three Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Research and development expense	$ 33,838	$ 21,624	$ 12,214	56.5 %

Research and development expenses were $33.8 million for the three months ended September 30, 2026, compared to $21.6 million for the three months ended September 30, 2025, an increase of $12.2 million, or 56.5%. The increase was primarily driven by a $2.9 million increase in material and reference testing costs, a $1.9 million increase in depreciation expense, a $0.8 million increase in stock-based compensation, a $3.5 million increase in utilities expenses, a $1.6 million increase in labor costs and benefits associated with an expansion of personnel, and a $1.1 million increase in biorepository collection fees.

Other Expense, Net

	Three Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Interest income	$ 6,332	$ 7,360	$ (1,028)	(14.0)%
Interest expense	(9,249)	(13,507)	4,258	(31.5)%
Changes in fair value of financial instruments	—	(2,081)	2,081	(100.0)%
Other income (expense), net	475	(89)	564	(633.7)%
Total other expense, net	$ (2,442)	$ (8,317)	$ 5,875	(70.6)%

Interest Income

Interest income was $6.3 million for the three months ended September 30, 2026, compared to $7.4 million for the three months ended September 30, 2025, a decrease of $1.0 million, or 14.0%. This decrease was primarily due to lower cash balances within our interest-earning bank accounts.

Interest Expense

Interest expense was $9.2 million for the three months ended September 30, 2026 and $13.5 million for the three months ended September 30, 2025, a decrease of $4.3 million, or 31.5%. The decrease was primarily due to our debt refinancing, which reduced the interest rate.

Changes in Fair Value of Financial Instruments

Changes in fair value of financial instruments were $0.0 million for the three months ended September 30, 2026, compared to $(2.1) million for the three months ended September 30, 2025, an increase of $2.1 million, or 100.0%. The increase was primarily due to the absence of financial instruments subject to fair value adjustments during 2026, whereas such instruments were outstanding in 2025 and were subject to fair value changes during the period.

Other Income (Expense), Net

Other income (expense), net was $0.5 million for the three months ended September 30, 2026, compared to $(0.1) million for the three months ended September 30, 2025, an increase of $0.6 million. The increase was primarily due to gains on foreign exchange transactions.

Comparison of the Nine Months Ended September 30, 2026 and 2025

Revenue

	Nine Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Molecular profiling services	$ 725,760	$ 484,593	$ 241,167	49.8 %
Pharma research and development services	29,483	34,554	(5,071)	(14.7)%
Total revenue	$ 755,243	$ 519,147	$ 236,096	45.5 %

Total revenue was $755.2 million for the nine months ended September 30, 2026, compared to $519.1 million for the nine months ended September 30, 2025, an increase of $236.1 million, or 45.5%.

Molecular Profiling Services Revenue

Molecular profiling services revenue increased to $725.8 million for the nine months ended September 30, 2026, from $484.6 million for the nine months ended September 30, 2025, an increase of $241.2 million, or 49.8%. The increase was driven primarily by higher clinical case volume and higher reimbursement, including improved average selling prices resulting from enhanced contracting. Clinical cases increased to approximately 173,500 for the nine months ended September 30, 2026 from approximately 146,700 for the nine months ended September 30, 2025.

Revenue from clinical cases for patients covered by Medicare represented approximately 39.5% and 46.4% of our molecular profiling services revenue for the nine months ended September 30, 2026 and 2025, respectively.

Pharma Research and Development Services Revenue

Pharma research and development services revenue decreased to $29.5 million for the nine months ended September 30, 2026, from $34.6 million for the nine months ended September 30, 2025, a decrease of $5.1 million, or 14.7%. The decrease is a result of the timing of delivery of services under the applicable agreements.

Cost of Services

	Nine Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Cost of services - Molecular profiling services	$ 243,383	$ 193,195	$ 50,188	26.0 %
Cost of services - Pharma research and development services	$ 8,630	$ 7,698	$ 932	12.1 %

Cost of Services - Molecular Profiling Services

Cost of services - Molecular profiling services was $243.4 million for the nine months ended September 30, 2026, compared to $193.2 million for the nine months ended September 30, 2025, an increase of $50.2 million, or 26.0%. The increase was primarily driven by an increase in materials and related testing costs of $38.1 million, an increase in labor costs of $11.5 million, and a $3.3 million increase in utilities, rent, and allocated overhead, offset by a decrease in depreciation expense of $2.8 million.

Cost of Services - Pharma Research and Development Services

Cost of services - Pharma research and development services was $8.6 million for the nine months ended September 30, 2026, compared to $7.7 million for the nine months ended September 30, 2025, an increase of $0.9 million, or 12.1%. The increase was driven primarily by an increase in materials and related testing costs of $0.3 million, and an increase in labor costs of $0.9 million, offset by a decrease in utilities, rent, and allocated overhead of $0.5 million.

Gross Profit

Gross profit, calculated as total revenue less cost of services, was $503.2 million for the nine months ended September 30, 2026, compared to $318.3 million for the nine months ended September 30, 2025, an increase of $185.0 million, or 58.1%, primarily due to the increase in molecular profiling services revenue.

Selling and Marketing Expense

	Nine Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Selling and marketing expense	$ 158,661	$ 123,355	$ 35,306	28.6 %

Selling and marketing expenses were $158.7 million for the nine months ended September 30, 2026, compared to $123.4 million for the nine months ended September 30, 2025, an increase of $35.3 million, or 28.6%. This increase was primarily due to a $19.8 million increase in personnel costs related to our sales team expansion, a $1.5 million increase in professional services, an $11.8 million increase in marketing expenses, and a $2.0 million increase in software licensing expenses.

General and Administrative Expense

	Nine Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
General and administrative expense	$ 195,534	$ 168,458	$ 27,076	16.1 %

General and administrative expenses were $195.5 million for the nine months ended September 30, 2026, compared to $168.5 million for the nine months ended September 30, 2025, an increase of $27.1 million, or 16.1%. This increase was primarily due to a $14.9 million increase in labor costs and benefits associated with an expansion of personnel, a $5.6 million increase in consulting, audit and legal professional fees, a $6.1 million increase in utilities expenses, a $1.4 million increase in insurance expenses, a $2.2 million increase in rent expenses, a $2.2 million increase in recruiting expenses, a $2.7 million increase in indirect tax expenses, and a $3.6 million increase in software licensing expenses, offset by a $1.2 million decrease in depreciation expense, and an $11.4 million decrease in stock-based compensation, which resulted primarily from the vesting of awards with an IPO-related vesting condition during the nine months ended September 30, 2025.

Research and Development Expense

	Nine Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Research and development expense	$ 97,511	$ 69,739	$ 27,772	39.8 %

Research and development expenses were $97.5 million for the nine months ended September 30, 2026, compared to $69.7 million for the nine months ended September 30, 2025, an increase of $27.8 million, or 39.8%. The increase was primarily driven by a $7.0 million increase in material and reference testing costs, a $4.7 million increase in depreciation expense, a $3.3 million increase in stock-based compensation, a $10.0 million increase in utilities expenses, a $1.4 million increase in royalty fees, and a $1.2 million increase in labor costs and benefits associated with an expansion of personnel.

Other Expense, Net

	Nine Months Ended September 30,		Change	
	2026	2025	$	%
	(amounts in thousands)			
Interest income	$ 19,985	$ 9,482	$ 10,503	110.8 %
Interest expense	(31,286)	(45,497)	14,211	(31.2)%
Changes in fair value of financial instruments	—	(52,285)	52,285	(100.0)%
Other expense, net	(24,607)	(18,447)	(6,160)	33.4 %
Total other expense, net	$ (35,908)	$ (106,747)	$ 70,839	(66.4)%

Interest Income

Interest income was $20.0 million for the nine months ended September 30, 2026, compared to $9.5 million for the nine months ended September 30, 2025, an increase of $10.5 million, or 110.8%. This increase was primarily due to higher amounts of cash earning interest in our bank accounts.

Interest Expense

Interest expense was $31.3 million for the nine months ended September 30, 2026, compared to $45.5 million for the nine months ended September 30, 2025, a decrease of $14.2 million, or 31.2%. This decrease was primarily due to our debt refinancing, resulting in lower debt interest expense of $8.4 million, and the absence of convertible debt instruments in 2026, resulting in lower interest expense of $5.8 million.

Changes in Fair Value of Financial Instruments

Changes in fair value of financial instruments were $0.0 million for the nine months ended September 30, 2026, compared to $(52.3) million for the nine months ended September 30, 2025, an increase of $52.3 million, or 100.0%. The increase was primarily due to the absence of financial instruments subject to fair value adjustments during 2026, whereas such instruments were outstanding in 2025 prior to our IPO and were subject to fair value changes during the period.

Other Expense, Net

Other expense, net was $24.6 million for the nine months ended September 30, 2026, compared to $18.4 million for the nine months ended September 30, 2025, an increase of $6.2 million, or 33.4%. This increase was primarily due to higher debt extinguishment expenses during the nine months ended September 30, 2026 of $7.3 million. The Company recorded a $25.2 million loss on debt extinguishment for the nine months ended September 30, 2026 associated with the repayment of our 2023 Term Loan, whereas the Company recorded a $17.9 million loss on debt extinguishment for the nine months ended September 30, 2025 associated with the conversion of the 2025 convertible notes at IPO. These expenses were offset by net gains on foreign exchange transactions of $1.1 million.

Liquidity and Capital Resources

Sources of Liquidity

We may incur net losses in the near future, and our expenses will increase as we continue to invest in developing new solutions, expand our organization, and increase our marketing efforts to continue to launch and drive market adoption of our solutions. As of September 30, 2026, we had an accumulated deficit of $2.5 billion.

To date, we have funded our operations principally from the issuance of stock in private financings, issuance of common stock through our IPO, term loan borrowings and convertible debt, and through revenue from molecular profiling and pharma research and development services. As of September 30, 2026, we had cash and cash equivalents of $664.2 million and short-term marketable securities of $102.1 million. We believe our existing cash and cash equivalents, short-term marketable securities, and anticipated cash flows from operations will provide sufficient capital and liquidity to fund our operating expenses and capital expenditure requirements for at least the next 12 months. We may, however, continue to require additional capital to meet our operational needs. See "—Indebtedness" and "—Cash Requirements" below for additional information regarding our cash requirements and various factors that may impact our liquidity and capital resources.

Cash Flows

The following table summarizes our cash flows for the periods presented:

	Nine Months Ended September 30,	
	2026	2025
	(amounts in thousands)	
Net cash provided by operating activities	$ 39,107	$ 38,375
Net cash used in investing activities	$ (150,004)	$ (11,170)
Net cash provided by (used in) financing activities	$ (21,845)	$ 661,590

Operating Activities

Net cash provided by operating activities during the nine months ended September 30, 2026 was $39.1 million, which was due to net income of $14.1 million and net non-cash charges of $110.7 million, offset by a net change in our operating assets and liabilities of $85.7 million. The net change in our operating assets and liabilities was primarily the result of a $21.2 million increase in accounts receivable, a $78.5 million increase in supplies, and a $5.7 million increase in prepaid expenses and other current assets, offset by a $18.0 million increase in accounts payable, and a $2.1 million increase in accrued expenses and other liabilities. Net non-cash charges primarily consisted of $18.2 million of depreciation and amortization expense, $56.6 million of stock-based compensation expense, $4.3 million of non-cash operating lease expense, $3.2 million in amortization of debt discount costs, a $25.2 million non-cash loss on debt extinguishment associated with the repayment of our 2023 Term Loan, and $3.1 million of other non-cash charges, primarily consisting of $3.1 million of inventory reserves.

Net cash provided by operating activities during the nine months ended September 30, 2025 was $38.4 million, which was due to a net change in our operating assets and liabilities of $26.0 million and net non-cash charges of $162.5 million, offset by a net loss of $150.0 million. The net change in our operating assets and liabilities was primarily the result of a $61.2 million decrease in accounts receivable, offset by an $11.1 million increase in supplies, a $1.2 million decrease in accounts payable, a $4.8 million increase in prepaid expenses and other current assets, and a $17.8 million decrease in accrued expenses and other liabilities. Net non-cash charges primarily consisted of $18.3 million of depreciation and amortization expense, $56.6 million of stock-based compensation expense (including $19.5 million of stock-based compensation expense associated with RSUs that vested upon the IPO), $4.3 million of non-cash operating lease expense, $12.2 million in amortization of debt discount costs, a $52.3 million loss within changes in the fair value of financial instruments associated with our IPO, and a $17.9 million loss on debt extinguishment associated with our IPO.

Investing Activities

Net cash used in investing activities during the nine months ended September 30, 2026 was $150.0 million, which was primarily due to purchases of marketable securities of $102.0 million, and purchases of property and equipment of $49.9 million, offset by sales of marketable securities of $1.9 million.

Net cash used in investing activities during the nine months ended September 30, 2025 was $11.2 million, which was due to purchases of property and equipment of $11.2 million.

Financing Activities

Net cash used in financing activities during the nine months ended September 30, 2026 was $21.8 million, which was primarily due to repayment of our 2023 Term Loan of $406.3 million, repurchases of our common stock of $31.4 million, payment of taxes withheld from net settlement of exercised stock options and vested RSUs of $5.4 million, and payment of third-party debt issuance costs of $1.1 million, offset by proceeds from the 2026 Term Loan, net of issuance costs, of $393.5 million, proceeds from share purchases under employee stock purchase plan of $2.9 million, and exercises of stock options of $26.1 million.

Net cash provided by financing activities during the nine months ended September 30, 2025 was $661.6 million, which was primarily due to proceeds from the IPO, net of underwriting discounts and commissions, of $528.5 million, offset by the payment of taxes withheld from net settlement of exercised options of $18.2 million, payment of deferred offering costs of $7.7 million, payments from debt modification of $4.0 million, issuance of Series E Preferred Stock, net of issuance costs, of $87.6 million, issuance of Series F Preferred Stock, net of issuance costs, of $33.6 million, issuance of convertible notes, net of issuance costs, of $27.9 million, issuance of warrants of $10.3 million, and exercises of stock options of $3.8 million.

Indebtedness

2026 Financing Agreement

On April 1, 2026, we as borrower, and certain of our subsidiaries as guarantors, entered into the 2026 Financing Agreement with lenders consisting of funds managed by Blue Owl Capital and Blackstone. The 2026 Financing Agreement provides for certain senior secured credit facilities consisting of (a) an initial term loan in an aggregate principal amount equal to $400,000,000, funded at closing, (b) a committed delayed draw term loan facility in an aggregate principal amount that may be drawn in one or more tranches not to exceed $300,000,000 in the aggregate that may be used by the Company and its subsidiaries solely in connection with Permitted Acquisitions, and (c) an uncommitted incremental facility in an aggregate principal amount not to exceed $500,000,000. The initial term facility matures on April 1, 2031 and the delayed draw facility is available through August 1, 2027.

The proceeds of the 2026 Term Loan, together with cash on hand, were used to repay the 2023 Term Loan in full on April 1, 2026. See Note 6 of our condensed consolidated financial statements for additional information on the 2026 Financing Agreement.

Cash Requirements

Our primary use of cash is to fund operating expenses and capital expenditures (including leases of equipment and buildings), which consist of research and development expenditures, general and administrative expenditures, selling and marketing expenditures, clinical and regulatory expenditures, purchases of testing equipment, and build out of our laboratories. Cash used to fund such activities is impacted by the timing of when we pay or prepay these expenses.

We expect that we will continue to require additional capital to fund our operations and to continue to fund investments in the development and marketing of our solutions for the foreseeable future. For the remainder of 2026, we expect to incur increased expenses related to commercial expansion, research and development efforts and increase in pipeline trial activities. We may need or determine to raise additional capital through private or public equity or debt financings, through collaborative or other arrangements with corporate sources, or through other sources of financing. Requirements for additional capital will depend on many factors, including:

- the scope, timing, rate of progress and costs of our research efforts, preclinical development activities, laboratory testing, and clinical trials for our solutions;
- the number and scope of clinical programs we decide to pursue;

- the costs of expanding, maintaining, and upgrading our laboratory infrastructure, including investments in sequencing capacity, equipment, and related technology;
- the cost, timing, and outcome of preparing for and undergoing regulatory review of our solutions;
- the scope and costs of development and commercial manufacturing activities;
- the cost and timing associated with commercializing and marketing our solutions, including any regulatory authorization or marketing approval that may be required and the expansion of our commercial teams;
- the extent to which we acquire or in-license other complementary solutions or technologies;
- the costs of preparing, filing, and prosecuting patent applications, maintaining and enforcing our intellectual property rights, and defending intellectual property-related claims;
- our ability to establish and maintain collaborations on favorable terms, if at all;
- our efforts to enhance operational systems and our ability to attract, hire, and retain qualified personnel;
- our success in achieving broad coverage and adequate reimbursement for our solutions from third-party payers;
- our implementation of operational, financial, and management systems; and
- the costs associated with being a public company.

A change in the outcome of any of these or other variables with respect to the development and commercialization of any of our solutions could significantly change the costs and timing associated with such development and commercialization. Furthermore, our operating plans may change in the future, and we will continue to require additional capital to meet operational needs and capital requirements associated with such operating plans.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements have been prepared in conformity with GAAP. Any reference in these notes to applicable guidance is meant to refer to GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASUs") of the Financial Accounting Standards Board ("FASB"). The preparation of the condensed consolidated financial statements in conformity with GAAP requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting periods.

There have been no material changes to our critical accounting policies and estimates during the nine months ended September 30, 2026 as compared to the disclosures in our Annual Report on Form 10-K for the year ended December 31, 2025.

Emerging Growth Company Status

The JOBS Act permits an "emerging growth company" such as us to delay the adoption of new or revised accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this extended transition period for complying with new or revised accounting standards and, as a result, our results of operations and financial statements may not be comparable to those of companies that have adopted the new or revised accounting standards. We will remain an emerging growth company until the earliest to occur of: (1) the last day of the fiscal year in which we have at least $1.235 billion in total annual gross revenue; (2) the last day of the fiscal year in which we are deemed to be a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our common stock held by non-affiliates exceeded $700 million as of the last business day of the second fiscal quarter of such year; (3) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period; and (4) the last day of the fiscal year ending after the fifth anniversary of the date of the completion of the IPO (*i.e.* the fiscal year ending December 31, 2030).

Recent Accounting Pronouncements

See Note 2 of our condensed consolidated financial statements for more information regarding recently issued accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

The market risk inherent in our financial instruments and in our financial position represents the potential loss arising from adverse changes in interest rates. As of September 30, 2026, we had cash, cash equivalents, and restricted cash of $667.2 million, and short-term marketable securities of $102.1 million, consisting of interest-bearing money

market accounts and U.S. Treasury Notes, for which the fair market value would be affected by changes in the general level of United States interest rates. However, due to the short-term maturities and the low-risk profile of our investments, an immediate 100 basis point change in interest rates would not have a material effect on the fair market value of our cash and investments.

Our borrowings under the 2026 Term Loan also subject us to market risk associated with movements in interest rates associated with a forward-looking SOFR. We had $400.0 million in variable rate debt outstanding as of September 30, 2026. A hypothetical 100 basis point adverse movement in the interest rate would increase our annual interest expense by $4.0 million.

Foreign Currency Risk

Substantially all of our revenue is generated in the United States, and we do not believe we are currently subject to significant foreign currency risk. To date, foreign currency transaction gains and losses have not had a material impact on our operations, and we have not engaged in any foreign currency hedging transactions. As we expand our presence in the international market, our results of operations and cash flows are expected to increasingly be subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates. We will continue to reassess our approach to manage risk relating to fluctuations in currency rates as our international operations grow.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition or results of operations, other than its impact on the general economy, which includes labor costs. Nonetheless, if our costs, in particular personnel-related costs, continue to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

Item 4. Controls and Procedures

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our principal executive officer and principal financial officer have concluded that these disclosure controls and procedures were not effective at the reasonable assurance level as of September 30, 2026 due to the previously reported material weakness in our internal control over financial reporting pertaining to a lack of sufficient qualified accounting resources, including those necessary to account for and disclose accounting transactions that require complex calculations or thorough evaluation of the accounting literature.

Notwithstanding the material weakness in our internal control over financial reporting as of September 30, 2026, management believes that the condensed consolidated financial statements included in this Form 10-Q present fairly, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with accounting principles generally accepted in the United States.

Changes in Internal Control over Financial Reporting

During the quarter ended September 30, 2026, we continued our remediation efforts in connection with the previously identified material weakness. These remediation steps are ongoing and include the following:

- implementation of controls to enhance our review of significant accounting transactions and other new technical accounting and financial reporting issues and the preparation and review of accounting memoranda addressing these issues;
- implementation of controls to enable an effective and timely review of account analyses and account reconciliations; and
- continued hiring of additional accounting and finance resources with public company experience and expanding the capabilities of the existing accounting and financial personnel through continuous training and education in the accounting and reporting requirements under GAAP and SEC rules and regulations.

Our management has worked, and continues to work, to strengthen our internal control over financial reporting. We are committed to ensuring that controls are designed and implemented. The previously identified material weakness will not be considered remediated until the applicable remedial controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. We will not be able to conclude whether the steps we are taking will fully remediate the material weakness in our internal control over financial reporting until we have completed our remediation efforts and subsequent evaluation of their effectiveness. We may also conclude that additional measures may be required to remediate the material weakness in our internal control over financial reporting, which may necessitate additional implementation and evaluation time.

Other than the foregoing actions to remediate our material weakness, there was no change in our internal control over financial reporting identified during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

In March 2025, the Company received a Civil Investigative Demand ("CID") from the U.S. Department of Justice in connection with an investigation under the False Claims Act ("FCA") regarding the Company's compliance with Medicare's date of service rule (also referred to as the 14-day rule), particularly focused on patients of certain health care providers, and our policies, procedures, and training related to compliance with the 14-day rule. The related investigation continues to evolve and is in too early a stage to assess potential outcomes. The Company is cooperating with the investigation. We have implemented compliance policies, procedures, and training designed to foster compliance with the 14-day rule, but there can be no certainties regarding the outcome of this CID. In June 2022, we entered into a settlement agreement with the United States in connection with a previous investigation into our compliance with the 14-day rule. Pursuant to this settlement agreement, under which we admitted no fault or liability, we paid approximately $2.9 million in restitution and penalties and we obtained a nationwide release from all 14-day rule claims prior to January 1, 2018.

In addition to the matter described above, we are, from time to time, party to various claims and legal proceedings arising out of our ordinary course of business, including claims or proceedings relating to, among other things, regulatory matters, intellectual property, competition, tax, and employment matters, medical malpractice, product or professional liability or other tort claims. We cannot predict with certainty the results of any claims or proceedings. We may receive unfavorable preliminary or interim rulings in the course of litigation, and there can be no assurances that favorable final outcomes will be obtained.

Moreover, the existence of any claim or legal proceeding, regardless of the outcome, may adversely impact us because of diversion of management time and attention as well as the financial costs related to resolving such disputes. For additional information, see Part I, Item 1A, "Risk Factors—Risks Related to Regulation and Legal Compliance—We have been, are currently, and in the future may be the subject of government investigations, claims, audits, whistleblower and payer audits, overpayment and recoupment efforts and other litigation in the course of our business that could adversely affect our business and financial results" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the SEC on March 3, 2026.

Item 1A. Risk Factors

Our business faces a number of risks and uncertainties, whether currently known or unknown, including risks specific to us or our industry as well as risks that affect businesses in general. In addition to the information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risks discussed in Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the SEC on March 3, 2026. The risks and uncertainties disclosed in such Annual Report could materially adversely affect our business, financial condition, cash flows or results of operations and thus our stock price. Additional risks and uncertainties that we are not currently aware of, or that we currently believe are not material, may also adversely affect our business.

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

Use of Proceeds

On June 20, 2025, we completed our initial public offering in which we issued and sold 23,529,412 shares of our common stock at a public offering price of $21.00 per share, and on June 25, 2025 we issued and sold an additional 3,529,411 shares of common stock pursuant to the underwriters' exercise in full of their option to purchase additional shares. We received net proceeds of $519.5 million after deducting underwriting discounts and commissions of $39.8 million and deducting offering expenses of $9.0 million. No payments for such expenses were made directly or indirectly to (i) any of our officers or directors or their associates, (ii) any persons owning 10% or more of any class of our equity securities or (iii) any of our affiliates.

All shares sold were registered pursuant to a registration statement on Form S-1 (File No. 333-287551), as amended (the "Registration statement"), declared effective by the SEC on June 17, 2025. The offering terminated after the sale of all securities registered pursuant to the Registration Statement. BofA Securities, Inc., J.P. Morgan Securities LLC, Goldman Sachs & Co. LLC, and Citigroup Global Markets Inc. acted as representatives of the underwriters for the IPO.

We used a portion of the net proceeds from our IPO to satisfy tax withholding and remittance obligations related to the settlement of RSUs granted under our 2020 Plan that vested in connection with the initial public offering. There

has been no material change in the expected use of the net proceeds from our IPO as described in the final prospectus dated as of June 17, 2025 and filed with the SEC pursuant to Rule 424(b)(4) on June 20, 2025.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Share repurchase activity during the three months ended September 30, 2026, was as follows (in thousands, except number of shares and per-share amounts):

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate maximum dollar value of shares remaining that may yet be purchased under the plans or programs [1]
July 1, 2026 - July 31, 2026	—	$ —	—	
August 1, 2026 - August 31, 2026	514,525	$ 19.43	514,525	
September 1, 2026 - September 30, 2026	—	$ —	—	
Total	514,525		514,525	$ 72,098

[1] We maintain a share repurchase program authorized by the Board and announced on June 8, 2026. Under this program, we may repurchase shares from time to time. The timing and actual number of shares repurchased will depend on a variety of factors, including price, general business and market conditions. The share repurchase program may be effected through Rule 10b5-1 under the Securities Exchange Act of 1934, open market purchases or privately negotiated transactions. The program may be suspended or discontinued at any time.

Average price paid per share excludes the 1% excise tax on the net amount of our share repurchases required by the Inflation Reduction Act of 2022.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

Disclosure of Trading Arrangements

During the fiscal quarter ended September 30, 2026, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Description of Exhibit	Incorporated by Reference				Filed or Furnished Herewith
		Form	File No.	Exhibit Number	Filing Date	
3.1	Amended and Restated Certificate of Formation of Caris Life Sciences, Inc.	8-K	001-42706	3.1	June 20, 2025	
3.2	Amended and Restated Bylaws of Caris Life Sciences, Inc.	8-K	001-42706	3.1	October 30, 2025	
10.1†	Form of Restricted Stock Unit Award Agreement (Non-Employee Director) under the 2025 Incentive Plan, as amended and restated.					X
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).					X
101.SCH	Inline XBRL Taxonomy Extension Schema 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
104	Cover Page formatted as Inline XBRL and contained in Exhibit 101.					X

† Indicates a management contract or compensatory plan or arrangement.

* The certifications furnished in Exhibits 32.1 and 32.2 are not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

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.

CARIS LIFE SCIENCES, INC.

Date: November 04, 2026

By: /s/ David Dean Halbert

David Dean Halbert

Founder, Chairman, and Chief Executive Officer

(Principal Executive Officer)

Date: November 04, 2026

By: /s/ Luke Power

Luke Power

Senior Vice President, Chief Financial Officer, and Chief Accounting Officer

(Principal Financial and Accounting Officer)