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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025

OR

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

For the transition period from _____ to _____

Commission file number 001-39482

GeneDx Holdings Corp.

(Exact name of registrant as specified in its charter)

Delaware	**85-1966622**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

333 Ludlow Street, North Tower, 6th Floor
Stamford, Connecticut 06902
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(888) 729-1206**

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A common stock, par value $0.0001 per share	WGS	The Nasdaq Stock Market LLC
Warrants to purchase one share of Class A common stock, each at an exercise price of $379.50 per share	WGSWW	The Nasdaq Stock Market LLC

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

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

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

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7252(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

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

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

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

The aggregate market value of voting common stock held by non-affiliates of the registrant (assuming for purposes of this calculation, without conceding, that all executive officers and directors are "affiliates") was approximately $1.66 billion as of June 30, 2025 (the last business day of the registrant's most recently completed second fiscal quarter), based on the closing sale price of such stock as reported on the Nasdaq Global Select Market.

The registrant had outstanding 29,288,739 shares of Class A common stock as of February 17, 2026.

DOCUMENTS INCORPORATED BY REFERENCE

Part III incorporates information by reference from the registrant's definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A, not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K, in connection with the registrant's 2026 Annual Meeting of Stockholders (the "2026 Proxy Statement").

TABLE OF CONTENTS

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain matters discussed in this report, including matters discussed under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations," may constitute forward-looking statements for purposes of the Securities Act of 1933, as amended (the "Securities Act"), and the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. The words "anticipate," "believe," "estimate," "may," "expect" and similar expressions are generally intended to identify forward-looking statements. Our actual results may differ materially from the results anticipated in these forward-looking statements due to a variety of factors, including, without limitation, those discussed under the captions "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this report, as well as other factors which may be identified from time to time in our other filings with the Securities and Exchange Commission (the "SEC"), or in the documents where such forward-looking statements appear. All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements. Such forward-looking statements include, but are not limited to, statements about:

- our estimates of the sufficiency of our existing capital resources combined with future anticipated cash flows and future capital requirements to finance our operating requirements, and capital expenditures;
- our expectations for generating revenue, incurring losses, and remaining profitable on a sustained basis;
- unforeseen circumstances or other disruptions to normal business operations arising from general economic and political conditions such as recessions, fluctuating inflation, interest rates and tariff rates, government budget cuts and government shut downs, supply chain interruptions, manufacturing constraints, public health emergencies, natural disasters, acts of terrorism or other uncontrollable events;
- our ability to successfully implement our business strategy;
- our expectations or ability to enter into service, collaboration and other partnership agreements;
- our expectations or ability to build our own commercial infrastructure to scale, market and sell our products;
- our expectations about the reliability, accuracy or performance of our tests;
- our estimates of the total addressable market for our current and potential product offerings;
- our ability to realize the expected benefits of our acquisition of Fabric Genomics, Inc. ("Fabric Genomics") and the use of artificial intelligence ("AI");
- actions or authorizations by the U.S. Food and Drug Administration ("FDA"), or other regulatory authorities;
- risks related to governmental regulation and other legal obligations, including privacy, data protection, information security, consumer protection, and anti-corruption and anti-bribery;
- our ability to obtain and maintain intellectual property protection for our product candidates;
- our ability to compete against existing and emerging technologies;
- third-party payor reimbursement and coverage decisions, negotiations and settlements;
- our reliance on third-party service providers for our data programs;
- our accounting estimates and judgments, including our expectations regarding the adequacy of our reserves for third party payor claims, and the fair value of the contingent consideration liability and our conclusions regarding the appropriateness of the carrying value of intangible assets and goodwill for the Fabric Genomics acquisition;
- our stock price and its volatility; and
- our ability to attract and retain key personnel.

The forward-looking statements contained in this report reflect our views and assumptions only as of the date that this report is signed. Except as required by law, we assume no responsibility for updating any forward-looking statements.

We qualify all of our forward-looking statements by these cautionary statements. In addition, with respect to all of our forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Part I

Item 1. Business

Unless otherwise stated in this Annual Report or the context otherwise requires, references to:

- "GeneDx Holdings" refer to GeneDx Holdings Corp., a Delaware corporation;
- "Legacy GeneDx" refer to GeneDx, LLC, a Delaware limited liability company, which we acquired on April 29, 2022 (the "Acquisition");
- "Legacy Sema4" refer to Sema4 OpCo Inc., a Delaware corporation, which consummated the business combination with CM Life Sciences, Inc. ("CMLS") on July 22, 2021 (the "Business Combination");
- "Fabric Genomics" refer to Fabric Genomics, Inc., a Delaware corporation, which we acquired on May 5, 2025 (the "Merger"); and
- "we," "us" and "our," the "Company" and "GeneDx" refer, as the context requires, to GeneDx Holdings and its consolidated subsidiaries.

The Company's Class A common stock and public warrants are listed on the Nasdaq Global Select Market under the symbols "WGS" and "WGSWW," respectively.

Purpose

At GeneDx, our mission is to empower everyone to live their healthiest life through genomics. GeneDx combines clinical expertise, advanced technology, and the proprietary GeneDx Infinity™ dataset to power the ExomeDx™ and GenomeDx™ tests – ranked #1 by expert geneticists and granted FDA Breakthrough Device Designation – enabling clinicians to deliver precise, fast, and actionable diagnoses. GeneDx Infinity™ also fuels discovery for biopharma while supporting the network that we believe will drive the future of precision genetic medicine. We believe that what is best for patients must be embedded in every aspect of our work, and in support of these beliefs, we value equitability, simplicity, and transparency.

Overview

GeneDx was founded in 2000 by scientists from the National Institutes of Health whose mission was to make genetic testing accessible for patients with rare diseases. The company quickly became a leader in genomics, creating the foundation for how to provide genomic information at scale and pioneering exome and genome sequencing for rare and ultra-rare genetic pediatric disorders. 25 years later, we have amassed one of the world's largest rare disease datasets, GeneDx Infinity™, and remain a leader in genomics.

We believe exome and genome testing will become the standard for diagnosing genetic disease, with the potential to transform healthcare from reactive to proactive. We believe that we are positioned to usher in the next era of precision medicine by offering genetic diagnoses at the earliest moments, creating a patient-centric network to drive improved outcomes, and fueling discovery with the most powerful genomic intelligence.

Industry Background

Targeted genetic tests and panel testing still represent a meaningful portion of diagnostic tests ordered today. However, as healthcare increasingly moves toward genetics-informed and preventive care, the limitations of panel-based testing have become more pronounced, and exome and genome sequencing are moving closer to standard of care. Panels restrict analysis to a predefined set of genes based on an initial clinical hypothesis, which can result in inconclusive findings and delayed diagnoses—particularly for patients with overlapping, atypical, or evolving symptoms. This hypothesis-based approach is increasingly misaligned with the complexity of genetic disease and increasing access to high-quality exome and genome sequencing.

We believe that an affordable, scalable, and clinically actionable genome sequence will be a central element in the future of medicine. Historically, cost was one of the greatest barriers to broad adoption, but sequencing costs continue to decline with advancements in sequencing technology, competition, and scale. The more significant challenge today lies in transforming a genome's vast volume of data into insights that are timely, accurate, and actionable in routine clinical care. This requires the ability to rapidly interpret genomic data at scale and continuously improve interpretation based on new data and outcomes. Accurate and scalable interpretation depends on robust, well-curated gene–disease knowledge, continuously updated with real-world evidence, and supported by large, diverse datasets that reduce uncertainty and improve diagnostic yield. As datasets grow and interpretation improves, genomics increasingly enables earlier diagnoses, fewer uncertain results, and more informed clinical decision-making from the earliest moments.

In recent years, the genetic diagnostics industry has seen increasing momentum from several converging forces: growing clinician familiarity with genomics, expanding newborn and pediatric screening programs, improving reimbursement pathways for comprehensive testing, and the integration of artificial intelligence and automation into variant interpretation and reporting. Together, these trends are helping shift genomics from a specialized diagnostic tool toward a foundational layer of modern healthcare, supporting precise diagnoses, guiding personalized care plans, and accelerating therapeutic discovery.

The Genome Future

The genome is composed of 3 billion "letters", or base pairs, of DNA. The exome is a portion of the genome that encodes proteins, which are involved in many different types of cellular functions. Changes in DNA can change the way proteins are formed or utilized by the cell, potentially causing disease. When patients present with complex issues, a genetic diagnosis may be available, but a traditional genetic panel test may be too narrow to identify the cause. Exome and genome sequencing can find different genetic alterations, or variants, that more targeted tests miss and are especially useful when the timing is critical to directing or altering medical management.

With 25 years of operation, GeneDx has a proven track record of expertise in genetic testing, particularly exome and genome testing. We launched the industry's first commercially available Next Generation Sequencing panels in 2008 and pioneered exome sequencing in 2012. We have worked tirelessly to develop:

- One of the largest rare disease datasets in the world, GeneDx Infinity™;
- A laboratory operation that delivers accuracy, speed, and cost efficiency;
- Proprietary bioinformatics, AI, and variant interpretation pipelines;
- High-quality standard exome and genome products as well as rapid and ultraRapid genomes; and
- Genomic newborn screening protocols using a whole genome backbone.

We regularly enrich our products with new genomic technologies, including medium and long-read sequencing, and adding multimodal analysis beyond DNA to enhance our ability to serve more patients with speed, accuracy, and scale over time. These R&D programs generate data that compounds upon our library of over 1,100 peer-reviewed publications, further exemplifying our position at the forefront of genomic innovation.

The scalable exome and whole genome interpretation that we deliver at speed does not require a long, complex, and expensive step-wise testing approach and may make most other genetic tests obsolete. Additionally, exome and genome testing provide a streamlined test selection and ordering process for non-genetics clinicians who are increasing the utilization of genetic testing for their patients. We believe that we are positioned to continue leading the industry into the genome future.

GeneDx Infinity™

Over our 25-year history, we have amassed one of the largest rare disease datasets in the world, if not the largest. GeneDx Infinity™ is powered by data from over 2.5 million tests – including over 1 million exomes and genomes – and supplemented with more than 8 million phenotypic datapoints and billions of datapoints from longitudinal patient data, clinical data, claims data, and more. 60% of the exomes and genomes in GeneDx Infinity™ represent relative samples from trio testing, where biological relative samples are used as comparators to improve diagnostic quality. Importantly, the genomic data in GeneDx Infinity™ is incredibly diverse, with more than 50% of exomes and genomes representing individuals of non-European descent.

Each patient enriches the data density of GeneDx Infinity™, improving our ability to offer fast, actionable, and accurate diagnoses to the next patients. This flywheel effect further differentiates our interpretation capabilities across diverse populations. This flywheel is also accelerating – in 2025 alone, we added 30% more rare disease exomes and genomes into GeneDx Infinity™ than in the previous 24 years combined.

Our team of more than 100 MDs and PhDs and 150 genetic counselors transform GeneDx Infinity™ into clear, trusted answers that clinicians can act on with confidence. We are also applying AI tools – like our machine learning powered gene ranker, Multiscore – on top of GeneDx Infinity™ to harness the power of our data, scale our platform and increase speed and turnaround time.

The structured gene-disease knowledge curated by our team of experts is being enhanced through cutting edge tools to deliver even greater speed, scale, and operational efficiency. Implemented with a human in the loop, our advanced interpretation methods incorporate automation, bioinformatics, and cloud-based machine learning, enabling efficient discovery of genetic differences at previously undetectable levels. As the number of new patients we test grows, so does our database, and the new data increases the potential for greater insights. As we capture more genomic and phenotypic data, we hope to fuel a positive feedback cycle of discovery that continuously delivers more value for patients, providers and healthcare partners.

Market Opportunity

Our primary growth engine in the short term will be expanding adoption of our market-leading exome and genome testing in the pediatric outpatient setting among geneticists, pediatric neurologists, other pediatric specialists, and general pediatricians. General pediatricians represents the largest opportunity. Additionally, we plan to continue to expand into the Neonatal Intensive Care Unit ("NICU"), supplement our prenatal exome testing with a genome product for that setting, and translate our leadership to international markets via our recently acquired Fabric Genomics platform. Longer-term, we remain optimistic about our leading position in genomic newborn screening ("gNBS") and see the adult market as a future opportunity. Over time we expect more and more use cases and reimbursement pathways for exome and genome products to open up across a wide spectrum of pediatric and adult diseases, conditions and disorders.

As we plan for longer-term growth, we aim to bring whole genome newborn screening to the market and are engaged in three programs to build the body of evidence needed to make genomic newborn screening mainstream. Those programs include the GUARDIAN study, the BEACONS study, and the Sunshine Genetics Network. Additionally, we believe there is a large data partnership opportunity with biopharmaceutical ("biopharma") companies and precision medicine leaders.

By unlocking the value of our diagnostics products, GeneDx Infinity™, our network of relationships, and internal expertise, GeneDx is well positioned to lead in what we believe is a nearly $25 billion market opportunity in pediatric and rare disease and a nearly $20 billion market opportunity for adult disease and disorders. In tandem with these testing markets, we see potential upside as we put a growth strategy behind our data and biopharma partnerships business, expand internationally with Fabric Genomics, and unlock precision medicine opportunities.

Our Strategy

We believe that the span and depth of our experience and dataset allows us to return more positive findings and thus clinical utility, both immediately and over time through reanalysis, than other sources. Importantly, we believe that we return fewer uncertain findings compared to public datasets and competitors, which makes our analysis easier to interpret outside of the medical genetics community.

At the same time, we have improved quality and speed to delivery of exome and genome tests while significantly lowering sequencing costs since inception. Much of this decline was driven by reduced sequencing costs shared across the industry; however, we have reduced wet labor, processing, and interpretation costs through accumulating data and experience, and we expect a further decline in costs going forward.

Leveraging these capabilities, we aim to be the global market leader in the development and delivery of reliable, actionable, scalable exome and genome sequencing and interpretation and information services. Our strategy focuses on the following objectives:

- Expand the utilization of exome and genome sequencing as the first-tier test over most other genetically targeted tests by leveraging product enhancements and decades of earned trust amongst expert geneticists; and
- Expand the utilization of industry-leading exome and genome sequencing beyond geneticists, creating a new standard of care which enables faster diagnoses, reduces suffering, and helps healthcare systems save money. In the near term, our principal target markets will be general pediatrics, other pediatric specialists, the NICU, and late-stage prenatal testing. We expect those markets to expand over time as clinical utility and reimbursement evolve.

To achieve these objectives, we:

- Deploy our team of approximately 120 field-based sales representatives and medical science liaisons, and construct an industry-leading brand, product, marketing, communications and market access platform that leverages our expertise, rich data, and decades of earned trust across the genetics community.
- Partner with leaders across health systems, manufacturers, commercial and governmental payors and advocacy groups. We aim to collaborate on programs to establish definitive clinical and economic case for broad use of genomic-guided medicine. Such programs will focus on:
    - health economic data supporting rapid whole genome sequencing in the NICU;
    - diagnosis of disease and prevention of chronic conditions in adults; and
    - use of whole genome sequencing for broad newborn screening.
- Plan to open new markets and geographies and unlock the value of our dataset with independently scalable cloud-based interpretation and information service offerings. This will enable healthcare partners to incorporate genetics into clinical care by accessing our analysis and interpretation capabilities remotely while sequencing locally to reduce complexity, logistics cost and wait times, and align to local restrictions where applicable.

- Plan to launch a new provider and patient experience with the eventual goal of providing lifelong access and portability of genomic information. At initial sequence, rapid results provide clinicians with simple, actionable, easy to understand results for non-geneticists and tailored resources for patients and caregivers. On an ongoing basis, reanalysis unlocks a renewable source of insight, replacing any future germline screening. We will sequence once, and analyze for life.
- Plan to optimize our services to become a solutions provider of choice for biopharma companies. Such solutions will focus on value-added services such as:
    - Finding rare disease patients for clinical trial recruitment and/or delivery of targeted therapeutics.
    - Supporting research and development for targeted therapies with analytic reports leveraging clinicogenomics data across multiple therapeutic areas with an initial emphasis in rare disease.
    - Providing a therapeutic area agnostic platform to access data, patients and insights for real world evidence and data to support end-to-end drug discovery pipeline.
- Plan to leverage our position at the nexus of rare disease to create a network effect - uniting patients, researchers, biopharma, payers, policymakers, and health systems - and create solutions for some of the greatest challenges in the rare disease space and increase access to precision genetic medicine.

Research and Development

Our research and development activities include information technology, product development, customer experience, medical affairs, collaborations and research, including health economic and outcomes research ("HEOR"). These activities are principally focused on our efforts to develop and improve the software we use to analyze data, process genomic test orders, deliver reports, and improve customer experience.

We are also participating in certain collaborative studies aimed to provide evidence of the clinical and economic benefit for exome and whole genome sequencing. Two such studies currently underway include the SeqFirst study—in collaboration with Seattle Children's Hospital and University of Washington—which is designed to demonstrate the broad utility of rapid whole genome sequencing for critically ill newborns and, the Genomic Uniform-Screening Against Rare Diseases In All Newborns ("GUARDIAN") study—in collaboration with New York-Presbyterian, Columbia University, New York State Department of Health and Illumina, Inc.—which is designed to assess whole genome sequencing to screen newborns for more conditions than those currently included in standard newborn screening in the United States. The goals of these studies are to drive earlier diagnosis and treatment to improve the health of the newborns who participate in such studies, generate evidence to support the expansion of newborn screening through genomic sequencing, and characterize the prevalence and natural history of rare genetic conditions.

Competition

Our competitors include companies that offer molecular genetic testing and consulting services, including specialty and reference laboratories that offer traditional single- and multi-gene tests. In addition, there are a large number of new entrants into the market for genetic information ranging from informatics and analysis pipeline developers to focused, integrated providers of genetic tools and services for health and wellness, including Illumina, Inc., which is also one of our suppliers. In addition to the companies that currently offer traditional genetic testing services and research centers, other established and emerging healthcare, information technology and service companies may commercialize competitive products including informatics, analysis, integrated genetic tools and services for health and wellness. Principal competitors include companies such as Baylor Genetics, Tempus (via Ambry Genetics), Variantyx, and Rady Children's Hospital as well as other commercial and academic labs.

Customers and Seasonality

We receive payment for our products and services from third-party payors, patients, business-to-business clients, and from other healthcare partners. Substantially all of our revenue for the year ended December 31, 2025 was derived from diagnostic test reports and we expect this trend to continue in the near-term. Over time we expect to achieve a mix of revenue from diagnostic tests, data and information solutions, newborn screening products and information and interpretation services.

Approximately 1.5% of our revenues today are derived from referral sources outside of the United States. We expect over time to increase rest of world revenue as knowledge and understanding of the benefits of exome and whole genome sequencing continue to expand.

We typically experience higher revenue in our fourth quarter and lower revenue in the first quarter due in part to seasonal demand of our tests from patients who have met their annual insurance deductible. However, changes in our product and payor mix might cause these seasonal patterns to be different than future patterns of our revenue or financial performance.

For information regarding our customer concentration in relation to certain of the Company's third-party payors, see Note 2, "*Summary of Significant Accounting Policies*" in the notes to our consolidated financial statements.

Raw Materials and Suppliers

We rely on a limited number of suppliers, including Illumina, Inc., Life Technologies Corporation, Twist Biosciences Corporation, Path-Tec LLC and Agilent Technologies. for certain laboratory reagents, as well as sequencers and other equipment and materials, which we use in our laboratory operations. Our operations could be interrupted if we encounter delays or difficulties in securing reagents, sequencers or other equipment or materials, and if we cannot obtain an acceptable substitute. Any such interruption could significantly affect our business, financial condition, results of operations and reputation. We believe that there are only a few other manufacturers outside of those listed above that are currently capable of supplying and servicing the equipment necessary for our operations, including sequencers and various associated reagents and enzymes. The use of equipment or materials provided by these replacement suppliers would require us to alter our operations. Transitioning to a new supplier would be time consuming and expensive, may result in interruptions in operations, could affect the performance specifications of our laboratory operations or could require that we revalidate our tests. We cannot be certain that we will be able to secure alternative equipment, reagents and other materials, or bring such equipment, reagents and materials online and revalidate them without experiencing interruptions in our workflow. If we encounter delays or difficulties in securing, reconfiguring or revalidating equipment and materials, our business and reputation could be adversely affected.

Intellectual Property

We rely on a combination of intellectual property rights, including trade secrets, copyrights, trademarks, customary contractual protections to protect our core technology and intellectual property.

Patents

The fields of genomic and health information analysis present limited opportunities for patent protection, based on current legal precedents. Our patent protection strategy has focused on seeking protection for certain of our non-gene specific technology and our specific biomarkers. In this regard, we have one issued U.S. design patent, fourteen pending U.S. non-provisional utility patent applications, four pending U.S. provisional patent applications, and three pending international PCT patent applications. The issued U.S. design patent relates to a display screen with a graphical user interface. The utility patent applications include an international PCT patent application and a U.S. patent application related to performing phenotypic fit analysis, an international PCT patent application and two U.S. patent applications related to analyzing genetic variations and phenotypes, a U.S. patent application related to modeling inference of mutation impact, two U.S. patent applications related to generating a cancer determination from electronic health records using a cancer determination analysis system, a U.S. patent application related to providing a homologous recombination DNA repair deficiency score for a cancer patient, a U.S. patent application related to therapeutic treatment for subjects having certain polymorphic markers associated with specific human leukocyte antigen alleles, two U.S. patent applications relating to analyzing phenotype-causing genomic variants, two U.S. patent applications relating to prioritizing phenotype-causing genomic variants in combination with biomedical ontologies, two U.S. patent applications relating to prioritizing phenotype-causing genomic variants in combination with clinical information, and an international PCT patent application relating to analyzing long biological sequence data. If patents are issued from the currently pending applications, the earliest patents will begin expiring in the early 2030s, subject to potential extensions of the patent term that will be calculated based on the length of the patent examination process. The claim scope of any potentially issued patents stemming from the present applications may be narrower than included in the initial filings due to any amendments that may arise throughout their prosecution.

We do not presently have any patents directed to the sequences of specific genes or variants of such genes, nor do we currently rely on any in-licensed gene patent rights of any third party. We may, in time, seek additional patent protection to protect technology that is not gene-specific and that provides us with a potential competitive advantage as we focus on making comprehensive genetic information less expensive and more broadly available to our customers.

Trade Secrets

We rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain and develop our competitive position. We have a trade secrecy program to prevent disclosure of our trade secrets to others, except under stringent conditions of confidentiality when disclosure is critical to our business. We protect trade secrets and know-how by establishing confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors, contractors, and collaborators. These agreements also provide that all inventions resulting from work performed for us or relating to our business and conceived or completed during the period of employment or assignment, as applicable, will be our exclusive property. In addition, we take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of our proprietary information by third parties.

Our valuable trade secrets relate to proprietary bioinformatic tools such as:

- custom data processing methods and analytical pipelines for NGS, aCGH, MLPA, Sanger, and other genomic data, optimized and validated to the highest performance standards;
- a novel detection method to uncover notoriously difficult to detect sequence variants called mobile element insertions and partial-exon deletions; and
- custom variant analysis platforms built from the ground up for exome and genome-scale data interpretation.

Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees and consultants, these steps may be circumvented, or third parties may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or disclose our technology. Accordingly, we may not be able to meaningfully protect our trade secrets.

Trademarks

We own or are applying for various trademarks, service marks, trade names, and product service names in the U.S and other commercially important markets. We intend to invest significant resources in the growth and protection of our reputation and trademarks. Our trademark portfolio is designed to protect the brands for our products and services, both current and in the pipeline.

Human Capital Management

We believe that human capital management, including attracting, retaining, and developing a high-quality workforce, is critical to our long-term success. We are committed to creating a workplace that supports the success of its people by investing in their personal development and career growth. Our team of nearly 1,300 individuals are champions of not only our organization, but our patients, providers and partners.

Our development, performance, and compensation programs are designed to attract and reward talented individuals from a broad range of backgrounds and experiences who possess the skills necessary to support our business objectives, assist in the achievement of their career goals, our strategic goals, and ultimately create long term value for our stockholders.

We offer competitive compensation to attract and retain high quality talent, supported by a comprehensive total rewards package. In addition to base compensation, our employees may be eligible for bonuses or sales incentives, and equity awards under our equity incentive plans. We also provide the opportunity to participate in our employee stock purchase plan and a 401(k) plan with employee matching opportunities. We offer equity for certain positions because we believe ownership in the company strengthens alignment and commitment to our long-term success. We provide programs including healthcare and insurance benefits, wellness, health savings and flexible spending accounts, paid time off, family and parental leave, flexible work schedules, fertility, adoption and surrogacy assistance, and employee assistance programs.

We operate in an industry in which competition for highly qualified personnel is significant. In addition to compensation and benefits, we focus on talent acquisition, retention and development. We periodically conduct employee engagement surveys and use the results to inform internal priorities and management goals, including actions responsive to employee feedback. Our employee evaluation is intended to support development, identify and develop high performers, and strengthen leadership and management capabilities as the organization grows. We believe that our engagement survey results reflect our commitment to fostering a thriving workplace culture, even amidst significant organizational growth.

Government Regulation

Our business and the services (both current and in the pipeline) we provide are subject to and impacted by extensive and frequently changing laws and regulations in the United States (at both the federal and state levels) and internationally. Failure to comply with the applicable laws and regulations can subject us to repayment of amounts previously paid to us, significant civil and criminal penalties, loss of licensure, certification, or accreditation, or exclusion from state and federal health care programs. The significant areas of regulation are summarized below:

Clinical Laboratory Improvement Amendments of 1988 and State Regulation

Our clinical laboratories must hold certain federal, state and local licenses, certifications and permits to conduct our business. Laboratories in the United States that perform testing on human specimens for the purpose of providing information for the diagnosis, prevention, or treatment of disease or impairment, or the assessment of health are subject to the Clinical Laboratory Improvement Amendments of 1988, as amended, and its implementing regulations ("CLIA"). CLIA requires such laboratories to be certified by the federal government and mandates compliance with various operational, personnel, facilities administration,

inspections, quality control, quality assessment and proficiency testing requirements intended to ensure that testing services are accurate, reliable and timely. CLIA certification also is a prerequisite to be eligible to bill state and federal health care programs, as well as many commercial third-party payors, for laboratory testing services. Our laboratory located in Gaithersburg, Maryland is CLIA certified to perform high complexity tests. Laboratories performing high complexity testing are required to meet more stringent requirements than laboratories performing less complex tests. The regulatory and compliance standards applicable to the testing we perform may change over time, and any such changes could have a material effect on our business.

As a condition of CLIA certification, our laboratory is subject to survey and inspection every two years to assess compliance with program standards, in addition to being subject to additional random inspections. The biennial survey is conducted by the Centers for Medicare & Medicaid Services ("CMS"), a CMS agent (typically a state agency), or a CMS-approved accreditation organization. Our Gaithersburg laboratory has been accredited by the College of American Pathologists ("CAP"), which means that our laboratory has been certified as following CAP guidelines in operating the laboratory and in performing tests that ensure the quality of our results. Because our laboratory is accredited by CAP, which is a CMS-approved accreditation organization, CMS does not perform these biennial surveys and inspections and relies on our CAP surveys and inspections. We may also be subject to additional unannounced inspections.

CLIA provides that a state may adopt laboratory regulations consistent with those under federal law, and a number of states have implemented their own (sometimes more stringent) laboratory regulatory requirements. CLIA does not preempt state laws that have established laboratory quality standards that are at least as stringent as the federal law requirements under CLIA. State laws may require that nonresident laboratories, or out-of-state laboratories, maintain a laboratory license to perform tests on samples from patients who reside in that state. As a condition of state licensure, these state laws may require that laboratory personnel meet certain qualifications, specify certain quality control procedures or facility requirements, or prescribe record maintenance requirements. We maintain state laboratory licenses for our Gaithersburg facility in Maryland and in New York, California, Pennsylvania and Rhode Island. In addition to having a laboratory license in New York, our laboratory is also required to obtain approval on a test-specific basis for the tests it runs as laboratory developed tests ("LDTs") by the New York Department of Health before specific testing is performed on samples from New York. If any states currently have or adopt similar licensure requirements in the future, we may be required to modify, delay or stop our operations in those states.

If a laboratory is out of compliance with state laws or regulations governing licensed laboratories or with CLIA, penalties may include suspension, limitation or revocation of the license or CLIA certificate, assessment of civil monetary penalties or fines, civil injunctive suit or criminal penalties. Failure to comply with CLIA could also result in a directed plan of correction and state on-site monitoring. Loss of a laboratory's CLIA certificate or state license may also result in the inability to receive payments from state and federal health care programs as well as private third-party payors. We believe that we are in material compliance with CLIA and all applicable licensing laws and regulations.

CLIA and state laws and regulations, operating together, sometimes limit the ability of laboratories to offer consumer-initiated testing (also known as "direct access testing"). CLIA certified laboratories are permitted to perform testing only upon the order of an "authorized person," defined as an individual authorized under state law to order tests or receive test results, or both. Many states do not permit persons other than licensed healthcare providers to order tests. We currently do not offer direct access testing and our CLIA tests may only be ordered by authorized healthcare providers.

Diagnostic Products and FDA Oversight of Laboratory Developed Tests

FDA Oversight of Laboratory Developed Tests

We currently offer an LDT version of certain tests. Historically, the FDA has exercised a policy of enforcement discretion with respect to most LDTs, whereby the FDA did not actively enforce its medical device regulatory requirements for such tests. However, at various points in recent years, the FDA has indicated that it intends to end enforcement discretion for many tests offered as LDTs, and to require such tests to comply with certain FDA regulatory requirements. Agency officials have previously expressed significant concerns regarding performance disparities between some LDTs and in vitro diagnostics that have been reviewed, cleared, authorized or approved by the FDA.

On April 29, 2024, the FDA published a final rule on LDTs, in which the FDA outlined its plans to end enforcement discretion for many LDTs in five stages over a four-year period.

In response, multiple lawsuits were filed challenging the FDA's authority to regulate LDTs as medical devices under the Federal Food, Drug, and Cosmetic Act (FDCA). On March 31, 2025, the U.S. District Court for the Eastern District of Texas struck down the 2024 final rule on the grounds that the FDA exceeded its authority under the FDCA. The FDA did not appeal the court's ruling. As a result, clinical laboratories offering LDTs are not required to comply with any of the phases of the final rule.

Legislative proposals addressing the FDA's oversight of LDTs have also been introduced in previous Congresses, and we expect that new legislative proposals will be introduced from time-to-time. For example, versions of the Verifying Accurate Leading-edge IVCT Development Act (the "VALID Act") have been introduced in Congress several times in recent years, but the VALID Act has not been enacted. The VALID Act, as most recently proposed, would create a new category of medical products separate from medical devices called "in vitro clinical tests," or IVCTs. As most recently proposed, the VALID Act would modify the FDCA and establish a risk-based approach to imposing requirements related to premarket review, quality systems, and labeling requirements on all IVCTs, including LDTs, but a grandfathering provision would create exemptions from certain requirements for certain LDTs (e.g., LDTs first offered for clinical use not later than May 6, 2024). The likelihood that Congress will pass such legislation is difficult to predict at this time.

If the FDA ultimately regulates certain LDTs, our tests may be subject to certain additional regulatory requirements. Complying with the FDA's requirements can be expensive, time-consuming, and subject us to significant or unanticipated delays. Insofar as we may be required to obtain premarket clearance or approval to perform or continue performing an LDT, we cannot be sure that we will be able to obtain such authorization. Even if we obtain regulatory clearance or approval where required, such authorization may not be for the intended uses that we believe are commercially attractive or are critical to the commercial success of our tests. As a result, the application of the FDA's oversight to our tests could materially and adversely affect our business, financial condition, and results of operations.

We will continue to monitor changes to all LDT regulatory policy so as to ensure compliance with the current regulatory scheme. The FDA in the course of enforcing the FDCA may subject a company to various sanctions for violating FDA regulations or provisions of the FDCA, including requiring recalls, issuing Warning Letters, seeking to impose civil money penalties, seizing devices that the agency believes are non-compliant, seeking to enjoin distribution of a specific device, seeking to revoke a clearance or approval, seeking disgorgement of profits and/or seeking to criminally prosecute a company and its officers and other responsible parties.

Additionally, certain of our diagnostic products in development may be subject to regulation by the FDA and similar international health authorities. For these products, we would have an obligation to comply with applicable premarket review requirements, and adhere to the FDA's current Good Manufacturing Practices and diagnostic product regulations, including providing for an establishment and product listing with the FDA. Additionally, we would be subject to periodic FDA inspections, quality control procedures, and other detailed validation procedures. If the FDA finds deficiencies in the validation of our manufacturing and/or our quality control practices, it may impose restrictions on marketing specific products until corrected. Regulation by governmental authorities in the United States and other countries may be a significant factor in how we develop, test, produce and market our diagnostic test products.

In October 2025, we received Breakthrough Device Designation from the FDA for the analysis of DNA extracted from human blood specimens from pediatric or adult patients with unexplained constitutional or heritable disorders or syndromes, nonspecific or atypical clinical presentations, or for differential diagnoses including rapid neonatal testing in critical care, or postnatal detection of germline variants associated with causes of life-threatening diseases or genetic disorders in symptomatic patients (the "Breakthrough Device Designation Indications") using our ExomeDx™ and GenomeDx™ tests. Breakthrough Device Designation provides certain benefits, including more interactive and timely communications with FDA staff, potential use of post-market data collection to facilitate expedited development and review, opportunities for more efficient and flexible clinical study design, and prioritized review of premarket submissions. However, there can be no guarantee that these benefits will materialize or significantly impact our development and regulatory authorization process. We may not experience a faster development process, review, or authorization compared to conventional FDA procedures. Breakthrough Device Designation does not alter the regulatory standards for marketing authorization or guarantee that we will ultimately obtain FDA authorization for the Breakthrough Device Designation Indications using our ExomeDx™ and GenomeDx™ tests. Furthermore, the FDA may rescind Breakthrough Device Designation if it believes that the designation is no longer supported by data from our clinical development program. As with all FDA marketing authorizations, we will need to continue to comply with applicable regulations and standards, which may change over time.

Corporate Practice of Medicine

Numerous states prohibit business organizations from practicing medicine or employing or engaging physicians to practice medicine, which prohibitions are generally referred to as the prohibition against the corporate practice of medicine. These laws are intended to prevent interference in the medical decision-making process by anyone who is not a licensed physician. For example, California law establishes that determining what diagnostic tests are appropriate for a particular condition and taking responsibility for the ultimate overall care of the patient, including providing treatment options available to the patient, would constitute the unlicensed practice of medicine if performed by an unlicensed person. Violation of these corporate practice of medicine prohibitions may result in civil or criminal fines, as well as sanctions imposed against us and/or the professional through licensure proceedings.

Other Regulatory Requirements

We are subject to laws and regulations related to the protection of the environment, the health and safety of employees and the handling, transportation and disposal of regulated medical waste, hazardous waste and biohazardous waste, including chemical, biological agents and compounds, blood and bone marrow samples and other human tissue, and radioactive materials. For example, the U.S. Occupational Safety and Health Administration has established extensive requirements relating specifically to workplace safety for healthcare employers in the United States. For purposes of transportation, some biological materials and laboratory supplies are classified as hazardous materials and are subject to regulation by one or more of the following: the U.S. Department of Transportation, the U.S. Public Health Service, the U.S. Postal Service, the Office of Foreign Assets Control and the International Air Transport Association. We generally use third-party vendors to dispose of regulated medical waste, hazardous waste and radioactive materials and contractually require them to comply with applicable laws and regulations. These vendors are licensed or otherwise qualified to handle and dispose of such wastes.

Federal and State Healthcare Fraud & Abuse Laws

Federal and State Physician Self-Referral Prohibitions

We are subject to the federal physician self-referral prohibitions, commonly known as the Stark Law. These restrictions generally prohibit a physician who has (or whose immediate family member has) a financial relationship, such as an ownership or investment interest in or compensation arrangement with us, from making referrals for "designated health services", including clinical laboratory services, if payment for the services may be made under Medicare. If such a financial relationship exists, referrals are prohibited unless a statutory or regulatory exception applies. The Stark Law also prohibits us from billing for any such prohibited referral. These prohibitions apply regardless of any intent by the parties to induce or reward referrals or the reasons for the financial relationship and the referral. Several Stark Law exceptions are relevant to many common financial relationships involving clinical laboratories and referring physicians and may be relied upon if all of the elements of the applicable exception are satisfied. Penalties for violating the Stark Law include the return of funds received for all prohibited referrals, fines, civil monetary penalties and possible exclusion from federal health care programs. In addition, violations of the Stark Law may also serve as the basis for liability under the federal False Claims Act (the "FCA"), which can result in additional civil and criminal penalties. Several states have enacted comparable self-referral laws which may be broader in scope and apply regardless of payor.

Federal and State Anti-Kickback Laws

The federal Anti-Kickback Statute (the "AKS"), makes it a felony for a person or entity, including a clinical laboratory, to, among other things, knowingly and willfully offer, pay, solicit or receive any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, in order to induce or reward either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made under federal health care programs. The government may also assert that a claim that includes items or services resulting from a violation of the AKS constitutes a false or fraudulent claim under the FCA, which is discussed in greater detail below. Additionally, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. Although the AKS applies only to items and services reimbursable under any federal health care program, a number of states have passed statutes substantially similar to the AKS that apply to all payors or to state program payors. Penalties for violations of such laws include imprisonment and significant monetary fines and, in the case of the AKS, exclusion from federal health care programs. Federal and state law enforcement authorities scrutinize arrangements between health care providers and potential referral sources to ensure that the arrangements are not designed as a mechanism to induce patient care referrals or induce the purchase or prescribing of particular products or services. Generally, courts have taken a broad interpretation of the scope of the AKS, holding that the statute may be violated if merely one purpose of a payment arrangement is to induce referrals or purchases. In addition to statutory exceptions to the AKS, regulations provide for a number of safe harbors. If an arrangement meets the conditions of an applicable exception or safe harbor, it is deemed not to violate the AKS. An arrangement must fully meet each condition of an applicable exception or safe harbor in order to qualify for protection. Failure to meet the conditions of a safe harbor, however, does not render an arrangement illegal. Rather, the government may evaluate such arrangements on a case-by-case basis, taking into account all facts and circumstances.

In addition, the federal Eliminating Kickbacks in Recovery Act of 2018 (the "EKRA"), prohibits knowingly and willfully soliciting or receiving any remuneration (including any kickback, bribe or rebate) directly or indirectly, overtly or covertly, in cash or in kind, in return for referring a patient or patronage to a laboratory; or paying or offering any remuneration (including any kickback, bribe or rebate) directly or indirectly, overtly or covertly, in cash or in kind, to induce a referral of an individual to a laboratory and certain other entities or in exchange for an individual using the services of such entities. The EKRA applies to all payors including commercial payors and government payors, and EKRA violations result in significant fines and/or up to 10 years in jail, separate and apart from existing AKS liability. Several EKRA exceptions are relevant to many common financial

relationships involving clinical laboratories and may be relied upon if all of the elements of the applicable exception are satisfied. Failure to meet the requirements of an exception, however, does not render an arrangement illegal. Rather, the government may evaluate such arrangements on a case-by-case basis, taking into account all facts and circumstances.

Other Federal and State Fraud & Abuse Healthcare Laws

In addition to the requirements discussed above, several other health care fraud and abuse laws could have an effect on our business.

The FCA prohibits, among other things, a person from knowingly presenting, or causing to be presented, a false or fraudulent claim for payment or approval and from, making, using, or causing to be made or used, a false record or statement material to a false or fraudulent claim in order to secure payment or retaining an overpayment by the federal government. Under the FCA, a person acts knowingly if he or she has actual knowledge of the information or acts in deliberate ignorance or in reckless disregard of the truth or falsity of the information. Specific intent to defraud is not required. FCA violations can result in penalties of up to three times the actual damages sustained by the government, plus civil penalties for each false claim. In addition to actions initiated by the government itself, the statute authorizes actions to be brought on behalf of the federal government by a private party having knowledge of the alleged fraud. Because the complaint is initially filed under seal, the action may be pending for some time before the defendant is even aware of the action. If the government intervenes and is ultimately successful in obtaining redress in the matter or if the plaintiff succeeds in obtaining redress without the government's involvement, then the plaintiff will receive a percentage of the recovery. Several states have enacted comparable false claims laws which may be broader in scope and apply regardless of payor.

The Social Security Act includes civil monetary penalty provisions that impose penalties against any person or entity that, among other things, is determined to have presented or caused to be presented a claim to a federal health program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent. Several states have enacted comparable laws which may be broader in scope and apply regardless of payor. In addition, a person who offers or provides to a Medicare or Medicaid beneficiary any remuneration, including waivers of co-payments and deductible amounts (or any part thereof), that the person knows or should know is likely to influence the beneficiary's selection of a particular provider, practitioner or supplier of Medicare or Medicaid payable items or services may be liable under the civil monetary penalties law. Moreover, in certain cases, providers who routinely waive copayments and deductibles for Medicare and Medicaid beneficiaries, can also be held liable under the civil monetary penalty provisions and certain other laws, such as the AKS and FCA. One of the statutory exceptions to the civil monetary penalty prohibition is non-routine, unadvertised waivers of copayments or deductible amounts based on individualized determinations of financial need or exhaustion of reasonable collection efforts. The Office of Inspector General of the U.S. Department of Health and Human Services ("HHS"), emphasizes, however, that this exception should only be used occasionally to address special financial needs of a particular patient. States may have similar prohibitions.

Other Federal and State Healthcare Laws

In addition to the fraud and abuse laws discussed above, our business potentially is subject to the following additional healthcare regulatory laws:

Laws Governing Genetic Counseling Services

Our genetic counseling partner may provide services via electronic means that could subject it to various federal, state and local certification and licensing laws, regulations and approvals, relating to, among other things, the adequacy of health care, the practice of medicine and other health professions (including the provision of remote care and cross-coverage practice), equipment, personnel, operating policies and procedures and the prerequisites for ordering laboratory tests. Some states have enacted regulations specific to providing services to patients via telehealth. Such regulations include, among other things, informed consent requirements that some states require providers to obtain from their patients before providing telehealth services. Health professionals who provide professional services using telehealth modalities must, in most instances, hold a valid license to practice the applicable health profession in the state in which the patient is located. In addition, certain states require a physician providing telehealth to be physically located in the same state as the patient. Any failure to comply with these laws and regulations could result in civil or criminal penalties against telehealth providers.

Clinical and Human Subjects Research Regulations

We may collaborate or support ongoing clinical or other human subjects research that could subject us to a number of laws and regulations pertaining to such research, including, but not limited to the Federal Policy for Protection of Human Subjects (as set forth in the implementing regulations of any signatory federal department or agency), the FDCA and its applicable implementing regulations at 21 C.F.R. Parts 11, 50, 54, 56, 58 and 812 and all equivalent legal requirements in other jurisdictions.

Privacy and Security Laws

Health Insurance Portability and Accountability Act

Under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), HHS has issued regulations to protect the privacy and provide for the security of protected health information ("PHI") used or disclosed by covered entities, including most health care providers and their respective business associates, as well as the business associates' subcontractors. HIPAA also regulates standardization of data content, codes, and formats used in certain health care transactions and standardization of identifiers for health plans and providers. Four principal regulations with which we are required to comply have been issued in final form under HIPAA and HITECH: privacy regulations, security regulations, breach notification regulations, and standards for electronic transactions, which establish standards for common healthcare transactions.

The privacy regulations cover the use and disclosure of PHI by covered entities as well as business associates, which are persons or entities that perform certain functions for or on behalf of a covered entity that involve the creation, receipt, maintenance, or transmission of PHI. Business associates are defined to include a subcontractor to whom a business associate delegates a function, activity, or service, other than in the capacity of the business associate's workforce. As a general rule, a covered entity or business associate may not use or disclose PHI except as permitted or required under the privacy regulations. The privacy regulations also set forth certain rights that an individual has with respect to his or her PHI maintained by a covered entity or business associate, including the right to access or amend certain records containing his, her or their PHI, request restrictions on the use or disclosure of his, her or their PHI, or request an accounting of disclosures of his or her PHI.

Covered entities and business associates also must comply with the security regulations, which establish requirements for safeguarding the confidentiality, integrity, and availability of PHI that is electronically transmitted or electronically stored. In addition, HITECH, among other things, established certain PHI breach notification requirements with which covered entities and business associates must comply. In particular, a covered entity must notify any individual whose unsecured PHI is breached according to the specifications set forth in the breach notification rule. A covered entity must also notify the Secretary of HHS and, under certain circumstances, the media of a breach of unsecured PHI.

The HIPAA privacy, security, and breach notification regulations establish a uniform federal "floor" and do not preempt state laws that are more stringent or provide individuals with greater rights with respect to the privacy or security of, and access to, their records containing PHI or insofar as such state laws apply to personal information that is broader in scope than PHI. In addition, individuals (or their personal representatives, as applicable) generally have the right to access test reports directly from laboratories and to direct that copies of those reports be transmitted to persons or entities designated by the individual.

HIPAA authorizes state attorneys general to file suit on behalf of their residents for violations. Courts are able to award damages, costs, and attorneys' fees related to violations of HIPAA in such cases. While HIPAA does not create a private right of action allowing individuals to file suit against us in civil court for violations of HIPAA, its standards have been used as the basis for duty of care cases in state civil suits such as those for negligence or recklessness in the misuse or breach of PHI. In addition, violations of HIPAA could result in significant penalties imposed by the HHS's Office for Civil Rights. HIPAA also mandates that the Secretary of HHS conduct periodic compliance audits of HIPAA covered entities, such as us, and their business associates for compliance with the HIPAA privacy and security standards. It also tasks HHS with establishing a methodology whereby harmed individuals who were the victims of breaches of unsecured PHI may receive a percentage of the civil monetary penalty paid by the violator.

HHS announced on December 27, 2024, and published in the Federal Register on January 6, 2025, a Notice of Proposed Rulemaking proposing extensive modifications to the HIPAA security regulations. If finalized, these modifications could entail significant additional compliance obligations and costs for HIPAA-regulated covered entities and business associates.

Further, there are a number of state laws regarding the privacy and security of health information and personal data that are applicable to our clinical laboratories. We believe that we have taken the steps required of us to comply with health information privacy and security statutes and regulations in all jurisdictions, both state and federal, and we intend to continue to comprehensively protect all personal information and to comply with all applicable laws regarding the protection of such information. However, these laws constantly change, and we may not be able to maintain compliance in all jurisdictions where we do business. Failure to maintain compliance, including in connection with changes in state or federal laws regarding privacy or security, could result in civil and/or criminal penalties as well as significant reputational damage and could also have a material adverse effect on our business.

California and Other State Consumer Privacy Laws

The California Consumer Privacy Act, as amended by the California Privacy Rights Act (together with the California Consumer Privacy Act, the "CCPA"), confers to California consumers, among other things, the right to receive notice of the categories of personal information that will be collected by a business, how the business will use and share the personal information, and the categories of third parties who will receive the personal information. The CCPA also confers rights to access, delete, correct, or request a portable dataset, the right to limit processing of "sensitive personal information," and the right to receive equal service and pricing from a business after exercising a consumer right granted by the CCPA. In addition, the CCPA allows California consumers the right to opt out of the "sale" of their personal information, which the CCPA defines broadly as any disclosure of personal information to a third party in exchange for monetary or other valuable consideration. The CCPA also allows California consumers to opt out of the "sharing" of information, which restricts a company's use of personal information for cross-context behavioral advertising. The CCPA requires a business to implement reasonable security procedures to safeguard personal information against unauthorized access, use, or disclosure and imposes purpose limitation, data minimization, data retention and other security compliance obligations on regulated businesses. The CCPA requires businesses to include specific provisions in contracts with third parties that process data on a business's behalf regarding the third party's processing and management of such data.

The CCPA does not apply to personal information that is PHI under HIPAA and that is collected by a business associate or covered entity under HIPAA. The CCPA also exempts patient information that is processed by a covered entity and maintained in the same manner as PHI. Accordingly, the CCPA will not apply to much of the genetic testing and patient information we collect and process. However, we are required to comply with the CCPA insofar as we collect other categories of California consumers' personal information, such as information about California-based employees, contractors, business contacts and website visitors.

The CCPA is enforceable through administrative fines of up to $2,663 for each violation, or $7,988 for intentional violations or where the violator has actual knowledge that the personal information relates to an individual under 16 years of age.

In addition to the CCPA, by the end of 2025, there were sixteen other states that had consumer privacy laws come into effect, including Colorado, Connecticut, Delaware, Florida, Iowa, Maryland, Minnesota, Montana, Nebraska, New Hampshire, New Jersey, Oregon, Tennessee, Texas, Utah, and Virginia. Three more states will have comprehensive consumer data privacy laws that come into effect in 2026, and many other states have introduced or enacted similar consumer privacy laws. These new state privacy laws and any potential federal consumer privacy law will and would impose additional data protection obligations on covered businesses, including additional consumer rights, limitations on data uses, new audit requirements for higher risk data and opt outs for certain uses of sensitive data. The new and proposed privacy laws may result in further uncertainty and may require us to incur additional expenditures to comply. These regulations and legislative developments have potentially far-reaching consequences and may require us to modify our data management and data use practices and incur substantial compliance expense. Our failure to comply with applicable laws and regulations or other obligations to which we may be subject relating to personal data, or to protect personal data from unauthorized access, use, or other processing, could result in enforcement actions and regulatory investigations against us, claims for damages by customers and other affected individuals, fines, damage to our reputation, and loss of goodwill, any of which could have a material adverse effect on our operations, financial performance, and business.

Genetic Privacy and Testing Laws

We are subject to myriad laws that require us to establish safeguards for the conduct of genomic testing and analysis and to protect against the misuse of genetic information and human biological specimens ("samples") from which genetic information can be derived. These laws vary in their scope and in the nature of their requirements and restrictions. For example, certain genetic privacy laws prohibit the retention of samples after performing a genomic analysis and prohibit the collection, use or disclosure of genetic information or samples for certain purposes, such as research, without appropriate informed consent from the individual or unless the genetic information or samples are appropriately de-identified. Other laws may impose additional requirements, including requirements regarding institutional review board review and approval for certain research uses of genetic information or samples or requirements to implement certain security controls in connection with the transfer of genetic information. We must comply with such genetic privacy and testing laws in our collection, use, disclosure and retention of genetic information and samples.

Other Data Protection Laws

There are a growing number of jurisdictions around the globe that have privacy and data protection laws that may apply to us as we enter or expand our business in jurisdictions outside of the United States. These laws are typically triggered by a company's establishment or physical location in the jurisdiction, data processing activities that take place in the jurisdiction, and/or the processing of personal information about individuals located in that jurisdiction that are targeted, for example, by an offer of

goods or services or by monitoring their activities. Certain data protection laws, such as those in the European Union, (the "EU") and United Kingdom (the "UK"), are comprehensive in nature and include significant requirements around the processing of personal information, while other jurisdictions may have no privacy and data protection laws or privacy and data protection laws less restrictive or prescriptive than those in the United States. Enforcement of these laws varies from jurisdiction to jurisdiction, with a variety of consequences, including civil or criminal penalties or the loss of a license to operate in the jurisdiction, individual litigation rights, or damage to our reputation.

For example, the EU's General Data Protection Regulation ("GDPR"), including as implemented and amended through the UK Data Protection Act 2018 ("UK GDPR"), applies to any data collection, use and sharing in the context of an establishment in the EU or UK as well as extraterritorially to any entity outside the EU and UK when they process personal information related to an offer of goods or services to, or monitoring the behavior of, individuals who are located in the EU or UK, respectively. The GDPR and UK GDPR impose requirements on controllers and processors of personal data, including when personal information is transferred outside of the EU or the UK to another country and enhanced protections for "special categories" of personal data, which include sensitive information such as health and genetic information of data subjects. The GDPR and UK GDPR also grant individuals various rights in relation to their personal data including the rights of access, rectification, objection to certain processing and deletion. The GDPR and UK GDPR provide individuals with an express right to seek legal remedies if the individual believes his or her rights have been violated. Failure to comply with the requirements of the GDPR or the related national data protection laws of the member states of the EU, which may deviate from or be more restrictive than the GDPR, or a failure to comply with the UK GDPR may also result in significant administrative fines and restrictions on our business operations issued by EU or UK regulators.

Information Blocking Prohibition

On May 1, 2020, the Office of the National Coordinator for Health Information Technology ("ONC") promulgated final regulations under the authority of the 21st Century Cures Act to impose new conditions to obtain and maintain certification of certified health information technology and prohibit certain covered actors, including developers of certified health information technology, health information networks/health information exchanges, and health care providers, from engaging in activities that are likely to interfere with the access, exchange, or use of electronic health information (information blocking). The final regulations further defined exceptions for activities that are permissible, even though they may have the effect of interfering with the access, exchange, or use of electronic health information. The information blocking regulations compliance date was April 5, 2021 and the HHS subsequently issued a final rule called the HTI-1 Rule that, among other things, revised the information blocking regulations, effective March 11, 2024. Since then, ONC has published in the Federal Register several proposed and final rules that, among other things, propose to or further revise the information blocking regulations. Under the 21st Century Cures Act, health care providers that violate the information blocking prohibition will be subject to appropriate disincentives. On July 1, 2024, the HHS published in the Federal Register a final rule to establish such disincentives, effective July 31, 2024. Developers of certified information technology and health information networks/health information exchanges may be subject to civil monetary penalties of up to $1 million per violation (adjusted for inflation). The HHS Office of Inspector General has the authority to impose such penalties and on July 3, 2023, published a final rule in the Federal Register codifying new authority in regulation, which became effective September 1, 2023. On July 29, 2024, HHS published a statement in the Federal Register that, among other things, announced a reorganization of certain roles and functions and renamed ONC the Assistant Secretary for Technology Policy and Office of the National Coordinator for Health Information Technology, or ASTP/ONC.

Federal and State Consumer Protection Laws

The Federal Trade Commission (the "FTC") is an independent U.S. law enforcement agency charged with protecting consumers and enhancing competition across broad sectors of the economy. The FTC's primary legal authority with respect to data privacy and security comes from Section 5 ("Section 5") of the Federal Trade Commission Act (the "FTC Act"), which prohibits unfair or deceptive acts or practices in the marketplace. The FTC has increasingly used this broad authority to police data privacy and security, using its powers to investigate and bring lawsuits. Where appropriate, the FTC can seek a variety of remedies, such as but not limited to requiring the implementation of comprehensive privacy and security programs, biennial assessments by independent experts, monetary redress to consumers, and provision of robust notice and choice mechanisms to consumers. In addition to its enforcement mechanisms, the FTC uses a variety of tools to protect consumers' privacy and personal information, including pursuing enforcement actions to stop violations of law, conducting studies and issuing reports, hosting public workshops, developing educational materials and testifying before the U.S. Congress on issues that affect consumer privacy. Recently, the FTC has issued guidance emphasizing that their authority to prevent unfair or deceptive acts or practices extends to advertising and marketing claims for health care and health-related products.

The majority of data privacy cases brought by the FTC fall under the "deceptive" acts prong of Section 5. These cases often involve a failure on the part of a company to adhere to its own privacy and data protection principles set forth in its policies or other statements made to consumers. To avoid Section 5 violations, the FTC encourages companies to build privacy protections

and safeguards into relevant portions of their business, and to consider privacy and data protection as the company grows and evolves. In addition, privacy notices should clearly and accurately disclose the type(s) of personal information the company collects, how the company uses and shares that information, and the security measures used by the company to protect that information.

In recent years, the FTC's enforcement under Section 5 related to data security has included alleged violations of the "unfairness" prong. Many of these cases have alleged that companies were unfair to consumers because they failed to take reasonable and necessary measures to protect consumer data. The FTC has not provided bright line rules defining what constitutes "reasonable and necessary measures" for implementing a cybersecurity program, but it has provided guidance, tips and advice for companies. The FTC has also published past complaints and consent orders, which it urges companies to use as guidance to help avoid an FTC enforcement action, even if a data breach or loss occurs.

In addition to the FTC Act, most U.S. states have unfair and deceptive acts and practices statutes, known as Unfair Deceptive Acts and Practices ("UDAP") statutes, that substantially mirror the FTC Act and have been applied in the privacy and data security context. These vary in substance and strength from state to state. Many have broad prohibitions against unfair and deceptive acts and practices. These statutes generally allow for private rights of action and are enforced by the states' Attorneys General.

Reimbursement and Billing

In April 2014, Congress passed the Protecting Access to Medicare Act of 2014 ("PAMA"), which included substantial changes to the way in which clinical laboratory services are paid under Medicare. Under PAMA (as amended) and its implementing regulations, laboratories that realize at least $12,500 in Medicare Clinical Laboratory Fee Schedule ("CLFS") revenues during the six month reporting period and that receive the majority of their Medicare revenue from payments made under the CLFS or the Physician Fee Schedule must report, beginning in 2017, and then in 2026 and every three years thereafter (or annually for "advanced diagnostic laboratory tests"), private payor payment rates and volumes for their tests. None of our tests meet the current definition of advanced diagnostic laboratory tests, and therefore we believe we are required to report private payor rates for our tests on an every-three-years basis, starting next in 2026. The Centers for Medicare & Medicaid Services ("CMS") use the rates and volumes reported by laboratories to develop Medicare payment rates for the tests equal to the volume-weighted median of the private payor payment rates for the tests. Laboratories that fail to report the required payment information may be subject to substantial civil money penalties.

As set forth under the regulations implementing PAMA, for tests furnished on or after January 1, 2018, Medicare payments for clinical diagnostic laboratory tests are paid based upon these reported private payor rates. For clinical diagnostic laboratory tests that are assigned a new or substantially revised code, initial payment rates for clinical diagnostic laboratory tests that are not advanced diagnostic laboratory tests will be assigned by the crosswalk or gap-fill methodology, as under prior law. Initial payment rates for new advanced diagnostic laboratory tests will be based on the actual list charge for the laboratory test.

The payment rates calculated under PAMA went into effect starting January 1, 2018. Where applicable, reductions to payment rates resulting from the new methodology were limited to 10% per test per year in each of the years 2018 through 2020. Rates were held at 2020 levels during 2021 through 2025 and will continue to be held at such levels in 2026. Then, where applicable based upon median private payor rates reduced by up to 15% per test per year for each of 2027 through 2029.

PAMA codified Medicare coverage rules for laboratory tests by requiring any local coverage determination to be made following the local coverage determination process. PAMA also authorizes CMS to consolidate coverage policies for clinical laboratory tests among one to four laboratory-specific Medicare Administrative Contractors. These same contractors may also be designated to process claims if CMS determines that such a model is appropriate. It is unclear whether CMS will proceed with contractor consolidation under this authorization.

PAMA also authorized the adoption of new, temporary billing codes and/or unique test identifiers for FDA-cleared or approved tests as well as advanced diagnostic laboratory tests. The American Medical Association has created a section of billing codes, Proprietary Laboratory Analyses ("PLA"), to facilitate implementation of this section of PAMA. These codes may apply to one or more of our tests if we apply for PLA coding.

Reimbursement and billing for diagnostic services is highly complex, and errors in billing potentially can result in denied claims and/or in substantial obligations to repay overpayments to payors. Laboratories must bill various payors, such as private third-party payors, including managed care organizations ("MCO"), and state and federal health care programs, such as Medicare and Medicaid, and each may have different billing requirements. Additionally, the audit requirements we must meet to ensure compliance with applicable laws and regulations, as well as our internal compliance policies and procedures, add further complexity to the billing process. Other factors that complicate billing include:

- variability in coverage and information requirements among various payors;
- patient financial assistance programs;
- missing, incomplete or inaccurate billing information provided by ordering physicians;
- billings to payors with whom we do not have contracts;
- disputes with payors as to which party is responsible for payment; and
- disputes with payors as to the appropriate level of reimbursement.

Depending on the reimbursement arrangement and applicable law, the party that reimburses us for our services may be:

- a third party who provides coverage to the patient, such as an insurance company or MCO;
- a state or federal healthcare program; or
- the patient.

Available Information

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to these reports, as well as our other SEC filings, are available free of charge on our website, www.genedx.com, as soon as reasonably practicable after such reports are electronically filed with or furnished to the SEC. The information contained on our website is not incorporated by reference in this document.

We have used, and intend to continue to use, our website, investor relations website (accessible via our website), and social media accounts, including our LinkedIn page, our Instagram page, and our Facebook page, as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD.

Item 1A. Risk Factors

You should carefully review and consider the following risk factors and the other information contained in this Annual Report on Form 10-K as well as in our other filings with the SEC before deciding whether to invest in our securities. We cannot assure you that any of the events discussed below will not occur. These events could have a material and adverse impact on our business, financial condition, results of operations and prospects. Unless otherwise indicated, references to our business being harmed in these risk factors will include harm to our business, reputation, financial condition, results of operations, net revenue and future prospects. In such event, the trading price of our securities could decline, and you could lose all or part of your investment. This discussion does not address all of the risks that we face, and we may face additional risks and uncertainties that are not presently known to us, or that we currently deem immaterial, which may also impair our business or financial condition. The following discussion should be read in conjunction with the consolidated financial statements and notes thereto included herein.

Risk Factors Summary

Our business is subject to a number of risks and uncertainties, including those risks discussed at length below. These risks include, among others, the following:

- We need to scale our infrastructure in advance of demand for our products and services, and our failure to sustain sufficient demand for our products and services would have a negative impact on our business and our ability to maintain profitability.
- We face intense competition. If we do not continue to innovate and provide products and services that are useful to customers, including providers and patients, and partners, we may not remain competitive, which could harm our business and operating results.
- If third-party payors, including managed care organizations, private health insurers and government health plans, do not provide adequate reimbursement for our tests, or seek to amend or renegotiate their fee reimbursement schedules, or if we are unable to comply with their requirements for reimbursement, our commercial success could be negatively affected.
- We use artificial intelligence in our business, and challenges with properly managing its use could result in reputational harm, competitive harm, and legal liability, and adversely affect our results of operations.
- We may need to raise additional capital to fund our existing operations, develop additional products and services, commercialize new products and services or expand our operations.
- If we fail to comply with federal and state laboratory licensing requirements or standards, we could lose the ability to perform our tests or experience disruptions to our business.
- We rely on highly skilled personnel in a broad array of disciplines and, if we are unable to hire, retain or motivate these individuals, or maintain our corporate culture, we may not be able to maintain the quality of our services or grow effectively.
- We rely on a limited number of suppliers or, in some cases, single suppliers, for some of our laboratory instruments and materials and may not be able to find replacements or immediately transition to alternative suppliers or service providers.
- We rely on a limited number of product and service providers for data infrastructure and analytics capabilities, and any disruption of, or interference with, our use of data and workflow services could adversely affect our business, financial condition, and results of operations, and we may not be able to find replacements or immediately transition to alternative products or service providers.
- Our projections are subject to significant risks, assumptions, estimates and uncertainties, including assumptions regarding adoption of our products and services. As a result, our projected revenues, market share, expenses and profitability may differ materially from our expectations in any given quarter or fiscal year.
- Uncertainty in the development and commercialization of our enhanced or new tests or services could materially adversely affect our business, financial condition and results of operations.
- We currently use, and in the future expect to increase our use of, information and rights from customers, strategic partners, and collaborators for several aspects of our operations, and if we cannot maintain current and enter new relationships with these parties with adequate access and authorization to such information, our business will suffer.
- Our operating results could be subject to significant fluctuation, which could increase the volatility of our stock and warrant prices and cause losses to our stockholders.
- Changes in FDA oversight for LDTs could subject our operations to much more significant regulatory requirements.
- A breakthrough device designation by the FDA, even though granted, may not lead to a faster development, regulatory review or authorization, nor a designation increase the likelihood that any of our product candidates will receive regulatory authorization in the United States.
- Compliance with the HIPAA security, privacy and breach notification regulations may increase our costs.
- We face uncertainty related to healthcare reform, pricing, coverage and reimbursement, which could reduce our revenue.

- Our inability to effectively protect our proprietary products, processes, and technologies, including the confidentiality of our trade secrets, could harm our competitive position.
- Security breaches, privacy issues, loss of data and other incidents could compromise sensitive, protected, or personal information related to our business, could prevent it from accessing critical information, and could expose it to regulatory liability, which could adversely affect our business.

Risks Related to Our Business, Industry and Operations

We need to scale our infrastructure in advance of demand for our tests, and our failure to sustain sufficient demand for our tests would have a negative impact on our business and our ability to maintain profitability.

Our success depends in large part on our ability to extend our market position, to provide customers with high-quality test reports quickly and at a lower price than our competitors, and to achieve sufficient test volume to realize economies of scale. In addition, we regularly evaluate and refine our testing process, often significantly updating our workflows, including with respect to exome sequencing and whole genome sequencing. In order to execute our business model, we intend to continue to invest heavily in order to significantly scale our infrastructure, including our testing capacity, particularly with respect to exome sequencing and whole genome sequencing to supplement our panel testing capabilities and information systems, expand our commercial operations, customer service, billing and systems processes and enhance our internal quality assurance program. We expect that much of this growth will be in advance of demand for our tests. Our current and future expense levels are to a large extent fixed and are largely based on investment plans and estimates of future revenue. Because the timing and amount of revenue from our tests is difficult to forecast, when revenue does not meet expectations, we may not be able to adjust our spending promptly or reduce spending to levels commensurate with our revenue. Even if we successfully scale our infrastructure and operations, there can be no assurance that tests will increase at levels consistent with the growth of our infrastructure. If we fail to sustain demand commensurate with this growth or if we fail to scale our infrastructure sufficiently in advance of demand to successfully meet such demand, our business, prospects, financial condition and results of operations could be adversely affected.

If we are not able to sustain substantial demand for our tests, our commercial success will be negatively affected.

Our business model assumes that we will be able to sustain significant test volume, particularly with respect to exome sequencing and whole genome sequencing in addition to our panel testing offerings, and we may not succeed in continuing to drive adoption of our tests to achieve sufficient volumes. Inasmuch as detailed genetic data from exome and whole genome sequencing has only recently become available at relatively affordable prices, the continued pace and degree of clinical acceptance of the utility of such testing is uncertain. Specifically, it is uncertain how much genetic data will be accepted as necessary or useful, as well as how detailed that data should be, particularly since medical practitioners may have become accustomed to genetic testing that is specific to one or a few genes and may not embrace the utility of exome sequencing and whole genome sequencing. Given the substantial amount of additional information available from a broad-based testing panel such as ours, there may be distrust as to the reliability of such information when compared with more limited and focused genetic tests. To generate further demand for our tests, we will need to continue to make clinicians aware of the benefits of our tests, including the price, the breadth of our testing options, and the benefits of having additional genetic data available from which to make treatment decisions. A lack of or delay in clinical acceptance of our exome sequencing and whole genome sequencing testing, or our legacy broad-based panels testing, would negatively impact sales and market acceptance of our tests and limit our revenue growth and potential profitability. Genetic testing is expensive, and many potential customers may be sensitive to pricing. In addition, potential customers may not adopt our tests if adequate reimbursement is not available, or if we are not able to maintain low prices relative to our competitors.

If we are not able to sustain demand for our tests at sufficient volume, or if it takes significantly more time to generate this demand than we anticipate, our business, prospects, financial condition and results of operations could be materially harmed.

If our laboratories become inoperable due to disasters, health epidemics or for any other reasons, we will be unable to perform tests, and our business will be harmed.

We perform all of our exome sequencing and whole genome sequencing tests at our production facilities in Gaithersburg, Maryland. This concentration heightens our exposure to risks associated with this region, including natural disasters, severe weather conditions, public health crises, acts of terrorism, political or social instability, regulatory changes, and failures of local infrastructure or utilities. In the event of a disruption affecting this location, we may experience interruptions to operations, loss of productivity, data or systems outages, delays in service delivery, and reputational harm. While we have business continuity and disaster recovery plans in place, such plans may not be sufficient to fully mitigate the impact of all potential disruptions, particularly those that are prolonged or widespread. Our laboratories and the equipment we use to perform our tests would be costly to replace and could require substantial lead time to replace and qualify for use. Our laboratories may be harmed or rendered inoperable by natural or man-made disasters, including flooding, fire and power outages, or by health epidemics, which may render it difficult or impossible for us to perform our tests for some period of time. The inability to perform our tests or the

backlog that could develop if our laboratories are inoperable for even a short period of time may result in the loss of customers or harm our reputation. Although we maintain insurance for damage to our property and the disruption of our business, this insurance may not be sufficient to cover all potential losses and may not continue to be available to us on acceptable terms, if at all.

Other companies or institutions may develop and market novel or improved technologies, which may make our technologies less competitive or obsolete.

We operate in a rapidly evolving and highly competitive industry. There are a number of private and public companies that offer products or services or have announced that they are developing products or services that compete, or may one day compete, with our products or services. Some of our current and potential competitors possess greater brand recognition, financial and other resources and development capabilities than we do. As the fields of exome and genome analysis and health information become more widely known to the public, we anticipate that competition will further increase. We expect to compete with a broad range of organizations in the U.S. and other countries that are engaged in the development, production and commercialization of genetic testing and screening products, including exome and whole genome sequencing products, health information services, and analytics, and data science services, and other diagnostic products. These competitors include:

- companies that offer clinical, research and data clinical services, molecular genetic testing and other clinical diagnostics, life science research and drug discovery services, data services and healthcare analytics, and consumer genetics products;
- academic and scientific institutions;
- governmental agencies; and
- public and private research organizations.

We may be unable to compete effectively against our competitors either because their products and services are perceived to be superior or because they may have more expertise, experience, financial resources, or stronger business relationships. These competitors may have broader product lines and greater name recognition than we do. Furthermore, we must compete successfully in our existing markets, including exome and whole genome sequencing, but also in any new markets we expand into. Even if we successfully develop new marketable products or services, our current and future competitors may develop products and services that are more commercially attractive than ours, and they may bring those products and services to market earlier or more effectively than we are able to. If we are unable to compete successfully against current or future competitors, we may be unable to increase market acceptance for and sales of our tests and services, which could prevent us from increasing or sustaining our revenues or achieving sustained profitability.

We face intense competition. If we do not continue to innovate and provide products and services that are useful to customers, including providers and patients, and partners, we may not remain competitive, which could harm our business and operating results.

Our business environment is rapidly evolving and intensely competitive. Our businesses face changing technologies, shifting provider and patient needs, and frequent introductions of rival products and services. To compete successfully, we must accurately anticipate technological developments and deliver innovative, relevant and useful products, services, and technologies in a timely manner. As our businesses evolve, the competitive pressure to innovate will encompass a wider range of products and services. We must continue to invest significant resources in research and development, including through acquisitions and collaborations, joint ventures and partnerships, in order to enhance our current diagnostics and health information and data science technologies, and existing and new products and services based off these technologies.

We have many competitors in different industries. Our current and potential domestic and international competitors range from large established companies to emerging start-ups in addition to academic and scientific institutions, and public and private research organizations. Some competitors have longer operating histories than our Company in various sectors. They can use their experience and resources in ways that could affect our competitive position, including by making acquisitions, continuing to invest heavily in research and development and in talent, initiating intellectual property claims (whether or not meritorious), and continuing to compete aggressively for our customers and partners in the market for genetic testing and screening, health information and data science products and services. Our competitors may be able to innovate and provide products and services faster than we can or may foresee the need for products and services before we do.

Our operating results may also suffer if our products and services are not responsive to the needs of our customers and partners. As technologies continue to develop, our competitors may be able to offer products and services that are, or that are seen to be, substantially similar to or better than our current products and services. This may force us to compete in different ways and expend significant resources in order to remain competitive. If our competitors are more successful than us in developing compelling products and services for or in attracting and retaining customers or partners in the market for genetic testing and screening, health information and data science products and services, our operating results could be harmed.

If third-party payors, including managed care organizations, private health insurers and government health plans, do not provide adequate reimbursement for our tests, or seek to amend or renegotiate their fee reimbursement schedules, or if we are unable to comply with their requirements for reimbursement, our commercial success could be negatively affected.

Our ability to increase the number of billable tests and our revenue therefrom will depend on our success in achieving reimbursement for our tests from third-party payors. Reimbursement by a payor may depend on a number of factors, including a payor's determination that a test is appropriate, medically necessary, cost-effective, correctly billed, and has received prior authorization. The commercial success of our current and future products, if approved, will depend on the extent to which our customers receive coverage and adequate reimbursement from third-party payors, including managed care organizations and government payors (e.g., Medicare and Medicaid).

Since each payor makes its own decision as to whether to establish a policy or enter into a contract to cover our tests, as well as the amount it will reimburse for a test, seeking these approvals is a time-consuming and costly process. In addition, the determination by a payor to cover and the amount it will reimburse for our tests will likely be made on an indication-by-indication basis and may consider our billing practices and reimbursements from other payors and from our patient billing programs. To date, we have obtained policy-level reimbursement approval or contractual reimbursement for some indications for our tests from most of the large commercial third-party payors in the U.S., and the Centers for Medicare & Medicaid Services ("CMS"). We believe that establishing adequate reimbursement from Medicare is an important factor in gaining adoption from healthcare providers. Our claims for reimbursement from third-party payors may be denied upon submission, and we must appeal the claims. The appeals process is time consuming and expensive and may not result in payment. In cases where there is not a contracted rate for reimbursement, there is typically a greater coinsurance or copayment requirement from the patient, which may result in further delay or decreased likelihood of collection.

A significant portion of the payments for our tests are paid or reimbursed under insurance programs with third-party payors. Billing and reimbursement for diagnostic tests is highly complex and closely scrutinized by payors. In particular, billing and reimbursement for multi-gene panel tests and other complex diagnostic tests continues to pose a particular risk of payor audit and potential overpayment obligations. Accurate billing requires sophisticated internal procedures and systems controls and ongoing oversight to ensure compliance with payor requirements.

To contain reimbursement and utilization rates, third-party payors often attempt to, or do in fact, amend or renegotiate their fee reimbursement schedules. Loss of revenue caused by third-party payor cost containment efforts or an inability to negotiate satisfactory reimbursement rates could have a material adverse effect on our revenue and results of operations.

Furthermore, in cases where we or our partners have established reimbursement rates with third-party payors, we face additional challenges in complying with their procedural requirements for reimbursement. These requirements often vary from payor to payor and are reassessed by third-party payors on a regular basis, and we have needed additional time and resources to comply with them. We have also experienced, and may continue to experience, delays in or denials of coverage if we do not adequately comply with these requirements. Our third-party payors have also requested, and in the future may request, audits of the amounts paid to us. In the past, we have been required to repay certain amounts to payors as a result of such audits. See Note 4, "*Revenue Recognition*" to our consolidated financial statements for more information. In addition to potential repayment obligations, failure to comply with payor reimbursement policies could result in government enforcement actions and, potentially, exclusion from certain payor programs, which could have a material adverse effect on our business.

We expect to continue to focus our resources on increasing adoption of, and expanding coverage and reimbursement for, our current tests and any future tests we may develop or acquire. If we fail to expand and maintain broad adoption of, and coverage and reimbursement for, our tests, our ability to generate revenue could be harmed and our future prospects and our business could suffer.

We use artificial intelligence in our business, and challenges with properly managing its use could result in reputational harm, competitive harm, and legal liability, and adversely affect our results of operations.

We currently incorporate artificial intelligence ("AI") solutions into our workflows and these applications may become increasingly important in our operations over time. Further, we are in the process of enhancing and broadening our offerings with AI technologies, including through the use of Fabric Genomics' AI-based platform for Next Generation Sequencing analysis, which provides interpretation and clinical reporting for rare disease, hereditary risk, and cancer testing. In addition, we are exploring potential third-party partnerships to help us offer more robust solutions for providers and patients. Our competitors or other third parties may incorporate AI into their products and offerings more quickly or more successfully than us, which could impair our ability to compete effectively and adversely affect our results of operations. Additionally, if the content, analyses, or recommendations that AI applications assist in producing are or are alleged to be inaccurate, deficient, or biased, our business, financial condition and results of operations may be adversely affected. The use of AI applications in the future may result in

cybersecurity incidents that implicate the personal medical and genetic data of patients analyzed within such applications, including the risk that we might not be able to effectively manage the use of AI technologies by our employees, consultants and vendors. Any such cybersecurity incidents related to our use of AI applications to analyze personal data could adversely affect our reputation and results of operations. AI also presents emerging ethical issues and if our use of AI becomes controversial, we may experience brand or reputational harm, competitive harm, or legal liability. The rapid evolution of AI, including potential government regulation of AI and its various uses, may require significant resources to develop, test and maintain offerings, services, and features to help us implement AI ethically in order to minimize unintended, harmful impact. Several governmental authorities have already proposed or enacted laws and other guidance governing AI, such as the EU Artificial Intelligence Act. These and other developing obligations may prevent or make it harder for us to conduct or enhance our business using AI, or lead to regulatory fines, penalties, or other liability.

We may need to raise additional capital to fund our existing operations, develop additional products and services, commercialize new products and services or expand our operations.

We have incurred net losses since our inception, with an accumulated deficit of approximately $1.4 billion as of December 31, 2025.

We may seek to sell common or preferred equity or convertible debt securities, enter into credit facilities or other forms of third-party funding or debt financing, or dispose of assets or businesses. For example, in October 2025, we filed an automatic universal shelf registration statement that provides for the sale of our Class A common stock and other securities, and up to an aggregate of $100.0 million of our Class A common stock that may be issued from time to time under a Sales Agreement (the "Sales Agreement") with TD Securities (USA) LLC ("TD Cowen"). The Sales Agreement was implemented following the use in full of a prior sales agreement for up to $75.0 million of Class A common stock with TD Cowen. As of December 31, 2025, approximately $78.2 million of capacity remained available under this ATM offering.

We may also consider raising additional capital in the future to expand our business, to pursue strategic investments, to take advantage of financing opportunities or for other reasons, including to:

- increase our sales and marketing efforts to drive market adoption of our current and future products and services;
- fund development efforts for our current and future products and services;
- expand our products and services into other disease indications and clinical applications;
- acquire, license or invest in technologies;
- acquire or invest in complementary businesses or assets; and
- finance capital expenditures and general and administrative expenses.

Our present and future funding requirements will depend on many factors, including:

- our ability to achieve revenue growth;
- our rate of progress in establishing payor coverage and reimbursement arrangements with commercial third-party payors and government payors;
- the cost of expanding our laboratory operations and offerings, including our sales and marketing efforts;
- our rate of progress in, and cost of the sales and marketing activities associated with, establishing adoption of our services for biopharma partners;
- our rate of progress in, and cost of research and development activities associated with, products and services in research and early development;
- the effect of competing technological, product and market developments;
- costs related to international expansion; and
- the potential cost of and delays in product development as a result of any regulatory oversight applicable to our products and services.

The various ways we could raise additional capital carry potential risks. If we raise funds by issuing equity securities, dilution to our stockholders could result. Any preferred equity securities issued also could provide for rights, preferences or privileges senior to those of holders of our Class A common stock. If we raise funds by issuing debt securities, those debt securities would have rights, preferences and privileges senior to those of holders of our Class A common stock. The terms of debt securities issued or borrowings pursuant to a credit agreement could impose significant restrictions on our operations. If we raise funds through collaborations and licensing arrangements, we might be required to relinquish significant rights to our technologies or products and services or grant licenses on terms that are not favorable to us.

Our credit agreement contains operating and financial restrictions that may limit our business and financing activities.

Our credit agreement with Perceptive Credit Holdings IV, LP ("Perceptive") contains operating and financial restrictions that may limit our business and financing activities. In particular, our credit agreement includes customary affirmative and negative covenants and events of default, including negative covenants that restrict, among other things, our ability to incur indebtedness and liens, dispose of property and make investments. In addition, the credit agreement requires us to maintain aggregate unrestricted cash of not less than $5.0 million and minimum levels of quarterly core revenue through the third quarter of 2028. The operating and financial restrictions in the credit agreement, as well as any other financing arrangements that we may enter into, may limit our ability to finance our operations, or engage in, expand, or otherwise pursue our business activities and strategies. Our ability to comply with these or other covenants may be affected by events beyond our control, and future breaches of these or other covenants could result in a default under the credit agreement or any other financing arrangement. If not waived, future defaults could cause all of the outstanding indebtedness under our credit agreement or other financing arrangement to become immediately due and payable and terminate all commitments to extend further credit, if any. Furthermore, if we were unable to repay our credit agreement or other indebtedness then due and payable, secured lenders could proceed against the assets, if any, securing such indebtedness. A default would also likely significantly diminish the market price of our securities.

If we do not have or are unable to generate sufficient cash to repay our debt obligations when they become due and payable, either upon maturity or in the event of a default, we may not be able to obtain additional debt or equity financing on favorable terms, if at all, which may negatively impact our ability to operate and continue our business as a going concern.

Ethical, legal and social concerns related to the use of genomic medicine and health information analysis could reduce demand for our tests.

Genomic medicine and health information analysis has raised ethical, legal and social issues regarding privacy rights and the appropriate uses of the resulting information. Domestic and international governmental and regulatory authorities could, for social or other purposes, such as data privacy, limit or regulate the use of health information or health information testing or prohibit testing for specific information derived from health information testing, including, for example, data on genetic predisposition to certain conditions, particularly for those that have no known cure. Similarly, these concerns may lead patients to refuse to use, or clinicians to be reluctant to order, genomic tests as part of health information assessment even if permissible, or lead patients to withhold or withdraw consent for our use of their data. These and other ethical, legal and social concerns may limit market acceptance of our tests or services or reduce the potential markets for our tests, or services, either of which could have an adverse effect on our business, research, financial condition or results of operations.

If we fail to comply with federal and state laboratory licensing requirements or standards, we could lose the ability to perform our tests or experience disruptions to our business.

We are subject to the CLIA, a federal law that regulates clinical laboratories that perform testing on specimens derived from humans for the purpose of providing information for the diagnosis, prevention or treatment of disease. CLIA regulations establish specific standards with respect to personnel qualifications, facility administration, proficiency testing, quality control, quality assurance and inspections. CLIA certification is also required in order for us to be eligible to bill state and federal healthcare programs, as well as many private third-party payors, for our tests. We have current CLIA, College of American Pathologists ("CAP"), and other certifications to conduct our tests at our laboratory in Maryland. To renew these certifications, we are subject to survey and inspection on a regular basis and at the request of the certifying bodies. Moreover, CLIA inspectors may make random inspections of our clinical reference laboratory.

We would also be required to maintain in-state licenses if we were to conduct testing in other states. Several states require the licensure of out-of-state laboratories that accept specimens from certain states.

In addition to having a laboratory license in New York, our clinical reference laboratory is approved on test-specific bases for the tests it runs as LDTs, by the New York State Department of Health ("NYDOH"). Other states may adopt similar licensure requirements in the future, which may require us to modify, delay or stop our operations in such jurisdictions. We may also be subject to regulation in foreign jurisdictions as we seek to expand international utilization of our tests or such jurisdictions adopt new licensure requirements, which may require review of our tests in order to offer them or may have other limitations such as restrictions on the transport of samples necessary for us to perform our tests that may limit our ability to make our tests available outside of the U.S. Complying with licensure requirements in new jurisdictions may be expensive, time-consuming, and subject us to significant and unanticipated delays.

Failure to comply with applicable clinical laboratory licensure requirements or standards may result in a range of enforcement actions, including license suspension, limitation, or revocation, directed plan of action, onsite monitoring, civil monetary penalties, criminal sanctions, and cancellation of the laboratory's approval to receive Medicare and Medicaid payment for our

services, as well as significant adverse publicity. Any sanction imposed under CLIA, its implementing regulations, or state or foreign laws or regulations governing clinical laboratory licensure, or our failure to renew our CLIA certifications, a state or foreign license, or accreditation, could have a material adverse effect on our business, financial condition and results of operations. Even if we were able to bring our laboratory back into compliance, we could incur significant expenses and potentially lose revenue in doing so.

The CAP maintains a clinical laboratory accreditation program. CAP asserts that its program is "designed to go well beyond regulatory compliance" and helps laboratories achieve the highest standards of excellence to positively impact patient care. While not required to operate a CLIA-certified laboratory, many private insurers require CAP accreditation as a condition to contracting with clinical laboratories to cover their tests. In addition, some countries outside the U.S. require CAP accreditation as a condition to permitting clinical laboratories to test samples taken from their citizens. We have a CAP accreditation for our laboratory. Failure to maintain CAP accreditation could have a material adverse effect on the sales of our tests and the results of our operations.

Risks Related to Our Business Model

We rely on highly skilled personnel in a broad array of disciplines and, if we are unable to hire, retain or motivate these individuals, or maintain our corporate culture, we may not be able to maintain the quality of our services or grow effectively.

Our performance, including our research and development programs and laboratory operations, largely depends on our continuing ability to identify, hire, develop, motivate and retain highly skilled personnel for all areas of our organization, including software developers, geneticists, biostatisticians, bioinformaticians, data scientists, certified laboratory directors and technicians and other scientific and technical personnel to process and interpret our tests and related data. In addition, we may need to continue to expand our sales force with qualified and experienced personnel. Competition in our industry for qualified employees is intense, and we may not be able to attract or retain qualified personnel in the future due to the competition for qualified personnel among life science and technology businesses as well as universities and public and private research institutions, particularly in the geographies in which we operate. Further, we may be unable to obtain the necessary visas for foreign personnel to work in the U.S. In addition, our compensation arrangements, such as our equity award programs, may not always be successful in attracting new employees and retaining and motivating our existing employees. If we are not able to attract and retain the necessary personnel to accomplish our business objectives, we may experience constraints that could adversely affect our ability to scale our business, support our research and development efforts and our clinical laboratories. We believe that our corporate culture fosters innovation, creativity and teamwork. However, as our organization grows, we may find it increasingly difficult to maintain the beneficial aspects of our corporate culture. This could negatively impact our ability to retain and attract employees and our future success.

The loss of any member or change in structure of our senior management team could adversely affect our business.

Our success depends in large part upon the skills, experience and performance of key members of our executive management team and others in key leadership positions. The efforts of these persons will be critical to us as we continue to develop our technologies and test processes and focus on scaling our business. If we were to lose one or more key executives, we may experience difficulties in competing effectively, developing our tests and technologies and implementing our business strategy. Only certain of our executives have employment contracts, and the majority of our employees are at-will, which means that either we or any employee may terminate their employment at any time or in the notice period set forth in an executive's contract. In addition, we do not have long-term retention agreements in place with our executive officers. Furthermore, we compete against other leading companies in the diagnostics, health information, and data sciences markets for top talent. If such competitors offer better compensation or opportunities, there is no guarantee that we would be able to retain our key executives.

We may not be able to manage our future growth effectively, which could make it difficult to execute our business strategy.

Our expected future growth could create a strain on our organizational, administrative and operational infrastructure, including data and laboratory operations, quality control, customer service, marketing and sales, and management. We may not be able to maintain the quality of or expected turnaround times for our products or services or satisfy customer demand as it grows. We may need to continue expanding our sales force to facilitate our growth, and we may have difficulties locating, recruiting, training and retaining sales personnel. Our ability to manage our growth effectively will require us to continue to improve our operational, financial and management controls, as well as our reporting systems and procedures. As we grow, any failure of our controls or interruption of our facilities or systems could have a negative impact on our business and financial operations.

International expansion of our business could expose us to business, regulatory, political, operational, financial and economic risks associated with doing business outside of the U.S.

When cleared, authorized or approved, we and our collaborators may market, sell, and distribute our products and services outside of the U.S., and our business would be subject to risks associated with doing business outside of the U.S., including an increase in our expenses and diversion of our management's attention from the development of future products and services. In addition, we plan to use Fabric Genomics as our platform for international expansion. Accordingly, our business and financial results in the future could be adversely affected due to a variety of factors, including:

- multiple, conflicting and changing laws and regulations such as AI, privacy, security and data use regulations, tax laws, export and import restrictions, economic sanctions and embargoes, employment laws, anticorruption laws, regulatory requirements, reimbursement or payor regimes and other governmental approvals, permits and licenses;
- failure by us, our collaborators or our distributors to obtain regulatory clearance, authorization or approval for the use of our products and services in various countries;
- additional potentially relevant third-party patent rights;
- complexities and difficulties in obtaining intellectual property protection and enforcing our intellectual property;
- difficulties in staffing and managing foreign operations, including repatriating foreign-earned profits;
- complexities associated with managing multiple payor reimbursement regimes, government payors or patient self-pay systems;
- difficulties in negotiating favorable reimbursement negotiations with governmental authorities;
- logistics and regulations associated with shipping samples, including infrastructure conditions and transportation delays;
- limits in our ability to penetrate international markets if we are not able to conduct our clinical diagnostic services locally;
- financial risks, such as longer payment cycles, difficulty collecting accounts receivable, the impact of local and regional financial crises on demand and payment for our products and services and exposure to foreign currency exchange rate fluctuations;
- international regulations and license requirements that may restrict foreign investment in and operation of the internet, IT infrastructure, data centers and other sectors, and international transfers of data;
- natural disasters, political and economic instability, including wars, terrorism and political unrest, and outbreak of disease;
- boycotts, curtailment of trade and other business restrictions; and
- regulatory and compliance risks that relate to maintaining accurate information and control over sales and distributors' activities that may fall within the purview of the Foreign Corrupt Practices Act of 1977 (the "FCPA"), its books and records provisions, or its anti-bribery provisions, Canada's Corruption of Foreign Public Officials Act, or laws similar to the FCPA in other jurisdictions in which we may in the future operate, such as the United Kingdom's Bribery Act of 2010 and anti-bribery requirements of member states in the European Union (the "EU").

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

Unfavorable U.S. or global economic conditions could adversely affect our business, financial condition or results of operations.

Our results of operations could be adversely affected by general conditions in the global economy and financial markets. A severe or prolonged economic downturn or increase in inflation and interest rates could result in a variety of risks to our business, including weakened demand for our products and services, increased costs and expenses and a reduced ability to raise additional capital when needed on favorable terms, if at all. A weak declining or inflationary economy could also strain our collaborators and suppliers, resulting in supply disruption, or cause delays in their payments to us. For example, we have experienced and may continue to experience interruptions in the supply of the diagnostic testing materials necessary for our testing products and material and shipping cost increases. We also have significant supply contracts that are short-term and, as we enter into the renewal cycles for these contracts, we may face material price increases upon renewal.

In particular, challenging macroeconomic conditions, including cost inflation, decreases in per capita income and levels of disposable income, tariffs, increased and/or prolonged unemployment or a decline in consumer confidence, as well as limited or significantly reduced points of access of our tests, could have a material adverse effect on the demand for our tests. Under difficult economic conditions, consumers may seek to reduce discretionary spending by forgoing our tests. Decreased demand for our tests could negatively affect our overall financial performance.

Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact our business, financial condition, or results of operations.

We rely on a limited number of suppliers or, in some cases, single suppliers, for some of our laboratory instruments and materials and may not be able to find replacements or immediately transition to alternative suppliers or service providers.

We have sourced and will continue to source components of our diagnostic testing workflow, including sequencers and other laboratory equipment, reagents, lab supplies and other laboratory services and materials and related services, from third parties.

Our failure to maintain a continued supply of our sequencers and other laboratory equipment, reagents, lab supplies and other laboratory services and materials, along with the right to use certain hardware and software and related services, would adversely impact our business, financial condition, and results of operations. In particular, while we are seeking to validate our tests on additional sequencing platforms, we have not, to date, validated a viable alternative sequencing platform on which our testing could be run in a commercially viable manner. These efforts will require significant resources, expenditures and time and attention of management, and there is no guarantee that we will be successful in implementing any such sequencing platforms in a commercially sustainable way. We also cannot guarantee that we will appropriately prioritize or select alternative sequencing platforms on which to focus our efforts, in particular given our limited product and research and development resources and various business initiatives, which could result in increased costs and delayed timelines or otherwise adversely impact our business and results of operations.

Because we rely on third-party manufacturers, we do not control the manufacture of these components, including whether such components will meet our quality control requirements, nor the ability of our suppliers to comply with applicable legal and regulatory requirements. In many cases, our suppliers are not contractually required to supply these components to the quality or performance standards that we require. If the supply of components we receive does not meet our quality control or performance standards, we may not be able to use the components, or if we use them not knowing that they are of inadequate quality, which occasionally occurs with respect to certain reagents, our tests may not work properly or at all, or may provide erroneous results, and we may be subject to significant delays caused by interruption in production or manufacturing or to lost revenue from such interruption or from spoiled tests. In addition, any natural or other disaster, acts of war or terrorism, shipping embargoes, labor unrest, political instability, outbreak of disease or similar events at our third-party manufacturers' facilities that cause a loss of manufacturing capacity would heighten the risks that we face.

In the event of any adverse developments with our sole suppliers, or if any of our sole suppliers modifies any of the components they supply to us, our ability to supply our products may be interrupted, and obtaining substitute components could be difficult or require us to re-design or re-validate our products. Our failure to maintain a continued supply of components, a supply that meets our quality control requirements, or changes to or termination of our agreements or inability to renew our agreements with these parties or enter into new agreements with other suppliers could result in the loss of access to important components of our tests and impact our test performance or affect our ability to perform our tests in a timely manner or at all, which could impair, delay or suspend our commercialization activities. In the event that we transition to a new supplier from any of our sole suppliers, doing so could be time-consuming and expensive, may result in interruptions in our ability to supply our products to the market, could affect the performance of our tests or could require that we re-validate our affected tests using replacement equipment and supplies, which could delay the performance of our tests, impact diagnostic solutions and heath information derived from such tests, and result in increased costs. Any of these occurrences could have a material adverse effect on our business, financial condition and results of operations.

We rely on a limited number of product and service providers for data infrastructure and analytics capabilities, and any disruption of, or interference with, our use of data and workflow services could adversely affect our business, financial condition, and results of operations, and we may not be able to find replacements or immediately transition to alternative products or service providers.

We currently rely upon third-party services for data storage and workflow management, including cloud storage solution providers. We rely on each of these providers to complete several vital workflows in our health information and data science service delivery. To varying degrees some of those services are proprietary to how each platform performs in connection with our current usage of the services.

Nearly all of our data storage and analytics are conducted on, and the data and content we generate on our platforms are processed through, servers hosted by these providers. We also rely on email service providers, bandwidth providers, internet service providers and mobile networks to deliver communications to patients, physicians and partners and to allow patients, physicians and our partners to access various offerings from our platforms. If our third-party vendors are unable or unwilling to provide the services necessary to support our business, or if our agreements with such vendors are terminated, our operations could be significantly disrupted. Some of our vendor agreements may be unilaterally terminated by the licensor for convenience, and if such agreements are terminated, we may not be able to enter into similar relationships in the future on reasonable terms or at all.

Any damage to, or failure of, our systems or the systems of our third-party data centers or our other third-party providers could result in interruptions to the availability or functionality of database and platforms. As a result, we could lose health information data and miss opportunities to acquire and retain patients, physicians and partners including health systems and pharmaceutical and biotech companies, which could result in decreased revenue. If for any reason our arrangements with our data centers or third-party providers are terminated or interrupted, such termination or interruption could adversely affect our business, financial condition and results of operations. We exercise little control over these providers, which increases our vulnerability to problems with the services they provide. We could incur additional expense in arranging for new or redesigned facilities, technology, services and support. In addition, the failure of our third-party data centers or any other third-party providers to meet our capacity needs or any system failure as a result of reliance on third parties, including network, software or hardware failure, which causes a delay or interruption in our services and products, including our ability to handle existing or increased processing of data on our platforms, could have a material adverse effect on our business, revenues, operating results and financial condition.

Our current and future products and services may never achieve significant commercial market acceptance.

Our success depends on the market's confidence that we can provide data-driven research and diagnostic products and services that improve clinical outcomes, lower healthcare costs and enable better product development by biopharma companies. Failure of our products and services, or those jointly developed with our collaborators, to perform as expected or to be updated to meet market demands could significantly impair our operating results and our reputation. We believe patients, health systems, clinicians, academic institutions and biopharma companies are likely to be particularly sensitive to defects, errors, inaccuracies and delays with our products and services. Furthermore, inadequate performance of these products or services may result in lower confidence in our services in general.

We and our collaborators may not succeed in achieving significant commercial market acceptance for our current or future products and services due to a number of factors, including:

- our ability to demonstrate the utility of our platforms and related products and services and their potential advantages over existing clinical AI technology, life sciences research, clinical diagnostic and drug discovery technologies to academic institutions, biopharma companies and the medical community;
- our ability, and that of our collaborators, to perform clinical trials or other research to gather adequate evidence and/or to secure and maintain FDA and other regulatory clearance authorization or approval for our products or products developed based off our platform;
- the agreement by third-party payors to reimburse our products or services, the scope and extent of which will affect patients' willingness or ability to pay for our products or services and will likely heavily influence physicians' decisions to recommend our products or services;
- the rate of adoption of our platforms and related products and services by academic institutions, clinicians, patients, key opinion leaders, advocacy groups and biopharma companies; and
- the impact of our investments in product and services, and technological innovation and commercial growth.

Additionally, our customers and collaborators may decide to decrease or discontinue their use of our products and services due to changes in their research and development plans, failures in their clinical trials, financial constraints, the regulatory environment, negative publicity about our products and services, competing products or the reimbursement landscape, all of which are circumstances outside of our control. We may not be successful in addressing these or other factors that might affect the market acceptance of our products, services and technologies. Failure to achieve widespread market acceptance of our platform and related products and services would materially harm our business, financial condition and results of operations.

Our projections are subject to significant risks, assumptions, estimates and uncertainties, including assumptions regarding the adoption of our products and services and their estimated global market opportunity. As a result, our projected revenues, market share, expenses and profitability may differ materially from our expectations in any given fiscal quarter or year.

We operate in rapidly changing and competitive industries and our projections are subject to the risks and assumptions made by our management with respect to these industries. Operating results are difficult to forecast, as they generally depend on our assessment of the timing of adoption of our current and future products and services, which is uncertain. Furthermore, as we invest in the continued development of new businesses that have yet to achieve significant commercial success, whether because of competition or otherwise, we may not recover the often substantial up-front costs of developing and marketing those products and services or recover the opportunity cost of diverting management and financial resources away from other products or services. Additionally, our business may be affected by reductions in customer or partner demand as a result of a number of factors, which may be difficult to predict. Similarly, our assumptions and expectations with respect to margins and the pricing of our products and services may not prove to be accurate as a result of competitive pressures, customer or partner demands. This may result in decreased revenue, and we may be unable to adopt measures in a timely manner to compensate for any unexpected shortfall in revenue. This inability could cause our operating results in a given fiscal quarter or year to be higher or lower than

expected. Any failure to achieve our projected operating results could harm the trading price of our securities and our financial position.

In addition, our estimates of the global market opportunity for our current products and services and those under development are based on a number of internal and third-party estimates, including, the market opportunity for rare disease and pediatric developmental disorders, adult disorders and newborn screening. The estimates also depend on whether we or our collaborators are able to engage, diagnose or treat patients through or using our products and services, the number of potential clinical tests utilized per treatment course per patient, the ongoing engagement by patients, physicians and health systems on our platforms, and the assumed prices at which we can sell our current and future products and services for markets that have not been established. While we believe our assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, our estimates of the annual addressable market for our current or future products and services may prove to be incorrect. If the actual number of patients who would benefit from our products or services, the price at which we can sell future products and services or the annual addressable market for our products or services is smaller than we have estimated, it may impair our sales growth and have an adverse impact on our business.

Uncertainty in the development and commercialization of our enhanced or new tests or services could materially adversely affect our business, financial condition and results of operations.

Our success will depend in part on our ability to effectively introduce enhanced or new offerings, with a focus on expanding the clinical utility and application of exome and whole genome sequencing and developing solutions our health information platform can provide to partners. The development and launch of enhanced or new tests requires the completion of certain clinical development and commercialization activities that are complex, costly, time-intensive and uncertain, and requires us to accurately anticipate patients', clinicians', payors' and other counterparties' attitudes and needs as well as emerging technology and industry trends. This process is conducted in various stages, and each stage presents the risk that we will not achieve our goals.

We have relatively limited experience developing and commercializing products and services outside of the diagnostics business, and we may not be successful in our current or future efforts to do so. We also have limited experience forecasting our future financial performance from our new products and services, and our actual results may fall below our financial guidance or other projections, or the expectations of analysts or investors, which could cause the price of our Class A common stock and warrants to decline. We may experience research and development, regulatory, marketing and other difficulties that could delay or prevent our introduction of enhanced or new tests and result in increased costs and the diversion of management's attention and resources from other business matters, such as from our current product and service offerings, which currently represent the significant majority of our current revenues. For example, any tests that we may enhance or develop may not prove to be clinically effective in clinical trials or commercially, or may not meet our desired target product profile, be offered at acceptable cost and with the sensitivity, specificity and other test performance metrics necessary to address the relevant clinical need or commercial opportunity, our test performance in commercial experience may be inconsistent with our validation or other clinical data, we may not be successful in achieving market awareness and demand, whether through our own sales and marketing operations or through collaborative arrangements, healthcare providers may not order or use, or third-party payors may not reimburse for, any tests that we may enhance or develop, or we may otherwise have to abandon a test or service in which we have invested substantial resources.

We cannot provide assurance that we can successfully complete the development of any new or enhanced product, or that we can establish or maintain the collaborative relationships that may be essential to our collaborators' goals, including clinical development or commercialization efforts. For example, the publication of clinical data in peer-reviewed journals is a crucial step in commercializing and obtaining reimbursement for certain diagnostic solutions such as the ones offered by us, and our inability to control when, if ever, results are published may delay or limit our ability to derive sufficient revenues from any diagnostic solution that is the subject of or component in a study. Peer-reviewed publications regarding our products may be limited by many factors, including delays in the completion of, poor design of, or lack of compelling data from, clinical studies, as well as delays in the review, acceptance and publication process. If our diagnostic solutions or the technology underlying our current and future diagnostic solutions do not receive sufficient favorable exposure in peer-reviewed publications, the rate of clinician adoption of our diagnostic solutions and positive reimbursement coverage determinations for our diagnostic solutions could be negatively affected.

These and other factors beyond our control could result in delays or other difficulties in the research and development, approval, production, launch, marketing or distribution of enhanced or new tests and could adversely affect our competitive position and results of operations.

We currently use, and in the future expect to increase our use of, information and rights from customers, strategic partners, and collaborators for several aspects of our operations, and if we cannot maintain current and enter new relationships with these parties with adequate access and authorization to such information, our business will suffer.

Accessing, combining, curating, and analyzing health information, including longitudinal patient medical history data and genetic data, are core features of our heath information platform. The regulatory landscape around the storage, processing and deidentification of genetic data is evolving globally and greatly impacts the ability of us, our strategic partners and collaborators to process and use the data in connection with our products and services.

We have limited resources to conduct our health information services, data analysis, life sciences research, clinical diagnostics and drug discovery operations and have not yet fully established infrastructure for sales, marketing or distribution in connection with our products and services. Our future success depends in part on our ability to maintain and grow our existing relationships and to establish new relationships. Many factors may impact the success of such collaborations, including our ability to perform our obligations, our collaborators' satisfaction with our products and services, our collaborators' performance of their obligations to us, our collaborators' internal priorities, resource allocation decisions and competitive opportunities, the ability to obtain regulatory approvals, disagreements with collaborators, the costs required of either party to the collaboration and related financing needs, and operating, legal and other risks in any relevant jurisdiction. Our ability to support such collaborations may also depend on factors outside of our control including the willingness of patients to engage with us and share their data, societal perspectives on privacy, and the willingness of health systems to establish collaborations, relationships and programs utilizing their data, all of which may impact the utility of these databases and the insights we will be able to generate from expanding datasets. In addition to reducing our revenue or delaying the development of our future products and services, the loss of one or more of these relationships may reduce our access to research, longitudinal patient health data, clinical trials or computing technologies that facilitate the collection and incorporation of new information into the databases we manage and to which we have access. All of the risks relating to product and service development, regulatory clearance, authorization or approval and commercialization described herein apply to us derivatively through the activities of our collaborators. We engage in conversations with companies regarding potential collaborations on an ongoing basis. These conversations may not result in a commercial agreement. Even if an agreement is reached, the resulting relationship may not be successful, and any products and services developed as part of the collaboration may not produce successful outcomes. Speculation in the industry about our existing or potential collaborations can be a catalyst for adverse speculation about us, or our products or services, which can adversely affect our reputation and our business.

If our products and services do not perform as expected, we may not realize the expected benefits of such products and services.

The success of our products depends on the market's confidence that we can provide reliable products and services that enable high quality diagnostic testing and health information services with high sensitivity and specificity and short turnaround times. There is no guarantee that the accuracy and reproducibility we have demonstrated to date will continue to meet customer expectations as our product deliveries increase and our product and service portfolio expands.

Our products and services use a number of complex and sophisticated biochemical and bioinformatics processes, many of which are highly sensitive to external factors. An operational, technological or other failure in one of these complex processes or fluctuations in external variables may result in sensitivity or specificity rates that are lower than we anticipate or result in longer than expected turnaround times. In addition, labs are required to validate their processes before using our products for clinical purposes. These validations are outside of our control. If our products do not perform, or are perceived to not have performed, as expected or favorably in it to competitive products, our operating results, reputation, and business will suffer, and we may also be subject to legal claims arising from product limitations, errors, or inaccuracies.

If our sales and development or other collaborations and commercial relationships are not successful and we are not able to offset the resulting impact through our own efforts or through agreements with new partners, our commercialization activities may be impaired, and our financial results could be adversely affected.

Part of our business strategy is to develop relationships with health systems, biopharma companies, and other partners to utilize our products and to provide access to data. Developing and commercializing products with third parties reduces our control over such development and commercialization efforts and subjects us to the various risks inherent in a joint effort with a third party, such as delays, operational issues, technical difficulties and other contingencies outside of our influence or control. The financial condition of these third parties could weaken, or they could terminate their relationship with us and/or stop sharing data or other information; reduce their marketing efforts relating to our products; develop and commercialize, or otherwise utilize competing products in addition to or in lieu of our tests; merge with or be acquired by a competitor of us or a company that chooses to de-prioritize the efforts to utilize our products or provide us with adequate data; or otherwise breach their agreements with us. Further, we must expend resources to operationalize our existing collaborations with our health system partners, which requires

substantial effort in areas such as integrations for testing workflow, electronic medical record, consents, marketing, and billing. To the extent we are not successful at operationalizing existing collaborations with health partners, we may not be able to further improve or pursue new agreements with additional partners. Furthermore, our partners may misappropriate our trade secrets or use our proprietary information in such a way as to expose us to litigation and potential liability, and our compliance risk may increase to the extent that we are responsible for our partners' activities. Disagreements or disputes with our health systems and other partners, including disagreements over customers, proprietary or other rights or our or their compliance with financial or other contractual obligations, might cause delays or impair the development or commercialization of our products, services, and technologies, lead to additional responsibilities for us with respect to new products, services and technologies, or result in litigation or arbitration, any of which would divert management attention and resources and be time-consuming and expensive.

If our relationships are not successful, our ability to develop and improve our products, services and technologies, and to successfully execute our commercial strategy regarding such products, services and technologies, could be compromised.

Our operating results could be subject to significant fluctuation, which could increase the volatility of our stock and warrant prices and cause losses to our stockholders.

Our operating results may fluctuate significantly, depending on a variety of factors, including the following:

- our success in marketing and selling, and changes in demand for our tests;
- seasonal and environmental variations affecting healthcare provider recommendations for our tests and patient compliance with healthcare provider recommendations, including without limitation holidays, weather events, and circumstances such as the outbreak of coronavirus or influenza that may limit patient access to medical practices for diagnostic tests and preventive services;
- our success in collecting payments from third-party payors, patients and collaborative partners, variation in the timing of these payments and recognition of these payments as revenues;
- the pricing of our tests, including potential changes in CMS or other reimbursement rates;
- circumstances affecting our ability to provide our tests, including weather events, supply shortages, or regulatory or other circumstances that adversely affect our ability to manufacture our tests or process tests in our clinical laboratories;
- circumstances affecting our ability to provide health information and data science services to biopharma partners, including software or hardware failures, insufficient capacity, regulatory changes or other circumstances that adversely affect our ability to deliver these services;
- fluctuations in the amount and timing of our selling and marketing costs and our ability to manage costs and expenses and effectively implement our business;
- our research and development activities; and
- our ability to collect, use, and commercialize data in a changing regulatory environment at a time when the public is growing increasingly concerned about privacy.

Our revenue growth rate could decline over time, and it may experience downward pressure on our operating margins in the future.

Our revenue growth rate could decline over time as a result of a number of factors, including increasing competition and the continued expansion of our business into a variety of new fields. Changes in geographic mix and product and service mix and an increasing competition for tests may also affect our revenue growth rate. We may also experience a decline in our revenue growth rate as our revenues increase to higher levels, if there is a decrease in the rate of adoption of our products, services, and technologies, among other factors.

In addition to a decline in our revenue growth rate, we may also experience downward pressure on our gross operating margins resulting from a variety of factors, such as the continued expansion of our business into new fields, including new products and services, as well as significant investments in new areas, all of which may have margins lower than those that we generate from testing. We may also experience downward pressure on our gross operating margins from increasing competition and increased costs for many aspects of our business. We may also pay increased fees to our partners as well as increased acquisition costs. We may also face an increase in infrastructure costs, supporting other businesses. Additionally, our expenditures to promote new products and services or to distribute certain products and services or increased investment in our innovation efforts may affect our operating margins.

Due to these factors and the evolving nature of our business, our historical revenue growth rate and historical gross operating margins may not be indicative of our future performance.

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

As of December 31, 2025, we had total gross deferred tax assets of approximately $342 million, including net operating loss carryforwards ("NOLs") and tax credit carryforwards. The realization of these deferred tax assets depends on our ability to generate sufficient taxable income within the applicable carryforward periods. Based on our evaluation of available positive and negative evidence, we have recorded a full valuation allowance against our deferred tax assets as of December 31, 2025 and December 31, 2024. If we are unable to generate sustained taxable income in future periods, we may be unable to realize some or all of these tax benefits.

In addition, our ability to utilize NOLs and certain other tax attributes may be limited under Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"), if we experience an "ownership change." An ownership change generally occurs if the percentage of our stock owned by one or more 5% shareholders increases by more than 50 percentage points over a rolling three-year period. We may have experienced ownership changes in the past, and future transactions involving our equity, including acquisitions such as the Business Combination or the Acquisition, financings, or other changes in our stock ownership, could result in additional ownership changes. If an ownership change occurs, our ability to utilize pre-change NOLs and other tax attributes could be subject to annual limitations, which could materially reduce or eliminate the benefit of these tax assets.

Furthermore, under the Tax Cuts and Jobs Act, NOLs generated in taxable years beginning after December 31, 2017 may offset only up to 80% of current-year taxable income and generally may not be carried back to prior years. State tax laws may impose similar or additional restrictions, and in certain jurisdictions the use of NOLs may be suspended or otherwise limited. As a result of these limitations, we could incur increased federal and state income tax liabilities in future periods, which could materially and adversely affect our results of operations and cash flows.

Declines in the future expected cash flows for the Company's businesses or changes to underlying assumptions used to calculate fair value could result in impairment charges which could have a material adverse effect on the Company's financial results of operations.

Our total assets reflect goodwill and amortizable intangible assets, including developed technology, tradenames and trademarks and customer relationships. The Company is required under U.S. GAAP to review its long-lived assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable, and is also required to conduct impairment tests on goodwill annually or more frequently, if circumstances indicate that the carrying value may not be recoverable or that an other-than-temporary impairment exists.

Future events or factors may occur that could adversely affect the fair value of the Company's assets and require impairment charges, including, but not limited to, divestitures of certain businesses or product lines, strategic decisions made in response to changes in economic and competitive conditions, the impact of the economic environment on the Company's sales and customer base, a material adverse change in the Company's relationship with significant customers or business partners, or a sustained decline in the Company's stock price. In the event any such impairment indicators become known or are present, the Company may be required to perform impairment tests based on changes in the economic environment and other factors, and these tests could result in impairment charges in the future.

Risks Related to Our Key Relationships

We rely on commercial delivery services to transport samples to our facilities in a timely and cost-efficient manner and if these delivery services are disrupted, our business could be harmed.

Our core business depends on our ability to quickly and reliably deliver test results to our customers. We typically receive blood and saliva samples for analysis at our laboratory facilities within days of collection from the patient. Disruptions or errors in delivery service and accessioning errors and breaches, whether due to error by the delivery service, labor disruptions, bad weather, natural disaster, terrorist acts or threats, outbreaks of disease or for other reasons, could adversely affect specimen integrity, our ability to process or store samples in a timely manner and to service our customers, and ultimately our reputation and our business. In addition, if we are unable to continue to obtain expedited delivery services on commercially reasonable terms, our operating results may be adversely affected.

Risks Related to Acquisitions and Other Strategic Transactions

We may seek to grow our business through additional acquisitions of complementary products or technologies and we may from time to time dispose of or discontinue businesses or assets, and the failure to manage these acquisitions or dispositions, or the failure to integrate acquired businesses with our existing business, could have a material adverse effect on our business, financial condition and operating results.

From time to time, we may consider additional opportunities to acquire other products or technologies that may enhance our product platform or technology, expand the breadth of our markets or customer base, or advance our business strategies. For example, in May of 2025, we completed the acquisition of Fabric Genomics. The integration of acquired businesses involves significant risks and uncertainties, including difficulties in integrating operations, technologies, systems, realizing anticipated synergies or strategic benefits and managing increased operational complexity. If we are unable to successfully integrate acquired businesses or realize the expected benefits of such transactions, our business, financial condition, and results of operations could be adversely affected.

Potential acquisitions involve numerous risks, including:

- problems assimilating the acquired products or technologies;
- issues maintaining uniform standards, procedures, controls and policies;
- unanticipated costs associated with acquisitions;
- diversion of management's attention from our existing business;
- risks associated with entering new markets in which we have limited or no experience; and
- increased legal and accounting costs relating to the acquisitions or compliance with regulatory matters.

We do not know if we will be able to identify any other acquisitions we deem suitable, whether we will be able to successfully complete any acquisitions on favorable terms or at all, or whether we will be able to successfully integrate any acquired products or technologies. Our potential inability to integrate any acquired products or technologies effectively may adversely affect our business, operating results and financial condition.

We may also consider disposing of assets or business in the future. Dispositions may similarly involve risks associated with the potential disruption of our ongoing business and distraction of our management team, and the anticipated benefits and cost savings of these transactions may not be realized fully, or at all, or take longer to realize than anticipated. In addition, dispositions may involve our continued financial involvement in a divested business, such as through continuing equity ownership, transition service agreements, guarantees, indemnities or other current or contingent financial obligations. Under these arrangements, performance by the acquired or divested business, or other conditions outside our control, could affect our future financial results.

Risks Related to Legal, Regulatory and Compliance

We may be subject to increased compliance risks as a result of our rapid growth, including our dependence on our sales, marketing and billing efforts.

We have had to expand our training and compliance efforts in line with our increasing reliance on personnel in our sales, marketing and billing functions, and our expansion of these functions in line with the overall growth in our business. We continue to monitor our personnel, but we have in the past experienced, and may in the future experience, situations in which employees fail to strictly adhere to our policies. In addition, sales and marketing activities in the healthcare space are subject to various rules and regulations. Moreover, our billing and marketing messaging can be complex and nuanced, and there may be errors or misunderstandings in our employees communication of such messaging. Furthermore, we utilize text messaging, email, phone calls and other similar methods to communicate with patients who are existing or potential users of our products for various business purposes. These activities subject us to laws and regulations relating to communications with consumers, such as the CAN-SPAM Act and the Telephone Consumer Protection Act, violations of which could subject us to claims by consumers, who may seek actual or statutory damages, which could be material in the aggregate. As we continue to scale up our sales and marketing efforts in line with the growth in our business, in particular our increased pace of product launches as well as further geographical expansion, we face an increased need to continuously monitor and improve our policies, processes and procedures to maintain compliance with a growing number and variety of laws and regulations, including with respect to consumer marketing. To the extent that there is any violation, whether actual, perceived or alleged, of our policies or applicable laws and regulations, we may incur additional training and compliance costs, may receive inquiries from third-party payors or other third parties, or be held liable or otherwise responsible for such acts of non-compliance. Any of the foregoing could adversely affect our cash flow and financial condition.

If we use hazardous materials in a manner that causes injury, we could be liable for resulting damages.

Our activities currently require the use of hazardous chemicals and biological material. We cannot eliminate the risk of accidental contamination or injury to employees or third parties from the use, storage, handling or disposal of these materials. In the event of contamination or injury, we could be held liable for any resulting damages, and any liability could exceed our resources or any applicable insurance coverage we may have. Additionally, we are subject on an ongoing basis to federal, state and local laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. The cost of compliance with these laws and regulations may become significant, and our failure to comply may result in substantial fines or other consequences, and either could negatively affect our operating results.

Changes in FDA oversight for laboratory developed tests LDTs could subject our operations to much more significant regulatory requirements.

We currently offer an LDT version of certain tests. Historically, the FDA has exercised a policy of enforcement discretion with respect to most LDTs, whereby the FDA did not actively enforce its medical device regulatory requirements for such tests. However, at various points in recent years, the FDA has indicated that it intends to end enforcement discretion for many tests offered as LDTs, and to require such tests to comply with certain FDA regulatory requirements. Agency officials have previously expressed significant concerns regarding performance disparities between some LDTs and in vitro diagnostics that have been reviewed, cleared, authorized or approved by the FDA.

On April 29, 2024, the FDA published a final rule on LDTs, in which the FDA outlined its plans to end enforcement discretion for many LDTs in five stages over a four-year period. In response, multiple lawsuits were filed challenging the FDA's authority to regulate LDTs as medical devices under the Federal Food, Drug, and Cosmetic Act (FDCA). On March 31, 2025, the U.S. District Court for the Eastern District of Texas struck down the 2024 final rule on the grounds that the FDA exceeded its authority under the FDCA. The FDA did not appeal the court's ruling. As a result, clinical laboratories offering LDTs are not required to comply with any of the phases of the final rule.

Legislative proposals addressing the FDA's oversight of LDTs have also been introduced in previous Congresses, and we expect that new legislative proposals will be introduced from time-to-time. If the FDA ultimately regulates certain LDTs, or we voluntarily choose to submit certain test(s) for FDA review, our tests may become subject to extensive FDA requirements and our business may otherwise be adversely affected. If the FDA were to actively regulate our LDTs, we could experience reduced revenue or increased costs, which could adversely affect our business, prospects, results of operations and financial condition. The regulatory marketing authorization process may involve, among other things, successfully completing additional clinical validations and preparing submissions that comply with applicable premarket review requirements. Furthermore, legislative proposals, if enacted, such as the VALID Act, could create new or different regulatory and compliance burdens on us and could have a negative effect on our ability to keep products on the market or develop new products, which could have a material effect on our business. In the event that the FDA requires or we voluntarily seek marketing authorization of our LDTs in the future, the FDA may not ultimately grant any clearance, authorization or approval requested by us in a timely manner, may limit our indication in a way that is not commercially desirable, or refuse to provide such authorization at all. In addition, if the FDA inspects our laboratory in relation to the marketing of any FDA-authorized test, any enforcement action the FDA takes might not be limited to the FDA-authorized test carried by us and could encompass our other testing services.

A breakthrough device designation by the FDA, even though granted, may not lead to a faster development, regulatory review or authorization, nor a designation increase the likelihood that any of our product candidates will receive regulatory authorization in the United States.

In October 2025, we received Breakthrough Device Designation from the FDA for the "Breakthrough Device Designation Indications" using our ExomeDx™ and GenomeDx™ tests. Breakthrough Device Designation provides certain benefits, including more interactive and timely communications with FDA staff, potential use of post-market data collection to facilitate expedited development and review, opportunities for more efficient and flexible clinical study design, and prioritized review of premarket submissions. However, there can be no guarantee that these benefits will materialize or significantly impact our development and regulatory authorization process. We may not experience a faster development process, review, or authorization compared to conventional FDA procedures. Breakthrough Device Designation does not alter the regulatory standards for marketing authorization or guarantee that we will ultimately obtain FDA authorization for the Breakthrough Device Designation Indications using our ExomeDx™ and GenomeDx™ tests. Furthermore, the FDA may rescind Breakthrough Device Designation if it believes that the designation is no longer supported by data from our clinical development program. As with all FDA marketing authorizations, we will need to continue to comply with applicable regulations and standards, which may change over time.

Our business is subject to various complex laws and regulations applicable to clinical diagnostics. We could be subject to significant fines and penalties if we or our partners fail to comply with these laws and regulations.

As a provider of clinical diagnostic products and services, we and our partners are subject to extensive and frequently changing federal, state, local and foreign laws and regulations governing various aspects of our business.

In particular, the clinical laboratory and healthcare industry is subject to significant governmental certification and licensing regulations, as well as federal, state and foreign laws regarding:

- test ordering and billing practices;
- marketing, sales and pricing practices;
- health information privacy and security, including HIPAA and comparable state laws;
- insurance;
- anti-markup legislation;
- fraud and abuse; and
- consumer protection.

We are also required to comply with applicable FDA regulations, including with respect to our labeling and promotion activities. In addition, advertising and marketing of our clinical products are subject to regulation by the Federal Trade Commission (the "FTC"), and advertising of laboratory services is regulated by certain state laws. Violation of any FDA requirement could result in enforcement actions, such as seizures, injunctions, civil penalties and criminal prosecutions, and violation of any FTC or state law requirement could result in injunctions and other remedies, all of which could have a material adverse effect on our business. Most states also have similar regulatory and enforcement authority for devices. Additionally, most foreign countries have authorities comparable to the FDA and processes for obtaining marketing approvals. Obtaining and maintaining these approvals, and complying with all laws and regulations, may subject us to similar risks and delays as those we could experience under FDA, FTC and state regulation. We incur various costs in complying and overseeing compliance with these laws and regulations. The growth of our business and sales organization, the acquisition of additional businesses or products and services and our expansion outside of the U.S. may increase the potential of violating these laws, regulations or our internal policies and procedures.

Healthcare policy has been a subject of extensive discussion in the executive and legislative branches of the federal and many state governments, and healthcare laws and regulations are subject to change. Development of the existing commercialization strategy for our tests and planned development of products in our pipeline has been based on existing healthcare policies. We cannot predict what additional changes, if any, will be proposed or adopted or the effect that such proposals or adoption may have on our business, financial condition and results of operations.

If we or our partners fail to comply with these laws and regulations, it could incur significant fines and penalties and our reputation and prospects could suffer. Additionally, any such partners could be forced to cease offering our products and services in certain jurisdictions, which could materially disrupt our business. An adverse outcome could include us being required to pay treble damages, incur civil and criminal penalties, paying attorneys' fees, entering into a corporate integrity agreement, being excluded from participation in government healthcare programs, including Medicare and Medicaid, and other adverse actions that could materially and adversely affect our business, financial condition and results of operations.

Compliance with the HIPAA security, privacy and breach notification regulations may increase our costs.

The HIPAA privacy, security and breach notification regulations, which include requirements implemented under the HITECH Act, establish federal standards with respect to the uses and disclosures of protected health information ("PHI"), by health plans, healthcare providers and healthcare clearinghouses. The HIPAA regulations generally prohibit the use and disclosure of PHI without patient authorization, unless the use or disclosure is for payment, treatment or healthcare operations purposes. In setting standards to protect the confidentiality, integrity and security of PHI, the regulations establish a regulatory framework that addresses a variety of subjects, including:

- the circumstances under which uses and disclosures of PHI are permitted or required without a written authorization from the patient, including but not limited to treatment purposes, activities to obtain payments for our services, and our healthcare operations activities;
- a patient's rights to access, amend and receive an accounting of certain disclosures of PHI;
- requirements to notify individuals if there is a breach of their PHI;
- the contents of notices of privacy practices related to the use and disclosure of PHI;
- administrative, technical and physical safeguards required of entities that use or receive PHI;
- criteria related to the deidentification and aggregation of PHI; and
- the use and protection of electronic PHI.

We are also required to comply with applicable state privacy, security and breach notification laws and regulations, which may be more stringent than federal HIPAA requirements. In addition, for healthcare data transfers from other countries relating to citizens and/or residents of those countries, we are also required to comply with the laws of those countries. Furthermore, on December 1, 2022, the U.S. Department of Health and Human Services, Office for Civil Rights ("OCR") issued a Bulletin highlighting the obligations of HIPAA covered entities and business associates with respect to the use of online tracking technologies. OCR updated this Bulletin on March 18, 2024. To the extent that a covered entity or business associate permits a tracking technology vendor to collect PHI of its customers, the parties must enter into a business associate agreement. In addition, the PHI collected may only be used for treatment or health care operation purposes, in accordance with HIPAA. The PHI cannot be used for marketing purposes that are not connected with treatment or health care operations, absent a HIPAA compliant authorization from each customer whose information is being shared.

Although HIPAA does not provide for private rights of action, HIPAA gives OCR and the Department of Justice the authority to assess significant fines and other penalties for wrongful use or disclosure of PHI, including potential civil and criminal fines and penalties. OCR may require an entity to enter into a settlement agreement which may include ongoing oversight and auditing of a company's HIPAA compliance program.

In addition, computer networks are always vulnerable to breach and unauthorized persons may in the future be able to exploit weaknesses in the security systems of our computer networks and gain access to PHI. Additionally, we share PHI with third-parties who are legally obligated to safeguard and maintain the confidentiality of PHI. Despite such protections, unauthorized persons may also be able to gain access to PHI stored in such third parties' computer networks. Any wrongful use or disclosure of PHI by us or such third-parties, including disclosure due to data theft or unauthorized access to us or such third-parties' computer networks, could subject us to fines or penalties that could adversely affect our business and results of operations. In addition, we distribute PHI to patients in physical form (e.g., test materials and/or test results), which introduces additional risk that human error will result in unauthorized disclosures of PHI. Although HIPAA does not expressly provide for a private right of action for damages, we could also be liable for damages under state privacy laws to private parties for the wrongful use or disclosure of confidential health information or other private personal information.

We have implemented practices intended to meet the requirements of the HIPAA privacy, security and breach notification regulations, as required by law, but cannot guarantee that such practices fully satisfy all applicable requirements under HIPAA. In addition, the Company has experienced a number of "security incidents" (as defined under HIPAA) that involved the unauthorized disclosure of PHI. A subset of these incidents was determined to be reportable breaches requiring disclosure to OCR, as well as to the affected patients. Moreover, we cannot confirm that we have identified all previous incidents that could constitute reportable breaches, or that the mitigation steps undertaken in response to known breaches are adequate to satisfy applicable regulatory requirements and prevent any future unauthorized disclosures.

As noted above, in addition to HIPAA, we are subject to myriad federal, state, and local requirements pertaining to the collection, retention, and disclosure of genetic material. While we endeavor to remain current with such requirements, we can provide no assurance that we are, or will remain, in compliance with all applicable requirements. Failure to comply with privacy and data security requirements could result in a variety of consequences, including significant fines and penalties as well as damage to our reputation, any of which could have a material adverse effect on our business.

Some of our activities may subject the Company to risks under federal and state laws prohibiting 'kickbacks' and false or fraudulent claims.

In addition to FDA marketing and promotion restrictions, several other types of state and federal healthcare fraud and abuse laws have been applied in recent years to restrict certain marketing practices in the healthcare product and service industry and to regulate billing practices and financial relationships with healthcare providers, hospitals and other healthcare providers. These laws include, among others, a federal law commonly known as the federal Anti-Kickback Statute, the federal False Claims Act, the federal physician self-referral law, known as the Stark Law, and corollary state laws. These laws constrain, among other things, the sales, marketing and other promotional activities of manufacturers of medical devices and providers of laboratory services by limiting the kinds of financial arrangements, including sales programs, free goods and services, consulting arrangements, speaker programs, compensated service arrangements (including specimen collection and processing), and other non-monetary compensation (e.g., meals, gifts and other business courtesies), that may be used with hospitals, healthcare providers, laboratories and other potential purchasers or prescribers of medical devices and laboratory services. The federal and state fraud and abuse laws prescribe civil and, in some cases, criminal penalties (including fines) for noncompliance that can be substantial. In addition, various states have enacted false claim laws analogous to the federal laws that apply where a claim is submitted to any third-party payor and not only a governmental payor program. Moreover, any claim for reimbursement that is predicated on a violation of the Anti-Kickback Statute may constitute a "false claim" under the False Claims Act (discussed in further detail below).

In 2018, Congress passed the Eliminating Kickbacks in Recovery Act ("EKRA"), as part of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act. Similar to the Anti-Kickback Statute, EKRA imposes criminal penalties for knowing or willful payment or offer, or solicitation or receipt, of any remuneration, whether directly or indirectly, overtly or covertly, in cash or in kind, in exchange for the referral or inducement of laboratory testing (among other healthcare services) unless a specific exception applies. However, unlike the Anti-Kickback Statute, EKRA is not limited to services covered by federal or state healthcare programs but applies more broadly to services covered by "healthcare benefit programs," including commercial insurers. As currently drafted, EKRA potentially expands the universe of arrangements that could be subject to government enforcement under federal fraud and abuse laws. In addition, while the Anti-Kickback Statute includes certain exceptions that are widely relied upon in the healthcare industry, including safe harbors applicable to certain employees and personal service contracts, not all of those same exceptions apply under EKRA. EKRA expressly does not protect employee compensation that varies by the number of individuals referred to a laboratory, the number of tests performed by a laboratory, or the amount billed to or received from a health benefit program from individuals referred to a laboratory. Because EKRA is a relatively new law, there is no agency guidance and only a few courts have addressed the application of EKRA and those courts reached opposite conclusions on the issue of whether laboratory payments to employees for sales and marketing activities implicate or violate EKRA. Given the conflicting opinions, we cannot be assured that courts in our jurisdiction will reach the same conclusion or that the decision will not be overturned if there is an appeal. We cannot assure you that our relationships with healthcare providers, hospitals, customers, our own sales representatives, or any other party will not be subject to scrutiny or will survive regulatory challenge under EKRA or other anti-kickback laws.

The False Claims Act prohibits, among other things, knowingly presenting (or causing the presentation of) a false claim for payment to the federal government. Violation of the False Claims Act can result in substantial penalties, including treble damages. Moreover, the False Claims Act permits enforcement by qui tam relators (i.e., whistleblowers), such as competitors, customers, or current/former employees, who will receive a portion of any settlement. As discussed above, violations of the Anti-Kickback statute can serve as the basis for enforcement under the False Claims Act. In addition, inaccurate or otherwise improper claims for reimbursement could constitute a false claim, meaning that we or our partners must carefully and accurately code claims for reimbursement, proactively monitor the accuracy and appropriateness of claims and payments received, diligently investigate any credible information indicating that we or our partners may have received an overpayment, and promptly return any overpayments. Medicare payments are subject to audit, including through the Comprehensive Error Rate Testing ("CERT"), program, and payments may be recouped by CMS if it is determined that they were improperly made. Currently, a small percentage of our revenues are generated by payments from Medicare.

While we continually strive to comply with these complex requirements, interpretations of the applicability of these laws to marketing and billing practices are constantly evolving and even an unsuccessful challenge could cause adverse publicity and be costly to respond to, and thus could harm our business and prospects. In addition, while we have and will continue to enter into certain financial arrangements with referral sources, and we endeavor to ensure that such arrangements are designed to comply with applicable rules, laws and regulations, we can offer no assurance that such arrangements will not result in regulatory or enforcement scrutiny. Our failure to comply with applicable laws could result in various adverse consequences that could have a material adverse effect upon our business, including the exclusion of our products and services from government programs and the imposition of civil or criminal sanctions.

Our business could be harmed by the loss, suspension or other restriction on a license, certification or accreditation, or by the imposition of a fine or penalties, under CLIA, our implementing regulations or other state, federal and foreign laws and regulations affecting licensure or certification, or by future changes in these laws or regulations.

Federal law requires virtually all clinical laboratories to comply with CLIA, which generally involves becoming certified by the federal and state government for the testing that will be performed and complying with various operational, personnel, facilities administration, quality and proficiency testing requirements intended to ensure that testing services are accurate and reliable. CLIA certification is also a prerequisite to be eligible to bill state and federal healthcare programs, as well as many private third-party payors, for clinical diagnostic testing services. For example, as a condition of our CLIA certification, a laboratory may be subject to survey and inspection every other year, additional random inspections and surprise inspections based on complaints received by state or federal regulators. The biennial survey and inspection is conducted by CMS, a CMS agent or, if the laboratory holds a CLIA certificate of accreditation, a CMS-approved accreditation organization, such as CAP. Sanctions for failure to comply with CLIA requirements, including proficiency testing violations, may include suspension, revocation or limitation of a laboratory's CLIA certificate, which is necessary to conduct business, as well as the imposition of significant civil, administrative or criminal sanctions against the lab, its owners and other individuals. In addition, we are subject to regulation under certain state laws and regulations governing laboratory licensure. Some states have enacted laboratory licensure and compliance laws that are more stringent than CLIA. Changes in state licensure laws that affect our ability to offer and provide research and diagnostic products and services across state or foreign country lines could materially and adversely affect our business. In addition, state

and foreign requirements for laboratory certification may be costly or difficult to meet and could affect our ability to receive specimens from certain states or foreign countries.

Any sanction imposed under CLIA, its implementing regulations or state or foreign laws or regulations governing licensure, or our failure to renew a CLIA certificate, a state or foreign license or accreditation, could have a material adverse effect on our business.

We may never obtain approval in the EU or in any other foreign country for any of our products or services and, even if we do, we or our partners and collaborators may never be able to commercialize them in another jurisdiction, which would limit our ability to realize their full market potential.

In order to eventually market any of our current or future products and services in any particular foreign jurisdiction, we must establish compliance with numerous and varying regulatory requirements on a jurisdiction-by-jurisdiction basis regarding quality, safety, performance, privacy and efficacy. In addition, clinical trials or clinical investigations conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory clearance, authorization or approval in one country does not guarantee regulatory clearance, authorization or approval in any other country. Approval processes vary among countries and can involve additional product testing and validation and additional administrative review periods.

Seeking foreign regulatory clearance, authorization or approval could result in difficulties and costs for us and our collaborators and require additional preclinical studies, clinical trials or clinical investigations which could be costly and time-consuming. Regulatory requirements and ethical approval obligations can vary widely from country to country and could delay or prevent the introduction of our products and services in those countries. The foreign regulatory clearance, authorization or approval process involves all of the risks and uncertainties associated with FDA clearance, authorization or approval. We currently have limited experience in obtaining regulatory clearance, authorization or approval in international markets. If we or our collaborators fail to comply with regulatory requirements in international markets or to obtain and maintain required regulatory clearances, authorizations or approvals in international markets, or if those approvals are delayed, our target market will be reduced and our ability to realize the full market potential of our products and services will be unrealized.

Complying with numerous statutes and regulations pertaining to our business is an expensive and time-consuming process, and any failure to comply could result in substantial penalties.

Our operations are subject to other extensive federal, state, local and foreign laws and regulations, all of which are subject to change. These laws and regulations currently include, among others:

- HIPAA, which establishes comprehensive federal standards with respect to the privacy and security of protected health information and requirements for the use of certain standardized electronic transactions;
- amendments to HIPAA under HITECH, which strengthen and expand HIPAA privacy and security compliance requirements, increase penalties for violators and expand vicarious liability, extend enforcement authority to state attorneys general, and impose requirements for breach notification;
- the General Data Protection Regulation (“GDPR”) and UK Data Protection Act 2018 (“UK GDPR”), which imposes strict privacy and security requirements on controllers and processors of European and UK personal data, including enhanced protections for “special categories” of personal data, including sensitive information such as health and genetic information of data subjects;
- the CCPA, and similar consumer privacy laws in other states, which, among other things, regulate how subject businesses may collect, use, disclose and/or sell the personal information of consumers who reside in each state, affords rights to consumers that they may exercise against businesses that collect their information, and requires implementation of reasonable security measures to safeguard personal information of consumers;
- laws governing genetic counseling services, relating to, among other things, the adequacy of health care, the practice of medicine and other health professions (including the provision of remote care and cross-coverage practice), equipment, personnel, operating policies and procedures and the prerequisites for ordering laboratory tests. Some states have enacted regulations specific to providing services to patients via telehealth. Such regulations include, among other things, informed consent requirements that some states require providers to obtain from their patients before providing telehealth services. Health professionals who provide professional services using telehealth modalities must, in most instances, hold a valid license to practice the applicable health profession in the state in which the patient is located. In addition, certain states require a healthcare professional providing telehealth to be physically located in the same state as the patient. Any failure to comply with these laws and regulations could result in civil or criminal penalties against telehealth providers;
- clinical and human subjects research regulations, including but not limited to the federal Policy for Protection of Human Subjects (45 C.F.R. Part 46), the FDCA and its applicable implementing regulations at 21 C.F.R. Parts 11, 50, 54, 56, 58 and 812, and all equivalent legal requirements in other jurisdictions;

- the federal Anti-Kickback Statute, which prohibits knowingly and willfully offering, paying, soliciting or receiving remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce or in return for the referral of an individual, for the furnishing of or arrangement for the furnishing of any item or service for which payment may be made in whole or in part by a federal healthcare program, or the purchasing, leasing, ordering, arranging for, or recommend purchasing, leasing or ordering, any good, item or service for which payment may be made, in whole or in part, under a federal healthcare program;
- EKRA, which prohibits payments for referrals to recovery homes, clinical treatment facilities, and laboratories and reaches beyond federal health care programs, to include private insurance;
- the federal physician self-referral law, known as the Stark Law, which prohibits a physician from making a referral to an entity for certain designated health services covered by the Medicare program, including laboratory and pathology services, if the physician or an immediate family member has a financial relationship with the entity unless an exception applies, and prohibits an entity from billing for designated health services furnished pursuant to a prohibited referral;
- the federal False Claims Act, which imposes liability on any person or entity that, among other things, knowingly presents, or causes to be presented, a false or fraudulent claim for payment to the federal government;
- the federal Civil Monetary Penalties Law, which prohibits, among other things, the offering or transfer of remuneration to a Medicare or state healthcare program beneficiary if the person knows or should know it is likely to influence the beneficiary's selection of a particular provider, practitioner or supplier of services reimbursable by Medicare or a state healthcare program, unless an exception applies;
- the HIPAA fraud and abuse provisions, which create new federal criminal statutes that prohibit, among other things, defrauding health care benefit programs, willfully obstructing a criminal investigation of a healthcare offense and falsifying or concealing a material fact or making any materially false statements in connection with the payment for healthcare benefits, items or services;
- other federal and state fraud and abuse laws, such as anti-kickback laws, prohibitions on self-referral, fee-splitting restrictions, insurance fraud laws, anti-markup laws, prohibitions on the provision of tests at no or discounted cost to induce physician or patient adoption, and false claims acts, which may extend to services reimbursable by any third-party payor, including private insurers;
- the 21st Century Cures Act information blocking prohibition, which prohibits covered actors from engaging in certain practices that are likely to interfere with the access, exchange, or use of electronic health information;
- the Physician Payments Sunshine Act and similar state laws that require reporting of certain payments and other transfers of value made by applicable manufacturers, directly or indirectly, to or on behalf of covered recipients including physicians (defined to include doctors of medicine, osteopathy, dentists, optometrists, podiatrists and chiropractors), physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, anesthesiologist assistants, certified nurse midwives and teaching hospitals as well as ownership and investment interests held by physicians and their immediate family members;
- state laws that limit or prohibit the provision of certain payments and other transfers of value to certain covered healthcare providers;
- the prohibition on reassignment of Medicare claims, which, subject to certain exceptions, precludes the reassignment of Medicare claims to any other party;
- state laws that prohibit other specified practices, such as billing clinicians for testing that they order; waiving coinsurance, copayments, deductibles and other amounts owed by patients; billing a state Medicaid program at a price that is higher than what is charged to one or more other payors;
- similar foreign laws and regulations that may apply to us in the countries in which we operate or may operate in the future; and
- laws that relate to maintaining accurate information and control over activities that may fall within the purview of the U.S. Foreign Corrupt Practices Act, its books and records provisions, or anti-bribery provisions.

We have adopted policies and procedures designed to comply with these laws and regulations. While the Company continues to develop and improve its compliance program, we acknowledge that further development will be necessary to help mitigate enforcement risk. Our compliance may also be subject to governmental review and, in the event of a violation of certain legal requirements, any deficiencies in our policies, procedures, and controls may subject us to increased sanctions that could materially affect our business.

Furthermore, the U.S. Supreme Court recently reversed its longstanding approach under the Chevron doctrine, which provided for judicial deference to regulatory agencies. As a result of this decision, we cannot be sure whether there will be increased challenges to existing agency regulations or how lower courts will apply the decision in the context of other regulatory schemes without more specific guidance from the U.S. Supreme Court. For example, the U.S. Supreme Court's decision could significantly impact healthcare, privacy, AI and anti-corruption practices and other regulatory regimes with which we are required to comply. Any such regulatory developments could result in uncertainty about and changes in the ways such regulations apply to us, and may require additional resources to ensure our continued compliance.

In addition, the growth of our business and our expansion outside of the U.S. may increase the potential of violating these laws or our internal policies and procedures. The risk of us being found in violation of these or other laws and regulations is further increased by the fact that many have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. If our operations are found to be in violation of any of these laws and regulations, we may be subject to any applicable penalty associated with the violation, including significant administrative, civil and criminal penalties, damages, fines, imprisonment, exclusion from participation in Federal healthcare programs, refunding of payments received by us and curtailment or cessation of our operations, which may impact existing contracts with key payors, collaborators, health systems, and commercial partners. Any of the foregoing consequences could seriously harm our business and our financial results.

We face uncertainty related to healthcare reform, pricing, coverage and reimbursement, which could reduce our revenue.

Healthcare reform laws, including the Patient Protection and Affordable Care Act ("ACA") and PAMA, are significantly affecting the U.S. healthcare and medical services industry. Existing legislation, and possible future legal and regulatory changes, including potential repeal or modification of the ACA, elimination of penalties regarding the individual mandate for coverage, or approval of health plans that allow lower levels of coverage for preventive services, could materially change the structure and finances of the health insurance system and the methodology for reimbursing medical services, drugs and devices, including our current and future products and services. The ACA has also been the subject of various legal challenges, and if the plaintiffs in any case challenging the ACA are ultimately successful, insurance coverage for our tests could be materially and adversely affected. Any change in reimbursement policy could result in a change in patient cost-sharing, which could adversely affect a provider's willingness to prescribe and patient's willingness and ability to use our tests and any other product or service we may develop. Healthcare reforms, which may intend to reduce healthcare costs, may have the effect of discouraging third-party payors from covering certain kinds of medical products and services, particularly newly developed technologies, or other products or tests we may develop in the future. We cannot predict whether future healthcare reform initiatives will be implemented at the federal or state level or the effect any such future legislation or regulation will have on it. The taxes imposed by new legislation, cost reduction measures and the expansion in the government's role in the U.S. healthcare industry may result in decreased profits to us, which may adversely affect our business, financial condition and results of operations.

PAMA presents significant uncertainty for future CMS reimbursement rates for our tests. Because Medicare currently covers a significant number of patients, any reduction in the CMS reimbursement rate for our tests would negatively affect our revenues and our business prospects. Under PAMA, unless delayed by an act of Congress, CMS reimbursement rates for clinical diagnostic laboratory tests are updated every three years, or annually for clinical laboratory tests that are considered "advanced diagnostic laboratory tests". The CMS reimbursement rates for clinical diagnostic laboratory tests are updated based on the volume-weighted median of private payor rates for each clinical diagnostic laboratory test based on data submitted by certain applicable laboratories. Further, laboratories that fail to report or erroneously report required payment information may be subject to substantial civil money penalties. There can be no assurance under PAMA that adequate CMS reimbursement rates will continue to be assigned to our tests. Congress could modify or repeal PAMA in the future or CMS could modify regulations under PAMA, and any such action could have the effect of reducing the CMS reimbursement rate for our tests. Further, it is possible that Medicare or other federal payors that provide reimbursement for our tests may suspend, revoke or discontinue coverage at any time, may require co-payments from patients, or may reduce the reimbursement rates payable to us. Any such action could have a negative impact on our revenues.

Product and professional liability suits against us could result in expensive and time-consuming litigation, payment of substantial damages and increases in our insurance rates.

The sale and use of our solutions, products and services could lead to product or professional liability claims, including class action lawsuits, and the growth in the sale and use of our solutions, products and services could lead to greater exposure to product or professional liability claims. We may also be subject to liability for errors in the test results, including health information it provides to healthcare providers or patients or for a misunderstanding of, or inappropriate reliance upon, the information it provides. Claims could also arise out of clinical studies we may conduct or any of our other activities. A product or professional liability claim could result in substantial damages, be costly and time consuming to defend, and cause material harm to our business, reputation or financial condition. We cannot assure you that our liability insurance would protect our assets from the financial impact of defending a product or professional liability claim. Any claim brought against us, with or without merit, could increase our liability insurance rates or prevent it from securing insurance coverage in the future.

Errors, defects, or mistakes in our products or services, and operations could harm our reputation, decrease market acceptance of our products or services.

We are creating new products and services, many of which are initially based on largely untested technologies. As all of our products and services progress, we or others may determine that it made product or service-level scientific or technological mistakes. The diagnostic and testing processes utilize a number of complex and sophisticated molecular, biochemical, informatics, and mechanical processes, many of which are highly sensitive to external factors. An operational or technological failure in one of these complex processes or fluctuations in external factors may result in less efficient processing or variation between testing runs. Refinements to our processes may initially result in unanticipated issues that reduce the efficiency or increase variability. In particular, sequencing, which is a key component of these processes, could be inefficient with higher-than-expected variability thereby increasing total sequencing costs and reducing the number of samples we can process in a given time period. Therefore, inefficient or variable processes can cause variability in our operating results and damage our reputation.

In addition, our laboratory operations could result in any number of errors or defects. Our quality assurance system may fail to prevent it from inadvertent problems with samples, sample quality, lab processes including sequencing, software, data upload or analysis, raw materials, reagent manufacturing, assay quality or design, or other components or processes. In addition, our assays may have quality or design errors, and we may have inadequate procedures or instrumentation to process samples, assemble our proprietary primer mixes and commercial materials, upload and analyze data, or otherwise conduct our laboratory operations. If we provide products or services with undiscovered errors to our customers, our clinical diagnostics may falsely indicate a patient has a disease or genetic variant, fail to assess a patient's risk of getting a disease or having a child with a disease, or fail to detect disease or variant in a patient who requires or could benefit from treatment or intervention. We believe our customers are likely to be particularly sensitive to product and service defects, errors and delays, including if our products and services fail to indicate the presence of residual disease with high accuracy from clinical specimens or if we fail to list or inaccurately indicate the presence or absence of disease in our test report or analysis. In drug discovery, such errors may interfere with our collaborators' clinical studies or result in adverse safety or efficacy profiles for their products in development. This may harm our customers' businesses and may cause it to incur significant costs, divert the attention of key personnel, encourage regulatory enforcement action against it, create a significant customer relations problem for us and cause our reputation to suffer. We may also be subject to warranty and liability claims for damages related to errors or defects in our products or services. Any of these developments could harm our business and operating results.

We are subject to increasingly complex taxation rules and practices, which may affect how we conduct our business and our results of operations.

As our business grows, we are required to comply with increasingly complex taxation rules and practices. We are subject to tax in multiple U.S. tax jurisdictions and may be subject to foreign tax jurisdictions in the future. The development of our tax strategies requires additional expertise and may impact how we conduct our business. Our future effective tax rates could be unfavorably affected by changes in, or interpretations of, tax rules and regulations in the jurisdictions in which we do business or by changes in the valuation of our deferred tax assets and liabilities. Furthermore, we provide for certain tax liabilities that involve significant judgment. We are and may be subject to the examination of our tax returns by federal, state and foreign tax authorities. If our tax strategies are ineffective or not in compliance with domestic and international tax laws, as applicable, our financial position, operating results and cash flows could be adversely affected.

Risks Related to Our Intellectual Property

Our inability to effectively protect our proprietary products, processes, and technologies, could harm our competitive position.

We currently rely upon trade secret protection and copyright, as well as non-disclosure agreements and confidentiality and intellectual property ownership provisions in agreements with our consultants, collaborators, vendors and other third parties, confidentiality and proprietary rights agreements, including invention assignment provisions, with our employees, and, to a limited extent, patent protection, to protect our confidential and proprietary information. As our competitors have utilized and are expected to continue utilizing similar methods and have aggregated and are expected to continue to aggregate similar databases of genetic testing information, our success will depend upon our ability to develop proprietary methods and databases and to defend any advantages afforded by our methods and databases relative to our competitors. If we do not protect our intellectual property adequately, competitors may be able to use our methods and databases and thereby erode any competitive advantages we may have.

We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our proprietary technologies are covered by valid and enforceable patents or are effectively maintained as trade secrets. In this regard, we have applied, and we intend to continue applying, for patents covering such aspects of our technologies as we deem appropriate. However, we expect that potential patent coverage we may obtain will not be sufficient to prevent substantial competition. In this

regard, we believe it is probable that others will independently develop similar or alternative technologies or design around those technologies for which we may obtain patent protection. In addition, there is no guarantee that any patent applications we file will result in issued patents; and, even if issued patents are obtained, they remain subject to third-party contestation via post-grant patent challenges. Questions as to inventorship or ownership may also arise. Any finding that our patents or applications are unenforceable or invalid would harm our ability to prevent others from practicing the related technology, and a finding that others have inventorship or ownership rights to our patents and applications could require us to obtain certain rights to practice related technologies, which may not be available on favorable terms, if at all. It would be expensive, if we initiate lawsuits to protect or enforce our patents or trade secrets, or defend against third-party IP claims, and if we lose, we may lose some of our intellectual property rights. Furthermore, these lawsuits may divert the attention of our management and technical personnel.

We expect to continue relying substantially upon trade secrets and proprietary know-how protection for our confidential and proprietary information, and we have taken security measures to maintain such protection for this information. These measures, however, may not provide adequate protection for our trade secrets, know-how or other confidential information. Among other things, we seek to protect our trade secrets and confidential information by entering into confidentiality agreements with employees and consultants. There can be no assurance that any confidentiality agreements that we have with our employees and consultants will provide meaningful protection for our trade secrets and confidential information or will provide adequate remedies in the event of unauthorized use or disclosure of such information. Accordingly, there also can be no assurance that our trade secrets will not become known. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, trade secrets may be independently developed by others in a manner that could prevent legal recourse by us. If any of our confidential or proprietary information, such as our trade secrets, were to be disclosed or misappropriated, or if any such information was independently developed by a competitor, our competitive position could be harmed.

Any inability to effectively protect our proprietary technologies under certain jurisdictions and legal regimes could harm our competitive position.

Our success and ability to compete in certain jurisdictions and under certain legal regimes depend to a large extent on our ability to develop proprietary products and technologies and to maintain adequate protection of our intellectual property in the U.S. and other countries; this becomes increasingly important as we expand our operations and enter into strategic collaborations with partners to develop and commercialize products outside of the U.S. The laws of some foreign countries do not protect proprietary rights to the same extent as the laws of the U.S., and we may encounter difficulties in establishing and enforcing its proprietary rights in some jurisdictions. In addition, the proprietary positions of companies developing and commercializing tools for molecular diagnostics, including our own, generally are uncertain and involve complex legal and factual questions. This uncertainty may materially affect our ability to defend or obtain patents or to address the issues arising under patents and patent applications owned or controlled by our collaborators and licensors.

Any of these factors could adversely affect our ability to obtain commercially relevant or competitively advantageous patent protection for our products.

If patent regulations or standards are modified, such changes could have a negative impact on our business.

From time to time, the U.S. Supreme Court, other federal courts, the U.S. Congress or the U.S. Patent & Trademark Office ("USPTO") may change the standards of patentability and validity of patents within the screening and diagnostics space, and any such changes could have an impact on our business.

There have been several cases involving "gene patents" and diagnostic claims that have been considered by the U.S. Supreme Court. In March 2012, the Supreme Court *in Mayo Collaborative Services v. Prometheus Laboratories, Inc,* found a patented diagnostic method claim unpatentable because the relationship between a metabolite concentration and optimized dosage was a patent-ineligible "law of nature." In June 2013, the Supreme Court ruled in *ACLU v. Myriad Genetics, Inc,* that an isolated genomic DNA sequence is not patent eligible, but complementary DNA, or "cDNA," is eligible. The *Prometheus and Myriad* decisions, as well as subsequent case law, affect the legal concept of subject matter eligibility by seemingly narrowing the scope of the statute defining patentable inventions.

In December 2014 and again in 2019, the USPTO published revised guidelines for patent examiners to apply when examining process claims for patent eligibility in view of several recent Supreme Court decisions, including *Mayo, Association for Molecular Pathology v. Myriad Genetics, Inc.*, and *Alice Corporation Pty. Ltd. v. CLS Bank International*, and others. The guidance indicates that claims directed to a law of nature, a natural phenomenon, or an abstract idea that do not meet the eligibility requirements should be rejected as non-statutory, patent ineligible subject matter. While these guidelines may be subject to review and modification by the USPTO over time, we cannot assure you that our intellectual property strategy or patent

portfolio will not be negatively impacted by the decisions described above, rulings in other cases or changes in guidance or procedures issued by the USPTO.

Additional substantive changes to patent law, whether new or associated with the America Invents Act which substantially revised the U.S. patent system, may affect our ability to obtain, enforce or defend our patents. Accordingly, it is not clear what, if any, impact these substantive changes will ultimately have on the cost of prosecuting our patent applications, our ability to obtain patents based on our discoveries and our ability to enforce or defend our issued patents, all of which could have a material adverse effect on our business.

If we are not able to adequately protect our trade secrets and other proprietary information, including the databases we manage and to which we have access, the value of our technology and products could be significantly diminished.

We rely on trade secret and proprietary know-how protection for our confidential and proprietary information and have taken security measures to protect this information. These measures, however, may not provide adequate protection. For example, we have a policy of requiring our consultants, advisors and collaborators, including, for example, our strategic collaborators with whom we seek to develop and commercialize products, to enter into non-disclosure agreements and our employees to enter into confidentiality and proprietary rights and, in certain cases non-compete agreements. However, breaches of our physical or electronic security systems, or breaches caused by our employees who failing to abide by their confidentiality obligations during or upon termination of their employment with us, could compromise these protection efforts. Any action we take to enforce our rights may be time-consuming, expensive, and possibly unsuccessful. Even if successful, the resulting remedy may not adequately compensate us for the harm caused by the breach. These risks are heightened in countries where laws or law enforcement practices may not protect proprietary rights as fully as in the U.S. or Europe. Any unauthorized use or disclosure of, or access to, our trade secrets, know-how or other proprietary information, whether accidentally or through willful misconduct, could have a material adverse effect on our programs and our strategy, and on our ability to compete effectively.

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

Failure to maintain our trademark registrations, or to obtain new trademark registrations in the future, could limit our ability to protect our trademarks and impede our marketing efforts, including our efforts on GeneDx Infinity™, in the countries in which we operate. We may not be able to protect our rights to trademarks and trade names which we may need to build name recognition with potential partners or customers in our markets of interest. As a means to enforce our trademark rights and prevent infringement, we may be required to file trademark claims against third parties or initiate trademark opposition proceedings. This can be expensive and time-consuming, and possibly unsuccessful. Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented, declared generic or determined to infringe on other marks.

Our pending trademark applications in the U.S. and in other foreign jurisdictions where we may file may not be successful. Even if these applications result in registered trademarks, third parties may challenge these trademarks in the future. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively, and our business may be adversely affected.

Litigation or other proceedings resulting from either third-party claims of patent infringement, or asserting infringement by third parties of our technology, could be costly, time-consuming, and could limit our ability to commercialize our products or services.

Our success depends in part on our non-infringement of the patents or intellectual property rights of third parties, and our ability to successfully prevent third parties from infringing our intellectual property. We operate in a crowded technology area in which there has been substantial litigation and other proceedings regarding patent and other intellectual property rights in the genetic diagnostics industry. Third parties, including our competitors, have asserted and may in the future assert that we are infringing their intellectual property rights. We may also become subject to and/or initiate future intellectual property litigation as our IP and product portfolio and the level of competition in our industry grow.

Because the USPTO maintains patent applications in secrecy until a patent application publishes, which is typically 18 months after the filing date, we have no way of knowing if others may have filed patent applications covering technologies used by it or our partners during this non-publication window. Additionally, there may be third-party patents, and other intellectual property rights relevant to our technologies that may block us from commercializing our technologies. From time-to-time, we have received correspondence from third parties alleging to hold intellectual property rights that could block our development or commercialization of products. While none of these inquiries to date have had any material effect on us, we may receive inquiries in the future that could have a material effect on our business. Even if third-party claims are without merit, defending a lawsuit may result in substantial expense to us and may divert the attention of management and key personnel. In addition, we cannot

provide assurance that we would prevail in any such suits to the extent necessary to conduct our business according to our strategic plan or that the damages or other remedies, if any, awarded against us would not be substantial. Claims of intellectual property infringement may require that we, or our strategic partners, enter into unsustainably high royalty or license agreements with third parties that may only be available on unacceptable terms, if at all. In addition, we could experience delays in product introductions or sales growth while we attempt to develop non-infringing alternatives. These claims could also result in injunctions against the further development and commercial sale of services or products containing our technologies, which would have a material adverse effect on our business, financial condition and results of operations.

We cannot predict whether, or offer any assurance that, the patent infringement claims may initiate in the future will be successful. We are and may become subject to counterclaims by patent infringement defendants. Our patents may be declared invalid or unenforceable, or narrowed in scope. Even if we prevail in an infringement action, we cannot assure you that it would be adequately compensated for the harm to our business. If we are unable to enjoin third-party infringement, our revenues may be adversely impacted and we may lose market share; and such third-party product may continue to exist in the market, but fail to meet our regulatory or safety standards, thereby causing irreparable harm to our reputation as a provider of quality products, which in turn could result in loss of market share and have a material adverse effect on our business, financial condition and our results of operations.

In addition, our agreements with some of our customers, suppliers, and other entities with whom we do business require us to defend or indemnify these parties to the extent they become involved in patent infringement claims, including the types of claims described in this risk factor. We have agreed, and may in the future agree, to defend or indemnify third parties if we determine it to be in the best interests of our business relationships. If we are required or agree to defend or indemnify third parties in connection with any infringement claims, we could incur significant costs and expenses that could adversely affect our business, financial condition and results of operations.

Our use of open-source software could subject our business to possible litigation or cause us to subject our platform to unwanted open-source license conditions that could negatively impact our sales.

A limited but meaningful portion of our platforms and products incorporate open-source software, and we will incorporate open-source software into other offerings or products in the future. Such open-source software is generally licensed by its authors or other third parties under open-source licenses. There is little legal precedent governing the interpretation of certain terms of these licenses, and therefore the potential impact of these terms on our business is unknown and may result in unanticipated obligations regarding our products and technologies. If an author or other third party that distributes such open-source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations. In addition, if we combine our proprietary software with open-source software in a certain manner, under some open-source licenses, we could be required to release the source code of our proprietary software, which could substantially help our competitors develop products that are similar to or better than our products.

We rely on strategic collaborative and licensing arrangements with third parties to develop intellectual property. We may not be able to successfully establish and maintain such intellectual property.

The development and commercialization of our products and services rely, directly or indirectly, upon strategic collaborations and licensing agreements with third parties. Such arrangements provide us with intellectual property and other business rights crucial to our product development and commercialization. We have incorporated licensed technology into our tests. Our dependence on licensing, collaboration and other similar agreements with third parties may subject it to a number of risks. There can be no assurance that any current contractual arrangements between us and third parties or between our strategic partners and other third parties will be continued on materially similar terms and will not be breached or terminated early. Any failure to obtain or retain the rights to necessary technologies on acceptable commercial terms could require us to re-configure our products and services, which could negatively impact their commercial sale or increase the associated costs, either of which could materially harm our business and adversely affect our future financial condition and results of operations.

We expect to continue and expand our reliance on collaborative and licensing arrangements. Establishing new strategic collaborations and licensing arrangements is difficult and time-consuming. Discussions with potential collaborators or licensors may not lead to the establishment of collaborations on favorable terms, if at all. To the extent we agree to work exclusively with one collaborator in a given area, our opportunities to collaborate with other entities could be limited. Potential collaborators or licensors may reject collaborations with it based upon their assessment of our financial, regulatory or intellectual property position or other factors. Even if we successfully establish new collaborations, these relationships may never result in the successful commercialization of any product or service. In addition, the success of the projects that require collaboration with third parties will be dependent on the continued success of such collaborators. There is no guarantee that our collaborators will continue to be successful and, as a result, we may expend considerable time and resources developing products or services that will not ultimately be commercialized.

Risks Related to Cybersecurity, Privacy and Information Technology

Interruption, interference with, or failure of our information technology and communications systems could hurt our ability to effectively provide our products and services, which could harm our reputation, financial condition, and operating results.

The availability of our products and services and fulfillment of our customer contracts depend on the continuing operation of our information technology and communications systems. Our systems are vulnerable to damage, interference, or interruption from terrorist attacks, natural disasters, the effects of climate change (such as sea level rise, drought, flooding, wildfires, and increased storm severity), power loss, telecommunications failures, computer viruses, ransomware attacks, computer denial of service attacks, phishing schemes, or other attempts to harm or access our systems. Some of our data centers are located in areas with a high risk of major earthquakes or other natural disasters. Our data centers are also subject to break-ins, sabotage, and intentional acts of vandalism, and, in some cases, to potential disruptions resulting from problems experienced by facility operators. Some of our systems are not fully redundant, and disaster recovery planning cannot account for all eventualities.

The occurrence of a natural disaster, closure of a facility, or other unanticipated problems at our data centers could result in lengthy interruptions in our service. In addition, our products and services are highly technical and complex and may contain errors or vulnerabilities, which could result in interruptions in or failure of our services or systems.

Security breaches, privacy issues, loss of data and other incidents could continue to compromise sensitive, protected, or personal information related to our business, could prevent it from accessing critical information, and could expose it to regulatory liability, which could adversely affect our business.

In the ordinary course of our business, our collection and storing of PHI also includes more sensitive data, such as genetic information, as well as personally identifiable information, genetic information, credit card information, financial information, intellectual property and proprietary business information owned or controlled by us or our customers, payors and other parties. We manage and maintain our applications and data utilizing a combination of on-site systems, managed data center systems and cloud-based systems. We also communicate PHI and other sensitive patient data through our various customer tools and platforms, and in physical form. In addition to storing and transmitting sensitive data that is subject to multiple legal protections, these applications and data encompass a wide variety of business-critical information including research and development information, commercial information, and business and financial information. We continue to face a number of risks relative to protecting this critical information, including loss of access risk, inappropriate disclosure, inappropriate modification, and the risk of our being unable to adequately monitor and modify our controls over our critical information. Any technical problems that may arise in connection with the data that we access and our systems, including those that are hosted by third-party providers, could result in interruptions to our business and operations or exposure to security vulnerabilities. These types of problems may be caused by a variety of factors, including infrastructure changes, intentional or accidental human actions or omissions, software errors, malware, viruses, security attacks, fraud, spikes in customer usage and denial of service issues. From time to time, large third-party web hosting providers have experienced outages or other problems that have resulted in their systems being offline and inaccessible. Such outages could materially impact our business and operations.

Although we take what we believe to be reasonable and appropriate measures, including a formal, dedicated enterprise security program, to protect sensitive information from various compromises (including unauthorized access, disclosure, or modification or lack of availability), our information technology and infrastructure may be vulnerable to attacks by hackers or viruses or breached due to employee error, malfeasance, lost or stolen technology, or other disruptions. Any such breach or interruption could compromise our networks and the information stored therein could be accessed by unauthorized parties, altered, publicly disclosed, lost or stolen.

Further, some of our customer tools and platforms are currently accessible through a portal and there is no guarantee that we can protect our portal from a security breach. Unauthorized access, loss or dissemination could also disrupt our operations (including our ability to conduct our analyses, provide test results, bill payors or patients, process claims and appeals, provide customer assistance, conduct research and development activities, collect, process and prepare company financial information, provide information about our tests and other patient and physician education and outreach efforts through our website, and manage the administrative aspects of our business) and damage our reputation, any of which could adversely affect our business. In addition to data security risks, we also face privacy risks. For example, as noted above, pursuant to guidance recently issued by OCR, HIPAA covered entities and business associates who permit tracking technology vendors to collect PHI from their patients must enter into a HIPAA compliant business associate agreement with that vendor or obtain advance consent. We have utilized, and may continue to utilize, tracking technologies on one or more of our websites, and may not be able to do so in a manner that is consistent with what HIPAA requires. Should we actually violate, or be perceived to have violated, any privacy promises our business makes to patients or consumers, we could be subject to a complaint from an affected individual or interested privacy regulator, such as OCR, the FTC, a state Attorney General, an EU Member State Data Protection Authority, or a data protection authority in another international jurisdiction. This risk is heightened given the sensitivity of the data we collect.

Any security compromise that causes an apparent privacy violation could also result in legal claims or proceedings; liability under federal, state, foreign, or multinational laws that regulate the privacy, security, or breach of personal information, such as but not limited to the HIPAA, HITECH, state data security and data breach notification laws, the EU's GDPR, the UK Data Protection Act of 2018; and related regulatory penalties. Penalties for failure to comply with a requirement of HIPAA or HITECH vary significantly, and, depending on the knowledge and culpability of the HIPAA-regulated entity, may include civil monetary penalties of up to $1.5 million per calendar year for each provision of HIPAA that is violated. A person who knowingly obtains or discloses individually identifiable health information in violation of HIPAA may face a criminal penalty of up to $50,000 and up to one-year imprisonment. The criminal penalties increase if the wrongful conduct involves false pretenses or the intent to sell, transfer or use identifiable health information for commercial advantage, personal gain or malicious harm. Penalties for unfair or deceptive acts or practices under the FTC Act or state UDAP, statutes may also vary significantly.

There has been unprecedented activity in the development of data protection regulation around the world. As a result, the interpretation and application of consumer, health-related and data protection laws in the U.S., Europe and elsewhere are often uncertain, contradictory and in flux. The GDPR applies to any entity established in the EU as well as extraterritorially to any entity outside the EU that offers goods or services to, or monitors the behavior of, individuals who are located in the EU. The GDPR imposes strict requirements on controllers and processors of personal data, including enhanced protections for "special categories" of personal data, which includes sensitive information such as health and genetic information of data subjects. The GDPR also grants individuals various rights in relation to their personal data, including the rights of access, rectification, objection to certain processing and deletion. The GDPR provides an individual with an express right to seek legal remedies if the individual believes his or her rights have been violated. Failure to comply with the requirements of the GDPR or the related national data protection laws of the member states of the EU, which may deviate from or be more restrictive than the GDPR, may result in significant administrative fines issued by EU regulators. Maximum penalties for violations of the GDPR are capped at 20 million euros or 4% of an organization's annual global revenue, whichever is greater.

Additionally, the implementation of GDPR has led other jurisdictions to either amend or propose legislation to amend their existing data privacy and cybersecurity laws to resemble the requirements of GDPR. For example, on June 28, 2018, California adopted the CCPA. The CCPA regulates how certain for-profit businesses that meet one or more CCPA applicability thresholds collect, use, and disclose the personal information of consumers who reside in California. Among other things, the CCPA confers to California consumers the right to receive notice of the categories of personal information that will be collected by a business, how the business will use and share the personal information, and the third parties who will receive the personal information; the CCPA also confers rights to access, delete, or transfer personal information; and the right to receive equal service and pricing from a business after exercising a consumer right granted by the CCPA. In addition, the CCPA allows California consumers the right to opt out of the "sale" of their personal information, which the CCPA defines broadly as any disclosure of personal information to a third party in exchange for monetary or other valuable consideration. The CCPA also requires a business to implement reasonable security procedures to safeguard personal information against unauthorized access, use, or disclosure. California amended the law in September 2018 to exempt all PHI collected by certain parties subject to HIPAA, and further amended the law in September 2020 to clarify that de-identified data as defined under HIPAA will also be exempt from the CCPA. The California Attorney General's final regulations implementing the CCPA took effect on August 14, 2020. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches resulting from a business's failure to implement and maintain reasonable data security procedures that is expected to increase data breach litigation. In addition, California voters recently approved the California Privacy Rights Act of 2020 ("CPRA,") that went into effect on January 1, 2023. The CPRA among other things, amends the CCPA to give California residents the ability to limit the use of their sensitive information provides for penalties for CPRA violations concerning California residents under the age of 16, and establishes a new California Privacy Protection Agency to implement and enforce the law. Other jurisdictions in the U.S. are beginning to propose and enact laws similar to the CCPA. Some observers have noted that the CCPA could mark the beginning of a trend toward more stringent privacy legislation, which could increase our potential liability and adversely affect our business, results of operations, and financial condition.

It is possible the GDPR, CCPA and other emerging U.S. and international data protection laws may be interpreted and applied in manner that is inconsistent with our practices. If so, this could result in government-imposed fines or orders requiring that we change our practices, which could adversely affect our business. In addition, these privacy laws and regulations may differ from country to country and state to state, and our obligations under these laws and regulations vary based on the nature of our activities in the particular jurisdiction, such as whether we collect samples from individuals in the local jurisdiction, perform testing in the local jurisdiction, or process personal information regarding employees or other individuals in the local jurisdiction. In the U.S., the SEC has adopted rules for mandatory disclosure of cybersecurity incidents suffered by public companies, as well as cybersecurity governance and risk management. Complying with these various laws and regulations could cause us to incur substantial costs or require it to change our business practices and compliance procedures in a manner adverse to our business. Any failure or perceived failure by us to comply with these laws may also subject us to enforcement action or litigation, any of which could harm our business. We can provide no assurance that it is or will remain in compliance with diverse privacy and data

security requirements in all of the jurisdictions in which we do business. Failure to comply with privacy and data security requirements could result in a variety of consequences, or damage to our reputation, any of which could have a material adverse effect on our business.

Data privacy and security concerns relating to our technology, including our use of AI, and our practices could damage our reputation, subject it to significant legal and financial exposure, and deter current and potential users or customers from using our products and services. Software bugs or defects, security breaches, and attacks on our systems could result in the improper disclosure and use of user data and interference with our users and customers' ability to use our products and services, harming our business operations and reputation.

Concerns about our practices with regard to the collection, use, disclosure, or security of personal information or other data-privacy-related matters, even if unfounded, could harm our reputation, financial condition, and operating results. Our policies and practices may change over time as expectations regarding privacy and data change.

Our products and services involve the storage and transmission of protected health information and other personal information, proprietary information, and bugs, theft, misuse, defects, vulnerabilities in our products and services, and security breaches expose us to a risk of loss of this information, improper use and disclosure of such information, litigation, and other potential liability. Systems and control failures, security breaches, failure to comply with our privacy policies, and/or inadvertent disclosure of user data could result in government and legal exposure, seriously harm our reputation and brand and, therefore, our business, and impair our ability to attract and retain users or customers. We expect to continue to expend significant resources to maintain security protections that shield against bugs, theft, misuse, or security vulnerabilities or breaches.

We experience cyber-attacks and other attempts to gain unauthorized access to our systems on a regular basis. We may experience future security issues, whether due to employee error or malfeasance or system errors or vulnerabilities in our or other parties' systems, which could result in significant legal and financial exposure. Government inquiries and enforcement actions, litigation, and adverse press coverage could harm our business. We may be unable to anticipate or detect attacks or vulnerabilities or implement adequate preventative measures. Attacks and security issues could also compromise trade secrets and other sensitive information, harming our business.

While we have dedicated significant resources to privacy and security incident response capabilities, including dedicated incident response teams, our response process may not be adequate, may fail to accurately assess the severity of an incident, may not respond quickly enough, or may fail to sufficiently remediate an incident. As a result, we may suffer significant legal, reputational, or financial exposure, which could harm our business, financial condition, and operating results.

We depend on our scientific computing and information technology and management systems and any failure of these systems could harm our business.

We depend on scientific computing and information technology and management systems, including third-party cloud computing infrastructure, operating systems and AI platforms, for significant elements of our operations, including our laboratory information management system, clinical database, analytical platform, laboratory workflow tools, customer and collaborator reporting and related functions. We also depend on our proprietary workflow software to support new product and service launches and regulatory compliance.

We use complex software processes and bioinformatic pipelines to manage samples and evaluate sequencing result data. These are subject to initial design or ongoing modifications which may result in unanticipated issues that could cause variability in patient results, leading to service disruptions or errors, resulting in liability.

We have installed, and expect to expand, a number of enterprise software systems that affect a broad range of business processes and functional areas, including systems laboratory operations, handling human resources, financial controls and reporting, contract management, regulatory compliance and other infrastructure operations, and patient consent and information management. In addition to these business systems, we have installed, and intend to extend, the capabilities of both our preventative and detective security controls by augmenting the monitoring and alerting functions, the network design and the automatic countermeasure operations of our technical systems. These information technology and telecommunications systems support a variety of functions, including laboratory operations, test validation, sample tracking, quality control, customer service support, billing and reimbursement, research and development activities, scientific and medical curation and general administrative activities. In addition, our third-party billing and collections provider depends upon technology and telecommunications systems provided by outside vendors.

Information technology and telecommunications systems are vulnerable to damage from a variety of sources, including telecommunications or network failures, malicious internal or external human acts and natural disasters. Moreover, despite network security and back-up measures, some of our servers are potentially vulnerable to physical or electronic break-ins,

computer viruses and similar disruptive problems. Despite the precautionary measures we have taken to prevent unanticipated problems that could affect our information technology and telecommunications systems, failures or significant downtime of these systems or those used by our collaborators or subcontractors could prevent it from conducting our comprehensive screening analysis, clinical diagnostics and drug discovery, preparing and providing reports to researchers, clinicians and our collaborators, billing payors, handling physician inquiries, conducting research and development activities and managing the administrative aspects of our business. Any disruption or loss of information technology or telecommunications systems on which critical aspects of our operations depend could have an adverse effect on our business and our reputation, and we may be unable to regain or repair our reputation in the future.

Our ability to transfer data stored outside of the U.S. could be limited by international regulations or other action by foreign governments, which could adversely affect our business.

Some of the data we process in the ordinary course of our business may be stored outside of the U.S. In order to process such data, we may need to transfer them to countries other than those where they are stored. Should a foreign government adopt a regulation restricting the international transfer of such data, we may not be able to process them, which could adversely impact our business.

Risks Related to Being a Public Company

We incur significant costs and demands on management as a result of compliance with laws and regulations applicable to public companies, which could harm our operating results.

As a public company, we incur significant legal, accounting and other expenses associated with public company reporting requirements. In addition, the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") as well as rules implemented by the SEC and the Nasdaq Stock Market ("Nasdaq") impose a number of requirements on public companies, including with respect to corporate governance practices. The SEC and other regulators have continued to adopt new rules and regulations and make additional changes to existing regulations that require the company's compliance. In addition, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), enacted in 2010, includes significant corporate governance and executive-compensation-related provisions. Our management and other personnel will need to devote a substantial amount of time to these compliance and disclosure obligations. If these requirements divert the attention of our management and personnel from other aspects of our business concerns, they could have a material adverse effect on our business, financial condition and results of operations. Moreover, these rules and regulations applicable to public companies substantially could increase our legal, accounting and financial compliance costs, require that we hire additional personnel and make some activities more time consuming and costly.

Further, as a result of no longer being an emerging growth company, we will incur significant additional expenses that we did not previously incur in complying with the Sarbanes-Oxley Act and rules implemented by the SEC. The cost of compliance with Section 404 of the Sarbanes-Oxley Act has required, and will continue to require, us to incur substantial expense and expend significant management time on compliance-related issues as we implement additional corporate governance practices and comply with reporting requirements. We have also previously taken advantage of the reduced disclosure requirements of the Jumpstart Our Business Startups Act applicable to emerging growth companies regarding executive compensation disclosures and exemption from the requirements of holding advisory "say-on-pay" votes on executive compensation. We are no longer eligible for such reduced disclosure requirements and exemptions and, as such, we will be required to hold a "say-on-pay" vote and a "say-on-frequency" vote at our 2026 annual meeting of stockholders. We expect that the increased disclosure requirements will require additional attention from management and will result in increased costs to us, which could include higher legal fees, accounting fees, and fees associated with investor relations activities, among others.

The market price of our securities may be volatile or decline due to market conditions, or failure to meet investor, stockholder or analyst expectations, which could result in a loss of your investment.

The trading price and valuation of life sciences companies, including ours, have been and may continue to be highly volatile, which has often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable.

Future volatility in the market price for our securities may occur in response to factors beyond our control, including actual or anticipated fluctuations in our quarterly financial results, changes in market expectations regarding our operating performance, public reaction to our press releases and SEC filings, competitive developments, changes in financial estimates or recommendations by securities analysts which may result in the loss of investor confidence, and general economic and political conditions. These risk factors, and any other risk factors described in this Annual Report, could materially adversely affect our business and the market price of our securities, which may trade at prices significantly below the price paid for them and may not

recover. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future.

In the past, securities class action litigation has often been initiated against companies following periods of volatility in their stock price. This type of litigation could result in substantial costs and divert management's attention and resources, and could also require us to make substantial payments to satisfy judgments or settle litigation. In particular, on September 7, 2022, a shareholder class action lawsuit was filed in the U.S. District Court for the District of Connecticut against the Company and certain of the Company's current and former officers. In addition, on November 28, 2023, a stockholder filed a lawsuit in the U.S. District Court for the District of Delaware against, among other parties, certain of the Company's current and former officers and directors and on June 25, 2024 and August 15, 2025, substantially similar stockholder derivative suits were filed in federal court in the District of Connecticut and District of Delaware, respectively. During the first quarter of 2026, we reached an agreement in principle to resolve all claims for approximately $4.8 million. See also Note 11, "*Purchase Commitments and Contingencies*" to our consolidated financial statements for more information.

If securities or industry analysts cease publishing research or reports about us, our business, or our market, or if they change their recommendations regarding our Class A common stock adversely, then the price and trading volume of our Class A common stock could decline.

The trading market for our Class A common stock is influenced by the research and reports that industry or securities analysts publish about us, our business, our market, or our competitors. If any of the analysts who cover us change their recommendation regarding our stock adversely, or provide more favorable relative recommendations about our competitors, the price of our Class A common stock would likely decline. If any analyst who covers us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our stock price or trading volume to decline.

Changes in laws, regulations or rules, or a failure to comply with any laws, regulations or rules, may adversely affect our business, investments and results of operations.

We are subject to laws, regulations and rules enacted by national, regional and local governments and Nasdaq. In particular, we are required to comply with certain SEC, Nasdaq and other legal or regulatory requirements. Compliance with, and monitoring of, applicable laws, regulations and rules may be difficult, time consuming and costly. Those laws, regulations or rules and their interpretation and application may also change from time to time and those changes could have a material adverse effect on our business, investments and results of operations. In addition, a failure to comply with applicable laws, regulations or rules, as interpreted and applied, could have a material adverse effect on our business and results of operations.

Anti-takeover provisions contained in our Charter and Bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

Our Third Amended and Restated Certificate of Incorporation, as amended (our "Charter"), contains provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. We are also subject to anti-takeover provisions under Delaware law, which could delay or prevent a change of control. Together, these provisions may make more difficult the removal of management and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities. These provisions will include:

- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- a classified board of directors with three-year staggered terms, which could delay the ability of stockholders to change the membership of a majority of the Board;
- the requirement that directors may only be removed from the Board for cause;
- the right of our Board to elect a director to fill a vacancy created by the expansion of our Board or the resignation, death or removal of a director in certain circumstances, which prevents stockholders from being able to fill vacancies on our Board;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- a prohibition on stockholders calling a special meeting and the requirement that a meeting of stockholders may only be called by a majority of the board, our chairman of the board or our chief executive officer and may not be called by any other person, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors;
- the requirement that changes or amendments to certain provisions of our Charter must be approved by holders of at least two-thirds of our Class A common stock; and

- advance notice procedures that stockholders must comply with in order to nominate candidates to our Board or to propose matters to be acted upon at a meeting of stockholders, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

We have identified a material weakness in our internal control over information technology general controls, or "ITGCs". If remediation of the material weakness is not effective, or if we fail to maintain effective internal control over financial reporting, we could have material misstatements in our financial statements, which could have a significant and adverse effect on our business and reputation.

A material weakness is defined by the Public Company Accounting Oversight Board (the "PCAOB") as a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

As further detailed in Item 9A. Controls and Procedures, we identified a material weakness in internal control related to deficiencies in the design and operating effectiveness of IT general controls related to segregation of duties in the program change management process for a single IT system that supports certain aspects of our revenue processes as of December 31, 2025. As a result, certain automated controls and business process controls related to recording revenue that are dependent on the affected IT system or the information from such IT system were also deemed ineffective. Although we have not identified any errors or misstatements in our consolidated financial statements as a result of this material weakness, these deficiencies created a reasonable possibility that a material misstatement of our annual or interim financial statements would not have been prevented or detected on a timely basis as of December 31, 2025.

We are committed to the remediation of the material weakness described above, as well as the continued improvement of our internal control over financial reporting. Our remediation efforts related to the material weakness are described in Item 9A. Controls and Procedures. While we believe that the measures already designed and implemented will be sufficient, the material weakness, in the aggregate, will not be considered fully remediated until all aspects of the control operate for a sufficient period of time and we have concluded, through testing, that these controls are operating effectively.

Any failure to remediate the material weakness, or the identification of new material weaknesses in our internal control over financial reporting, could result in material misstatements in our financial statements that may continue undetected, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our Class A common stock could be negatively affected. Undetected material weaknesses in our internal control over financial reporting could lead to financial statement restatements and require us to incur the expense of remediation. We are also required to disclose changes made in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting on a quarterly basis. To comply with the requirements of being a public company, we have undertaken, and may need to further undertake in the future, various actions, such as implementing new internal controls and procedures and hiring additional accounting staff.

As a public company, significant resources and management oversight are required. As a result, management's attention may be diverted from other business concerns, which could harm our business, financial condition and operating results.

Our Charter and our Bylaws designate the Court of Chancery of the State of Delaware and federal court within the State of Delaware as the exclusive forum for certain types of actions and proceedings that our stockholders may initiate, which could limit a stockholder's ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our Charter and our Amended and Restated Bylaws (as amended, our "Bylaws") designate the Court of Chancery of the State of Delaware and federal court within the State of Delaware as the exclusive forum for certain types of actions and proceedings that our stockholders may initiate, which could limit a stockholder's ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our Charter and our Bylaws provide that, subject to limited exceptions, the Court of Chancery of the State of Delaware and federal court within the State of Delaware will be exclusive forums for any:

- derivative action or proceeding brought on our behalf;
- action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers, stockholders, employees or agents to us or our stockholders;
- action asserting a claim against the us or any of our directors, officers, stockholders, employees or agents arising pursuant to any provision of the General Corporation Law, our Charter or our Bylaws or as to which the General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware:
- action to interpret, apply, enforce or determine the validity of our Charter or our Bylaws; or

- other action asserting a claim against us or any of our directors, officers, stockholders, employees or agents that is governed by the internal affairs doctrine.

These provisions do not apply to actions brought to enforce a duty or liability created under the Exchange Act or any other claim for which federal courts have jurisdiction. Furthermore, in accordance with our Bylaws, unless we consent in writing to the selection of an alternative forum, the federal district courts of the U.S. will be, to the fullest extent permitted by law, the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented to these provisions in our Charter and our Bylaws.

These provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the provisions contained in our Charter and our Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition.

The stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations promulgated thereunder.

Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented to our exclusive forum provisions. These provisions may limit a stockholders' ability to bring a claim, and may result in increased costs for a stockholder to bring a claim in a judicial forum of their choosing for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees.

Risks Related to Our Common Stock and Warrants

The ownership of our outstanding Class A common stock is concentrated, with certain of our stockholders owning significant percentages of our outstanding shares.

Entities affiliated with Casdin Partners Master Fund, L.P. ("Casdin Partners"), and Corvex Management, L.P. ("Corvex Management") are some of our significant stockholders, which owned approximately 11%, and 12%, respectively, of our outstanding shares of our Class A common stock as of December 31, 2025. In addition, Mr. Eli D. Casdin, one of our directors, is affiliated with Casdin Partners and CMLS Holdings, LLC ("CMLS Holdings") and Mr. Keith Meister, one of our directors, is affiliated with Corvex Management and CMLS Holdings.

These stockholders may choose to dispose of some or all of the shares of our Class A common stock held by them. Any disposal of shares of Class A common stock by any of these stockholders, or the perception that these sales could occur, could cause the market price of our stock or warrants to decline.

We may amend the terms of the public warrants in a manner that may be adverse to holders with the approval by the holders of at least 50% of the then-outstanding public warrants. As a result, the exercise price of a holder's public warrants could be increased, the exercise period could be shortened and the number of shares of our Class A common stock purchasable upon exercise of a public warrant could be decreased, all without the approval of that warrant holder.

Our public warrants were issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. The warrant agreement provides that the terms of the public warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50% of the then-outstanding public warrants to make any change that adversely affects the interests of the registered holders. Accordingly, we may amend the terms of the public warrants in a manner adverse to a holder if holders of at least 50% of the then-outstanding public warrants approve of such amendment. Although our ability to amend the terms of the public warrants with the consent of at least 50% of the then-outstanding public warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the public warrants, convert the warrants into cash or stock, shorten the exercise period or decrease the number of shares of common stock purchasable upon exercise of a public warrant.

We may redeem unexpired public warrants prior to their exercise at a time that is disadvantageous to warrant holders, thereby making their public warrants worthless.

We have the ability to redeem outstanding public warrants at any time after they become exercisable and prior to their expiration, at a price of $0.33 per public warrant; provided that the last reported sales price of our Class A common stock equals or exceeds $594.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30 trading-day period ending on the third trading day prior to the date on which we give notice of such redemption to the warrant holders. If and when the public warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. We will use our best efforts to register or qualify such shares of common stock under the blue-sky laws of the state of residence in those states in which the warrants were offered by us. Redemption of the outstanding public warrants could force the warrant holders: (i) to exercise their public warrants and pay the exercise price therefor at a time when it may be disadvantageous for them to do so; (ii) to sell their public warrants at the then-current market price when they might otherwise wish to hold their public warrants; or (iii) to accept the nominal redemption price which, at the time the outstanding public warrants are called for redemption, is likely to be substantially less than the market value of their public warrants. None of the private placement warrants will be redeemable by us so long as they are held by CMLS Holdings LLC, or its permitted transferees. Additionally, none of the private warrants issued to Perceptive are redeemable by us so long as the warrants are held by Perceptive, or its permitted transferees.

Our warrants are exercisable for our Class A common stock, which will increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders.

As of December 31, 2025, our public warrants were exercisable for 457,323 shares of Class A common stock at $379.50 per share, and our private warrants were exercisable for 209,192 shares of Class A common stock at $379.50 per share. The additional shares of our Class A common stock issuable upon exercise of our warrants will result in dilution to the then existing holders of our Class A common stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of our Class A common stock.

Our warrants are accounted for as liabilities and the changes in value of our warrants could have a material effect on our financial results.

Included on our consolidated balance sheet as of December 31, 2025, are liabilities related to our public and private warrants which are each remeasured at fair value at each balance sheet date, with a resulting non-cash gain or loss related to the change in the fair value being recognized in earnings in the consolidated statements of operations and comprehensive loss. As a result of the recurring fair value measurement, our financial statements and results of operations may fluctuate quarterly, based on factors, which are outside of our control. Due to the recurring fair value measurement, we expect that we will recognize non-cash gains or losses on our warrants each reporting period in our results of operations and that the amount of such gains or losses could be material. If the price of our Class A common stock decreases, we expect we would recognize non-cash gains on our warrants in future reporting periods.

Future resales of our Class A common stock could cause the market price of our Class A common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our Class A common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our Class A common stock.

We had 29,245,296 shares of Class A common stock outstanding as of December 31, 2025. We have filed a registration statement which registers the offer and sale from time to time by certain selling stockholders of up to 10,803,779 shares of our Class A common stock. To the extent shares of our Class A common stock are sold into the market pursuant to an effective registration statement, under Rule 144 under the Securities Act or otherwise, particularly in substantial quantities, the market price of our Class A common stock could decline.

There is no guarantee that the public warrants will ever be in the money, and they may expire worthless and the terms of our public warrants may be amended.

The exercise price for the public warrants is $379.50 per share of Class A common stock and expire pursuant to their terms on July 22, 2026. There is no guarantee that the public warrants will ever be in the money prior to their expiration, and as such, the public warrants may expire worthless.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

The Company is committed to maintaining the trust and confidence of our customers, healthcare providers, clients, business partners and employees through a cybersecurity program focused on protecting the confidentiality, security and availability of the information that we collect and store. We actively identify, prevent, detect and mitigate cybersecurity threats and are positioned to effectively respond to cybersecurity incidents. Key components of our cybersecurity program include:

Risk Management and Strategy

We conduct regular assessments of cybersecurity risks, continuously monitor our information systems for potential vulnerabilities, and test these systems in accordance with established cybersecurity policies, processes, and practices that are integrated within our comprehensive risk management program. To safeguard our information systems against cyber threats, we employ an array of security tools designed to identify, escalate, investigate, resolve, and facilitate timely recovery from security incidents. Our approach involves evaluating cybersecurity risks based on both their likelihood and potential impact to critical business systems and operations. High-priority cybersecurity risks are incorporated into our overall risk management framework, each accompanied by a dedicated mitigation plan. Progress on these mitigation efforts is reported to the Enterprise Risk Committee, a management committee, and monitored as part of our broader risk management initiatives, which are overseen by our Board of Directors. We partner with third-party entities, including cybersecurity assessors, consultants, and other external experts, to evaluate the effectiveness of our prevention and response mechanisms, validate identified risks, and support the development and implementation of mitigation strategies as needed. Additionally, we have established due diligence procedures for third parties with whom we engage, ensuring oversight and identification of material risks arising from cybersecurity threats associated with their services, particularly those related to cybersecurity functions.

To date, the Company is not aware of any cybersecurity risks—including those stemming from previous incidents—that have materially impacted, or are reasonably likely to materially impact, our business strategy, results of operations, or financial condition.

For more information on our cybersecurity risks, see "Risk Factors—*Risks Related to Cybersecurity, Privacy and Information Technology*".

Governance

Our Board of Directors provides oversight of our risk management processes, including those related to cybersecurity, both directly and through designated committees. The Audit Committee is responsible for supervising our risk management program, focusing on key risks across short-, intermediate-, and long-term horizons. Throughout the year, Audit Committee meetings address specific areas of risk, including those associated with cybersecurity threats. The Audit Committee routinely reviews our cybersecurity risk profile in collaboration with management, including the Enterprise Risk Committee, a management committee. We maintain a risk-based approach to cybersecurity, implementing comprehensive policies across our operations aimed at addressing and mitigating cybersecurity threats and incidents. The Company's Chief Information Security Officer ("CISO") oversees the establishment and ongoing maintenance of our cybersecurity program and is responsible for assessing and managing cybersecurity risks. Our current CISO brings over 25 years of experience in technology and information security, including more than 12 years in senior roles within large hospitals and healthcare organizations, and holds the requisite education, skills, experience, and industry certifications essential for this position. The CISO delivers periodic updates regarding our cybersecurity risk profile to the Audit Committee of the Board of Directors.

Artificial Intelligence

Artificial intelligence ("AI") has the capacity to significantly advance various sectors of work. We are actively enhancing and expanding our offerings through AI technologies, including through the use of Fabric Genomics' AI-based platform for Next Generation Sequencing analysis, which provides interpretation and clinical reporting for rare disease, hereditary risk, and cancer testing. In addition, we are exploring strategic partnerships with third parties to provide more comprehensive solutions for providers and patients. Our commitment to leveraging AI's capabilities is matched by our dedication to safeguarding patient data in compliance with relevant data privacy regulations, as outlined in the Company's AI Guidelines. For more information on potential risks related to AI, see "Risk Factors—*We use artificial intelligence in our business, and challenges with properly managing its use could result in reputational harm, competitive harm, and legal liability, and adversely affect our results of operations.*"

Item 2. Properties

Properties for our core operations include our corporate office and headquarters located in Stamford, Connecticut, our primary operating laboratory located in Gaithersburg, Maryland, corporate office space in Oakland, California, and a satellite meeting space located in New York City; each are leased spaces with an aggregate of approximately 120,000 square feet. The lease agreements for these properties expire in 2034, 2031, 2029, and 2026, respectively.

As previously disclosed, we exited our reproductive health and somatic tumor testing business in 2022. We are actively marketing for sublet our two laboratories in Connecticut as well as a portion of our headquarters in Stamford, Connecticut. The lease agreements for these properties expire in 2030, 2034, and 2036, respectively. During the third quarter of 2025, we entered into an agreement to sublet a portion of our headquarters in Stamford, Connecticut.

We believe that our current facilities are suitable and adequate to meet our current needs. See Note 10, "*Leases*" to our consolidated financial statements for more information on our future lease obligations.

Item 3. Legal Proceedings

Information regarding legal proceedings can be found in Note 11, "*Purchase Commitments and Contingencies*" to our consolidated financial statements.

Item 4. Mine Safety Disclosures

None.

Part II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information

Our Class A common stock and public warrants are listed on the Nasdaq Global Select Market under the symbols "WGS" and "WGSWW," respectively.

Holders

As of February 17, 2026, there were 33 record holders of our Class A common stock and 5 record holders of our public warrants, based upon information received from our transfer agent. However, these numbers do not reflect beneficial owners whose shares were held of record by nominees or broker dealers. We believe a substantially greater number of beneficial owners hold shares of our Class A common stock or public warrants through brokers, banks, or other nominees.

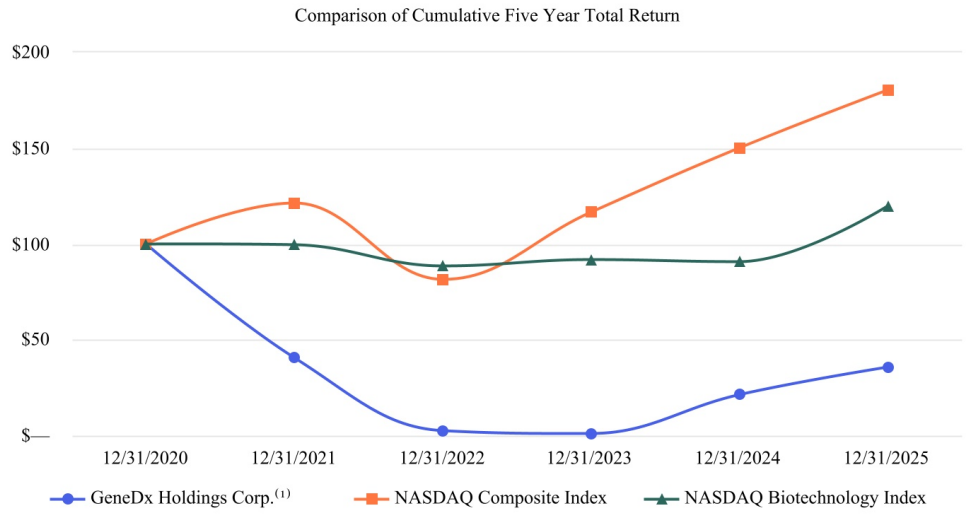
Dividend Policy

We have never paid any cash dividends on our capital stock. We anticipate that we will retain earnings, if any, to support operations and to finance the growth and development of our business. In addition, the terms of our credit agreement with Perceptive restrict us from paying cash dividends. Therefore, we do not expect to pay cash dividends for the foreseeable future.

Stock Performance Graph

The following Performance Graph and related information shall not be deemed "soliciting material" or to be "filed" with the Securities and Exchange Commission, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or Securities Exchange Act of 1934, each as amended, except to the extent that the Company specifically incorporates it by reference into such filing.

The graph below compares total stockholder return on our common stock from December 31, 2020 through December 31, 2025 with the cumulative total return of the NASDAQ Composite Index and NASDAQ Biotechnology Index, assuming a $100 investment made on December 31, 2020. Each of the measures of cumulative total return assumes reinvestment of dividends, if applicable. The stock performance shown on the graph below is based on historical data and is not indicative of, or intended to forecast, possible future performance of our common stock.



(1) GeneDx Holdings Corp. was incorporated as CM Life Sciences, Inc. (NASDAQ: CMLS) in 2020 and, upon completion of a business combination in 2021, was renamed Sema4 Holdings Corp. Pursuant to a Certificate of Amendment filed with the State of Delaware on January 6, 2023, the Company changed its name to GeneDx Holdings Corp., (NASDAQ: WGS) effective January 9, 2023.

Sale of Unregistered Securities

None.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 6. Reserved

Not applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and related notes appearing elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements and involves numerous risks and uncertainties. Actual results may differ materially from the results described in or implied by the forward-looking statements. You should carefully read the section entitled "Risk Factors" to gain an understanding of the important factors that could cause actual results to differ materially from these forward-looking statements.

Overview

See Note 1, "*Organization and Description of Business*" to our consolidated financial statements for further information.

Factors Affecting Our Operating Performance

We believe several important factors have impacted, and will continue to impact, our performance and results of operations. While each of these areas presents significant opportunities for us, they also pose significant risks and challenges that we must address. See "*Item 1A. Risk Factors*" for more information.

Test Volume

The principal focus of our commercial operations is to offer our diagnostic tests through both our direct sales force and laboratory distribution partners. Test volume correlates with genomic database size and long-term patient relationships. Thus, test volume drives database diversity and enables potential identification of variants of unknown significance and population-specific insights. The number of exome and genome tests resulted and the mix of test results are key indicators that we use to assess the operational efficiency of our business. Once the appropriate workflow is completed, the test is resulted and details are provided to ordered patients or healthcare professionals for reviews, which corresponds to the timing of our revenue recognition.

We believe the number of resulted exome and genome tests in any period is important and useful to our investors because it directly correlates with long-term patient relationships and the size of our genomic database. During the year ended December 31, 2025, we resulted 97,271 exome and genome tests, which represented 43% of all test results, compared to the years ended December 31, 2024 and 2023, in which we resulted 74,547 and 49,439 exome and genome tests, which represented 33% and 22%, respectively, of all test results.

Success Obtaining and Maintaining Reimbursement

Our ability to increase the number of billable tests and our revenue therefrom will depend on our success in achieving reimbursement for our tests from third-party payors. Reimbursement by a payor may depend on several factors, including a payor's determination that a test is appropriate, medically necessary, cost-effective, and has received prior authorization. The commercial success of our current and future products, if approved, will depend on the extent to which our customers receive coverage and adequate reimbursement from third-party payors including commercial and Medicaid. Since each payor makes its own decision as to whether to establish a policy or enter into a contract to provide coverage for our tests, as well as the amount it will reimburse us for a test, seeking these approvals is a time-consuming and costly process.

In cases where we or our partners have established reimbursement rates with third-party payors, we face additional challenges in complying with their procedural requirements for reimbursement. These requirements often vary from payor to payor and are reassessed by third-party payors regularly. As a result, in the past we have needed additional time and resources to comply with the requirements.

Third-party payors may decide to deny payment or seek to recoup payments for tests performed by us that they contend were improperly billed, not medically necessary or against their coverage determinations, or for which they believe they have otherwise overpaid. As a result, we may be required to refund payments already received, and our revenues may be subject to retroactive adjustment as a result of these factors, among others.

We expect to continue to focus our resources on increasing the adoption of, and expanding coverage and reimbursement for, exome and genome, and any future tests we may develop or acquire. If we fail to expand and maintain broad adoption of, and coverage and reimbursement for, our tests, our ability to generate revenue and our future business prospects may be adversely affected.

Ability to Lower the Costs Associated with Performing our Tests

Reducing the costs associated with performing our diagnostic tests is both our focus and a strategic objective. We source, and will continue to source, components of our diagnostic testing workflows from third parties. We also rely upon third-party service providers for data storage and workflow management.

Increasing Adoption of our Services by Existing and New Customers

Our performance depends on our ability to retain and broaden the adoption of our services with existing customers as well as our ability to attract new customers. Our success in retaining and gaining new customers is dependent on the market's confidence in our services and the willingness of customers to continue to seek more comprehensive and integrated genomic and clinical data insights.

Investment in Platform Innovation to Support Commercial Growth

We operate in a rapidly evolving and highly competitive industry. Our business faces changing technologies, shifting provider and patient needs, and frequent introductions of rival products and services. To compete successfully, we must accurately anticipate technology developments and deliver innovative, relevant, and useful products, services, and technologies on time. As our business evolves, the competitive pressure to innovate will encompass a wider range of products and services. We must continue to invest significant resources in research and development, including investments through acquisitions and partnerships. These investments are critical to the enhancement of our current diagnostics and health information and data science technologies from which existing and new service offerings are derived.

We expect to incur significant expenses to advance these development efforts, but they may not be successful. New potential services may fail at any stage of development and, if we determine that any of our current or future services are unlikely to succeed, we may abandon them without any return on our investment. If we are unsuccessful in developing additional services, our growth potential may be impaired.

Key Components of Results of Operations

Revenue

Diagnostic Test Revenue

The majority of our revenue is derived from genetic and genomic diagnostic testing services for three groups of customers: healthcare professionals working with patients with third-party insurance coverage or without third-party insurance coverage, institutional clients such as hospitals, clinics, state governments and reference laboratories, and self-pay patients. The amount of revenue recognized for diagnostic testing services depends on a number of factors, such as resulted test volumes, contracted rates with our customers and third-party insurance providers, insurance reimbursement policies, payor mix, historical collection experience, price concessions and other business and economic conditions and trends. To date, the majority of our diagnostic test revenue has been earned from orders received for patients with third-party insurance coverage. Our ability to increase our diagnostic test revenue will depend on our ability to increase our market penetration, obtain contracted reimbursement coverage from third-party payors, enter into contracts with institutions, and increase our reimbursement rate for tests performed.

Other Revenue

We also generate revenue from collaboration service agreements with biopharma companies and other third parties, pursuant to which we provide health information and patient identification support services. Certain of these contracts provide non-refundable payments, which we record as contract liabilities, and variable payments based upon the achievement of certain milestones during the contract term.

With respect to existing collaboration and service agreements, our revenue may fluctuate period to period due to the pattern in which we may deliver our services, our ability to achieve milestones, the timing of costs incurred, changes in estimates of total anticipated costs that we expect to incur during the contract period, and other events that may not be within our control. Our ability to increase our revenue will depend on our ability to enter into contracts with third-party partners.

In addition, with the acquisition of Fabric Genomics, we generate revenues through software and interpretation services related to rare disease, hereditary risk, and cancer testing. Our customers include clinical laboratories, hospitals, and research institutions. Our ability to increase this revenue will depend on our ability to expand our customer base among hospitals and genomic centers, along with increased adoption of whole genome sequencing and AI-enabled interpretation in clinical workflows.

Cost of Services

The cost of services reflect the aggregate costs incurred in performing services, which include expenses for reagents and laboratory supplies, compensation expenses for employees directly involved in revenue generating activities, shipping and handling fees, costs of third-party reference lab testing and phlebotomy services, if any, and allocated genetic counseling, facility and information technology costs associated with delivery services. Allocated costs include depreciation of laboratory equipment, facility occupancy, and information technology costs. The cost of services are recorded as the services are performed.

We expect the cost of services to generally increase in absolute dollars with the anticipated growth in diagnostic testing volume and services we provide under our collaboration service agreements. However, we expect the cost per test to decrease over the long term due to the efficiencies we may gain from improved utilization of our laboratory capacity, automation, and other value engineering initiatives. These expected reductions may be offset by new tests which often have a higher cost per test during the introductory phases before we can gain efficiencies. The cost per test may fluctuate from period to period.

Research and Development Expenses

Research and development expenses represent costs incurred to develop our technology and future test offerings. These costs are principally associated with our efforts to develop the software we use to analyze data and process customer orders. These costs primarily consist of compensation expenses for employees performing research and development, innovation and product development activities, costs of reagents and laboratory supplies, costs of consultants and third-party services, equipment and related depreciation expenses, non-capitalizable software development costs, research funding to our research partners as part of research and development agreements and allocated facility and information technology costs associated with genomics medical research.

We generally expect our research and development expenses to continue to increase in absolute dollars as we innovate and expand the application of our platforms. However, we expect research and development expenses to decrease as a percentage of revenue in the long term, although the percentage may fluctuate from period to period due to the timing and extent of our development and commercialization efforts and fluctuations in our compensation-related charges.

Selling and Marketing Expenses

Selling and marketing expenses primarily consist of compensation expenses for employees performing commercial sales, account management, marketing, and certain genetic counseling services. Selling and marketing costs are expensed as incurred.

We generally expect our selling and marketing expenses will continue to increase in absolute dollars as we expand our commercial sales and marketing and counseling teams and increase marketing activities. However, we expect selling and marketing expenses to decrease as a percentage of revenue in the long term, subject to fluctuations from period to period due to the timing and magnitude of these expenses.

General and Administrative Expenses

General and administrative expenses primarily consist of compensation expenses for employees in executive leadership, legal, finance and accounting, human resources, information technology, and other administrative functions. In addition, these expenses include office occupancy and information technology costs. General and administrative costs are expensed as incurred.

We generally expect our general and administrative expenses to continue to increase in absolute dollars as we increase headcount and incur costs associated with operating as a public company, including expenses related to legal, accounting, and regulatory matters, and maintaining compliance with requirements of Nasdaq and of the SEC. We expect these expenses to decrease as a percentage of revenue in the long term as revenue increases, although the percentage may fluctuate from period to period due to fluctuations in our compensation-related charges.

Results of Operations

A discussion regarding our financial condition and results of operations for the year ended December 31, 2025 compared to the year ended December 31, 2024 is presented below. A discussion regarding our financial condition and results of operations for the year ended December 31, 2024 compared to the year ended December 31, 2023 can be found in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which was filed with the SEC on February 20, 2025.

Comparison of the Years Ended December 31, 2025 and 2024

The following table sets forth our results of operations for the periods presented (in thousands):

	Year Ended December 31,			
	2025	2024	$ Change	% Change
Revenue				
Diagnostic test revenue	$ 416,668	$ 302,157	$ 114,511	38 %
Other revenue	10,871	3,293	7,578	NM
Total revenue	427,539	305,450	122,089	40 %
Cost of services	129,366	111,053	18,313	16 %
Gross profit	298,173	194,397	103,776	53 %
Research and development	72,026	45,722	26,304	58 %
Selling and marketing	88,405	67,371	21,034	31 %
General and administrative	150,819	104,517	46,302	44 %
Loss from operations	(13,077)	(23,213)	10,136	(44)%
Non-operating expenses, net				
Change in fair value of financial liabilities	(1,204)	(13,370)	12,166	(91)%
Interest expense, net	(2,539)	(3,032)	493	(16)%
Other expense, net	(4,317)	(13,014)	8,697	(67)%
Total non-operating expense, net	(8,060)	(29,416)	21,356	(73)%
Loss before income taxes	(21,137)	(52,629)	31,492	(60)%
Income tax benefit	116	343	(227)	(66)%
Net loss	$ (21,021)	$ (52,286)	$ 31,265	(60)%

NM – Not Meaningful

Revenue

Total revenue increased by $122.1 million, or 40%, to $427.5 million for the year ended December 31, 2025, from $305.5 million for the year ended December 31, 2024.

Diagnostic test revenue increased by $114.5 million, or 38%, to $416.7 million for the year ended December 31, 2025, from $302.2 million for the year ended December 31, 2024. The increase was attributable to a $126.8 million increase in exome and genome sequencing revenues driven by a 30% increase in test volumes and an 18% increase in average reimbursement rates. This increase was partially offset by lower revenue from non-core hereditary cancer tests, which were phased out by the end of 2025.

Other revenue increased by $7.6 million, to $10.9 million for the year ended December 31, 2025, from $3.3 million for the year ended December 31, 2024. The increase reflects $3.4 million of non-testing revenue from the recently acquired Fabric Genomics operating segment and the continued expansion of data and bio pharma programs.

Gross Profit

Gross profit increased by $103.8 million for the year ended December 31, 2025, driven by a combination of a shift in test mix to more profitable whole exome and genome tests, improvement in exome average reimbursement rates, and continued cost per test leverage.

Research and Development

Research and development expenses increased by $26.3 million, or 58%, to $72.0 million for the year ended December 31, 2025, from $45.7 million for the year ended December 31, 2024. The increase was primarily attributable to compensation related costs of $24.3 million, which reflects an investment to expand our product development team and the inclusion of research and development costs of Fabric Genomics.

Selling and Marketing

Selling and marketing expenses increased by $21.0 million, or 31%, to $88.4 million for the year ended December 31, 2025, from $67.4 million for the year ended December 31, 2024. The increase was primarily attributable to higher compensation related costs of $16.5 million, which reflects our investment to support growth in our commercial team, as well as the inclusion of selling and marketing costs of Fabric Genomics.

General and Administrative

General and administrative expenses increased by $46.3 million, or 44%, to $150.8 million for the year ended December 31, 2025, from $104.5 million for the year ended December 31, 2024. The increase was primarily attributable to increased compensation related costs of $33.0 million, higher legal, compliance and consultant related costs of $9.5 million, higher IT software and infrastructure costs of $6.1 million and increased amortization expense for acquired intangible assets established in connection with purchase accounting. These increases were partially offset by a one-time sales-and-use tax refund of $8.4 million.

Non-Operating Expense, Net

Non-operating expense, net of $8.1 million for the year ended December 31, 2025 primarily reflected a legal settlement of $4.8 million and a non-cash charge of $1.2 million to account for the increase in fair value of our financial liabilities. Net interest expense for the year ended December 31, 2025 was $2.5 million.

Non-operating expense, net of $29.4 million for the year ended December 31, 2024 primarily reflected a legal settlement, net of insurance, of $12.8 million, a non-cash charge of $10.1 million associated with the exercise of the Perceptive warrant and a non-cash charge of $3.3 million to account for the increase in fair value of our financial liabilities. Net interest expense for the year ended December 31, 2024 was $3.0 million.

See Note 5, "*Fair Value Measurement*", Note 9, "*Long-Term Debt*" and Note 11, "*Purchase Commitments and Contingencies*" to our consolidated financial statements for further information.

Reconciliation of Non-GAAP Financial Measures

In addition to our results determined in accordance with accounting principles generally accepted in the United States ("U.S. GAAP" or "GAAP"), we believe the following non-GAAP measures are useful in evaluating our operating performance. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance. However, non-GAAP financial information is presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. In addition, other companies, including companies in our industry, may calculate similarly-titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business.

Non-GAAP financial measures have limitations as analytical tools and you should not consider them in isolation, or as substitutes for analysis of our results as reported under GAAP. We may in the future incur expenses similar to the adjustments in the presentation of non-GAAP financial measures. Other limitations include that non-GAAP financial measures do not reflect:

- all expenditures or future requirements for capital expenditures or contractual commitments;
- changes in our working capital needs;
- the costs of replacing the assets being depreciated, which will often have to be replaced in the future;
- the non-cash component of employee compensation expense; and
- the impact of earnings or charges resulting from matters we consider not to be reflective, on a recurring basis, of our ongoing operations.

Adjusted Gross Profit and Adjusted Gross Margin

Adjusted gross profit is a non-GAAP financial measure that we define as revenue less cost of services, excluding depreciation and amortization expense, stock-based compensation expense and restructuring costs. We define adjusted gross margin as our adjusted gross profit divided by our revenue. We believe these non-GAAP financial measures are useful in evaluating our operating performance compared to that of other companies in our industry, as these metrics generally eliminate the effects of certain items that may vary from company to company for reasons unrelated to overall operating performance.

The following is a reconciliation of revenue to our adjusted gross profit and adjusted gross margin for the years ended December 31, 2025, 2024, and 2023:

	Year Ended December 31,		
	2025	**2024**	**2023**
Revenue	$ 427,539	$ 305,450	$ 202,566
Cost of services	129,366	111,053	112,560
Gross profit	298,173	194,397	90,006
Gross margin	*69.7 %*	*63.6 %*	*44.4 %*
Add:			
Depreciation and amortization expense	$ 5,369	$ 4,047	$ 4,350
Stock-based compensation expense	791	431	(1,217)
Restructuring costs	5	54	139
Adjusted gross profit	$ 304,338	$ 198,929	$ 93,278
Adjusted gross margin	*71.2 %*	*65.1 %*	*46.0 %*

Adjusted Net Income (Loss)

Adjusted net income (loss) is a non-GAAP financial measure that we define as net income adjusted for depreciation and amortization, stock-based compensation expenses, restructuring costs, impairment loss, change in fair value of financial liabilities, interest expense (income), net, income tax expense (benefit), net, and other (income) expense, net. We believe adjusted net income (loss) is useful in evaluating our operating performance compared to that of other companies in our industry, as this metric generally eliminates the effects of certain factors that may vary from company to company for reasons unrelated to overall operating performance.

The following is a reconciliation of our net loss to adjusted net income (loss) for the years ended December 31, 2025, 2024, and 2023:

	Year Ended December 31,		
	2025	**2024**	**2023**
Net loss	$ (21,021)	$ (52,286)	$ (175,767)
Depreciation and amortization	25,224	21,953	33,734
Stock-based compensation expense	32,162	9,138	(326)
Restructuring costs	1,275	1,752	6,532
Impairment loss [1]	—	—	10,402
Change in fair value of financial liabilities	1,204	13,370	(1,170)
Interest expense (income), net	2,539	3,032	(1,114)
Income tax benefit	(116)	(343)	(926)
Other [2]	542	12,789	338
Adjusted net income (loss)	$ 41,809	$ 9,405	$ (128,297)

(1) Represents the impairment of certain capital and right-of-use asset leases.
(2) For the year ended December 31, 2025, represents transaction costs associated with the Merger Agreement, a reserve for a certain litigation matter and a sales-and-use tax refund. For the year ended December 31, 2024, represents reserves net of insurance for a certain litigation matter. For the year ended December 31, 2023, represents a gain recognized on the sale of certain assets sold as a result of an auction, principal loan forgiveness under the amendment to the DECD loan, and contract termination costs associated with the now discontinued Legacy Sema4 business.

Liquidity and Capital Resources

As of December 31, 2025, our existing cash and cash equivalents and available-for-sale marketable securities were $171.3 million.

We believe that our cash and cash equivalents and available-for-sale marketable securities provide us with sufficient liquidity for at least twelve months from the filing date of this Annual Report. Accordingly, our consolidated financial statements included in this Annual Report have been prepared on a basis that assumes we will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business. Nevertheless, we may also seek additional funding in the future through the sale of common or preferred equity or convertible debt securities, by entering into other credit facilities or other forms of third-party funding, or other debt financing or by disposing of assets or businesses.

In October 2025, we filed an automatic universal shelf registration statement that provides for the sale of our Class A common stock and other securities, and up to an aggregate of $100.0 million of our Class A common stock that may be issued from time to time under a Sales Agreement (the "Sales Agreement") with TD Securities (USA) LLC ("TD Cowen"). The Sales Agreement was implemented following the use in full of a prior sales agreement for up to $75.0 million of Class A common stock with TD Cowen. As of December 31, 2025, approximately $78.2 million of capacity remained available under this Sales Agreement.

Material Cash Requirements for Known Contractual Obligations and Commitments

The following is a description of commitments for known and reasonably likely cash requirements as of December 31, 2025. We anticipate fulfilling such commitments with our existing cash and cash equivalents and available-for-sale marketable securities or through additional capital raised to finance our operations.

Our future minimum payments under non-cancellable operating lease and finance lease agreements were $57.2 million and $29.2 million, respectively as of December 31, 2025. The timing of these future payments, by year, can be found in Note 10, "*Leases*" to our consolidated financial statements.

As discussed in the notes to our consolidated financial statements, in 2022, we entered into an agreement with one of our third-party payors to settle for $42.0 million claims related to coverage and billing matters allegedly resulting in overpayments by the payor to Legacy Sema4. As of December 31, 2025, remaining payments due to the payor were $2.0 million. For more information regarding this matter, see Note 4, "*Revenue Recognition*" to our consolidated financial statements.

Our future contractual purchase commitments were $35.7 million as of December 31, 2025. The timing of these future payments, by year, can be found in Note 11, "*Purchase Commitments and Contingencies*" to our consolidated financial statements.

Cash Flows

	Year Ended December 31,		
	2025	**2024**	**2023**
Net cash provided by (used in) operating activities	$ 33,279	$ (28,496)	$ (180,147)
Net cash used in investing activities	(61,517)	(30,132)	(43,726)
Net cash provided by financing activities	48,025	44,162	186,238

Operating Activities

Net cash provided by operating activities during the year ended December 31, 2025 was $33.3 million, driven by improved gross margin profitability in the current year and favorable net working capital attributable to the timing of collections and payments associated with operating assets and liabilities.

Net cash used in operating activities during the year ended December 31, 2024 was $28.5 million, driven by lower cash expenditures in the current year period net loss as compared with the prior year period, which reflected improved gross margin profitability, as well as the realization of cost savings from the exited Legacy Sema4 business and other cost reduction initiatives.

Net cash used in operating activities during the year ended December 31, 2023 was $180.1 million, which was primarily attributable to a net loss of $175.8 million and unfavorable working capital associated with the wind down of the Legacy Sema4 accounts payable, primarily during the second half of 2023, which was partially offset by the release of a third-party payor reserve.

Investing Activities

Net cash used in investing activities during the year ended December 31, 2025 was $61.5 million, which included $32.9 million for the acquisition of Fabric Genomics, purchases of property and equipment of $19.0 million, and net marketable securities activity of $9.6 million.

Net cash used in investing activities during the year ended December 31, 2024 was $30.1 million which included net marketable securities activity of $24.6 million and purchases of property and equipment of $5.5 million.

Net cash used in investing activities during the year ended December 31, 2023 was $43.7 million, which included net marketable securities activity of $29.9 million, purchases of property and equipment of $5.3 million, and $12.1 million in consideration held in escrow paid for the Acquisition, which was partially offset by $4.0 million of proceeds from the sale of assets.

Financing Activities

Net cash provided by financing activities during the year ended December 31, 2025 was $48.0 million, which primarily reflected proceeds from our prior at-the-market offering ("prior ATM offering") of $46.7 million, net of issuance costs.

Net cash provided by financing activities during the year ended December 31, 2024 was $44.2 million, which included $46.5 million in proceeds from our prior ATM offering, net of issuance costs, which was partially offset by $2.7 million of finance lease payments and $0.5 million of principal payments on the DECD loan.

Net cash provided by financing activities during the year ended December 31, 2023 was $186.2 million, which was primarily driven by the $143.0 million net proceeds from the underwritten public offering and concurrent registered direct offering, net of issuance costs, and $48.5 million from the term loan facility with Perceptive (the "Perceptive Term Loan Facility"), which was partially offset by $3.6 million of finance lease payments and $2.0 million of payments on the DECD loan.

Recent Accounting Pronouncements

Information on recent accounting pronouncements can be found in Note 2, "*Summary of Significant Accounting Policies*" to our consolidated financial statements.

Critical Accounting Policies and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these consolidated financial statements requires us to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well as the reported revenue generated and expenses incurred during the reporting periods. Our estimates are based on our historical experience and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about items that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

See Note 2, "*Summary of Significant Accounting Policies*" to our consolidated financial statements for a complete description of each of these critical accounting policies and estimates. Each of these critical accounting policies could potentially generate materially different results if we were to change underlying assumptions, estimates and/or judgments. Although actual results may differ from those estimates, we believe the estimates are reasonable and appropriate.

Revenue Recognition

We recognize revenue when, or as, performance obligations under the terms of a contract are satisfied, which occurs when control of the promised products or services are transferred to a customer. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring products or services to a customer. Our contracts require significant judgments in determining the transaction price and satisfying performance obligations.

Diagnostic Test Revenue

We estimate a transaction price in arrangements with third-party insurance payors based on historical collection experience, contractual provisions and insurance reimbursement policies, payor mix, and other relevant information for applicable payor portfolios. The portfolio approach is used as a practical expedient to account for categories of diagnostic test contracts as collective groups rather than on an individual contract basis. Management believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach was used. For

orders received for self-pay patients, we determine a transaction price associated with services rendered in consideration of implicit price concessions that are granted to such orders. The estimates for implicit price concessions require significant judgment and are based upon management's assessment of expected net collections, business and economic conditions, historical trends, trends in federal, state and private employer health care coverage and other collection indicators. For institutional clients, the customer is the institution. We determine a transaction price associated with services rendered in accordance with the contractual rates established with each customer.

We monitor these estimates at each reporting period based on actual cash collections in order to assess whether a revision to the estimate is required. Both the initial estimate and any subsequent revision to the estimate contain uncertainty and require the use of judgment in the estimation of the transaction price and application of the constraint for variable consideration. If actual results in the future vary from our estimates, we will adjust these estimates, which could affect revenue and earnings in the period such variances become known.

Other Revenue

We also recognize revenue from collaboration service agreements with biopharma companies and other third parties pursuant to which we provide health information and patient identification support services. For Fabric Genomics, Other Revenue consists of clinical services billed directly to institutions, including virtual care, AI-enabled patient engagement, and genomic analysis services. Revenue is recognized when performance obligations are satisfied and collection is reasonably assured.

Business Combinations

We account for acquisitions of entities that include inputs and processes and have the ability to create outputs as business combinations. The tangible and identifiable intangible assets acquired and liabilities assumed in a business combination are recorded based on their estimated fair values as of the business combination date, including identifiable intangible assets which either arise from a contractual or legal right or are separable from goodwill. The estimated fair value of identifiable intangible assets acquired in a business combination is based on third-party valuations that use information and assumptions provided by the Company's management, which consider estimates of inputs and assumptions that a market participant would use. Any excess purchase price over the estimated fair value assigned to the net tangible and identifiable intangible assets acquired and liabilities assumed is recorded to goodwill. The use of alternative valuation assumptions, including estimated revenue projections, growth rates, royalty rate, estimated cost savings, cash flows, discount rates, estimated useful lives and probabilities surrounding the achievement of contingent milestones could result in different purchase price allocations and amortization expense in current and future periods.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily relate to interest rates. Our cash, cash equivalents, available-for-sale marketable securities and restricted cash consists of bank deposits and money market funds, which totaled $172.3 million and $142.2 million at December 31, 2025 and 2024, respectively. Such interest-bearing instruments carry a degree of risk. However, because our investments are primarily high-quality credit instruments with short-term durations with high-quality institutions, we have not been exposed to, nor do we anticipate being exposed to, material risks due to changes in interest rates. A 100-basis-point change in interest rates would not have a material effect on the fair market value of our cash, cash equivalents and restricted cash.

We are also exposed to interest rate risk on our variable rate debt associated with the Perceptive Term Loan Facility. Changes in interest rates can impact future interest payments we are obligated to pay. A 100-basis point change in interest rates would not have a material effect on the total future interest payments.

See Note 9, "*Long-Term Debt*" to our consolidated financial statements for further information.

Item 8. Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of GeneDx Holdings Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of GeneDx Holdings Corp. (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 23, 2026 expressed an adverse opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Measurement of diagnostic test revenue billed to third-party insurance payors

Description of the Matter

During the year ended December 31, 2025, the Company recognized diagnostic test revenue billed to third-party insurance payors of $345 million. As discussed in Note 2 to the consolidated financial statements, the Company accepts payments from third-party insurance payors that are less than the contractually stated price and therefore the transaction price is considered variable consideration. Revenue for diagnostic tests billed to third-party insurance payors was recognized based on an estimate of the consideration to which the Company expects to be entitled at an amount for which it is probable that a reversal of cumulative revenue recognized will not occur.

Auditing the measurement of the Company's diagnostic test revenue billed to third-party insurance payors was complex due to the significant judgment required to determine the amount of consideration to which the Company expects to be entitled. In particular, the estimate of diagnostic test revenue billed to third-party insurance payors was based on key inputs reflecting payor behavior such as historical collection experience, contractual provisions and insurance reimbursement policies.

How We Addressed the Matter in Our Audit

Our audit procedures over the Company's diagnostic test revenue billed to third-party insurance payors included, among others, assessing the revenue models and testing the key inputs used by the Company in its analysis. We agreed a sample of transactions to the payor contract terms. We compared the key inputs used by management to the Company's contracted rates and insurance payor collection trends. We assessed the completeness and accuracy of the historical cash collections used in the Company's revenue models. We also performed a lookback analysis to assess the accuracy of the Company's historical estimates.

Valuation of developed technology from the Fabric Genomics acquisition

Description of the Matter

As discussed in Note 3 to the consolidated financial statements, during the year ended December 31, 2025, the Company completed the acquisition of Fabric Genomics, Inc. for total consideration of $36.5 million. The transaction was accounted for under the acquisition method of accounting whereby the total purchase price was allocated to assets acquired and liabilities assumed based on the estimated fair value of such assets and liabilities.

Auditing the Company's accounting for its acquisition of Fabric Genomics, Inc. required complex auditor judgment due to the significant estimation uncertainty inherent in determining the fair value of the acquired developed technology. The significant estimation uncertainty was primarily due to the judgmental nature of the inputs to the valuation techniques used to measure the fair value of this intangible asset as well as the sensitivity of the respective fair value to the underlying significant assumptions. The significant assumptions used to estimate the fair value of the acquired developed technology included revenue growth rates and EBITDA margin. These significant assumptions are forward-looking and could be affected by future economic and market conditions.

How We Addressed the Matter in Our Audit

To test the estimated fair value of the acquired developed technology, we performed audit procedures that included, among others, assessing the appropriateness of the valuation methodologies and testing the significant assumptions discussed above and the completeness and accuracy of the underlying data used by the Company. For example, we compared the revenue growth rates and EBITDA margins to the historical results of the acquired business and industry data for comparable companies. We also performed sensitivity analyses to evaluate the changes in the fair value of the developed technology asset that would result from changes in the significant assumptions. In addition, we involved internal valuation specialists to assist us in our evaluation of the valuation methodologies and certain assumptions used by the Company.

/s/ ERNST & YOUNG LLP

We have served as the Company's auditor since 2018.

New York, New York
February 23, 2026

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of GeneDx Holdings Corp.

Opinion on Internal Control Over Financial Reporting

We have audited GeneDx Holdings Corp.'s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission **(**2013 framework**)** (the COSO criteria). In our opinion, because of the effect of the material weakness described below on the achievement of the objectives of the control criteria, GeneDx Holdings Corp. (the Company) has not maintained effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weakness has been identified and included in management's assessment. Management has identified a material weakness associated with deficiencies in the design and operating effectiveness of IT general controls related to segregation of duties in the program change management process for a single IT system that supports certain aspects of revenue. Consequently, certain automated and business process controls that are dependent on the affected IT system or the information from such IT system were also deemed ineffective.

As indicated in the accompanying Management's Annual Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Fabric Genomics, which is included in the 2025 consolidated financial statements of the Company and constituted approximately 1% of total assets (excluding goodwill and intangible assets) as of December 31, 2025 and 1% and 3% of total revenues and total operating expenses, respectively, for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Fabric Genomics.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes. This material weakness was considered in determining the nature, timing and extent of audit tests applied in our audit of the 2025 consolidated financial statements, and this report does not affect our report dated February 23, 2026, which expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ ERNST & YOUNG LLP

New York, New York
February 23, 2026

GeneDx Holdings Corp.
Consolidated Balance Sheets
(in thousands, except share and per share amounts)

	December 31, 2025	December 31, 2024
Assets:		
Current assets:		
Cash and cash equivalents	$ 104,997	$ 85,212
Marketable securities	66,285	55,973
Accounts receivable	74,370	37,629
Inventory, net	13,951	10,650
Prepaid expenses and other current assets	8,685	8,504
Total current assets	268,288	197,968
Operating lease right-of-use assets	23,412	25,613
Property and equipment, net	45,693	32,893
Goodwill	13,520	—
Intangible assets, net	168,481	158,600
Other assets	4,316	4,306
Total assets	$ 523,710	$ 419,380
Liabilities and Stockholders' Equity:		
Current liabilities:		
Accounts payable and accrued expenses	$ 57,645	$ 30,983
Short-term lease liabilities	4,404	3,336
Other current liabilities	46,859	20,498
Total current liabilities	108,908	54,817
Long-term debt, net of current portion	48,176	51,913
Long-term lease liabilities	56,046	60,919
Other liabilities	1,641	5,519
Deferred taxes	757	965
Total liabilities	215,528	174,133
Purchase commitments and contingencies (Note 11)		
Stockholders' Equity:		
Preferred Stock, $0.0001 par value: 1,000,000 shares authorized, 0 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively	—	—
Class A common stock, $0.0001 par value: 1,000,000,000 shares authorized, 29,245,296 and 28,016,545 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively	3	2
Additional paid-in capital	1,680,738	1,596,889
Accumulated deficit	(1,373,495)	(1,352,474)
Accumulated other comprehensive income	936	830
Total stockholders' equity	308,182	245,247
Total liabilities and stockholders' equity	$ 523,710	$ 419,380

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

GeneDx Holdings Corp.
Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except per share and share amounts)

	Year ended December 31,		
	2025	**2024**	**2023**
Revenue			
Diagnostic test revenue	$ 416,668	$ 302,157	$ 195,654
Other revenue	10,871	3,293	6,912
Total revenue	427,539	305,450	202,566
Cost of services	129,366	111,053	112,560
Gross profit	298,173	194,397	90,006
Research and development	72,026	45,722	58,266
Selling and marketing	88,405	67,371	60,956
General and administrative	150,819	104,517	139,021
Impairment loss	—	—	10,402
Other operating expenses, net	—	—	1,957
Loss from operations	(13,077)	(23,213)	(180,596)
Non-operating (expenses) income, net			
Change in fair value of financial liabilities	(1,204)	(13,370)	1,170
Interest (expense) income, net	(2,539)	(3,032)	1,114
Other (expense) income, net	(4,317)	(13,014)	1,619
Total non-operating (expense) income, net	(8,060)	(29,416)	3,903
Loss before income taxes	(21,137)	(52,629)	(176,693)
Income tax benefit	116	343	926
Net loss	$ (21,021)	$ (52,286)	$ (175,767)
Other comprehensive income, net of tax			
Unrealized gain related to available for sale securities, net	106	405	425
Comprehensive loss	$ (20,915)	$ (51,881)	$ (175,342)
Basic and diluted weighted average shares outstanding of Class A common stock	28,641,734	26,891,213	24,311,989
Basic and diluted net loss per share, Class A common stock	$ (0.73)	$ (1.94)	$ (7.23)

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

GeneDx Holdings Corp.
Consolidated Statements of Stockholders' Equity
(in thousands, except share amounts)

	Class A Common Stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income	Total stockholders' equity
	Shares	Par Value				
Balance at December 31, 2022	**11,773,065**	$ 1	**$ 1,378,125**	**$ (1,124,421)**	**$ —**	**$ 253,705**
Net loss	—	—	—	(175,767)	—	(175,767)
Common stock issued pursuant to stock option exercises	50,444	—	285	—	—	285
Stock-based compensation expense	—	—	(326)	—	—	(326)
Vested restricted stock units converted to common stock	431,671	—	—	—	—	—
Issuance of common stock in registered direct offering, net of issuance costs	676,868	—	7,564	—	—	7,564
Issuance of common stock for first Milestone Payment	701,460	—	6,692	—	—	6,692
Issuance of common stock in underwritten public offering, net of issuance costs	12,315,752	1	135,438	—	—	135,439
Fractional shares issued upon reverse stock split	29,603	—	—	—	—	—
Other comprehensive income, net of tax	—	—	—	—	425	425
Balance at December 31, 2023	**25,978,863**	$ 2	**$ 1,527,778**	**$ (1,300,188)**	**$ 425**	**$ 228,017**
Net loss	—	—	—	(52,286)	—	(52,286)
Common stock issued pursuant to stock option exercises	68,453	—	394	—	—	394
Common stock issued pursuant to Perceptive warrant exercise	645,414	—	12,586	—	—	12,586
Stock-based compensation expense	—	—	9,138	—	—	9,138
Vested restricted stock units converted to common stock	471,663	—	—	—	—	—
Common stock issued pursuant to employee stock purchase plan	26,773	—	497	—	—	497
Issuance of common stock in ATM offering, net of issuance costs	825,379	—	46,496	—	—	46,496
Other comprehensive income, net of tax	—	—	—	—	405	405
Balance at December 31, 2024	**28,016,545**	**$ 2**	**$ 1,596,889**	**$ (1,352,474)**	**$ 830**	**$ 245,247**
Net loss	—	—	—	(21,021)	—	(21,021)
Common stock issued pursuant to stock option exercises	140,847	—	2,022	—	—	2,022
Stock-based compensation expense	—	—	32,162	—	—	32,162
Vested restricted stock units converted to common stock	638,339	1	—	—	—	1
Common stock issued pursuant to employee stock purchase plan	50,615	—	2,961	—	—	2,961
Issuance of common stock in ATM offering, net of issuance costs	398,950	—	46,704	—	—	46,704
Other comprehensive income, net of tax	—	—	—	—	106	106
Balance at December 31, 2025	**29,245,296**	**$ 3**	**$ 1,680,738**	**$ (1,373,495)**	**$ 936**	**$ 308,182**

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

GeneDx Holdings Corp.
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31,		
	2025	**2024**	**2023**
Operating activities			
Net loss	$ (21,021)	$ (52,286)	$ (175,767)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization expense	25,224	21,953	33,734
Stock-based compensation expense	32,162	9,138	(326)
Change in fair value of financial liabilities	1,204	13,370	(1,170)
Provision for excess and obsolete inventory	135	180	3,913
Legal reserves	5,560	—	—
Change in third party payor reserves	2,449	607	(9,745)
Impairment loss	—	—	10,402
Other	3,163	3,287	(2,947)
Change in operating assets and liabilities:			
Accounts receivable	(36,231)	(5,180)	10,526
Inventory	(3,436)	(2,585)	975
Accounts payable and accrued expenses	12,100	(20,524)	(49,167)
Other assets and liabilities	11,970	3,544	(575)
Net cash provided by (used in) operating activities	33,279	(28,496)	(180,147)
Investing activities			
Acquisition of business, net of cash acquired	(32,856)	—	—
Consideration on escrow paid for Legacy GeneDx acquisition	—	—	(12,144)
Purchases of marketable securities	(55,676)	(66,302)	(47,670)
Proceeds from sales of marketable securities	2,062	601	—
Proceeds from maturities of marketable securities	43,970	41,060	17,765
Purchases of property and equipment	(19,017)	(5,491)	(5,250)
Proceeds from sales of assets	—	—	4,034
Development of internal-use software assets	—	—	(461)
Net cash used in investing activities	(61,517)	(30,132)	(43,726)
Financing activities			
Proceeds from offerings, net of issuance costs	46,704	46,496	143,002
Proceeds from issuance of stock pursuant to employee stock purchase plan	2,961	497	—
Exercise of stock options	2,022	394	285
Long-term debt principal payments	(1,211)	(497)	(2,000)
Finance lease payoff and principal payments	(2,451)	(2,728)	(3,598)
Proceeds from long-term debt	—	—	48,549
Net cash provided by financing activities	48,025	44,162	186,238
Net increase (decrease) in cash, cash equivalents and restricted cash	19,787	(14,466)	(37,635)
Cash, cash equivalents and restricted cash, at beginning of year	86,202	100,668	138,303
Cash, cash equivalents and restricted cash, at end of year	$ 105,989	$ 86,202	$ 100,668
Supplemental disclosures of cash flow information			
Cash paid for interest	$ 6,413	$ 6,677	$ 3,041
Cash paid for taxes	$ 1,275	$ 1,167	$ 1,465
Purchases of property and equipment in accounts payable and accrued expenses	$ 6,286	$ 2,597	$ 134
Stock consideration paid pursuant to exercise of Perceptive warrant	$ —	$ 12,586	$ —
Assets acquired under capital leases obligations	$ —	$ 689	$ —
Issuance of common stock for first OPKO Milestone Payment	$ —	$ —	$ 6,692
Lease liability from obtaining right-of-use asset	$ —	$ —	$ 637

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

GeneDx Holdings Corp.

Notes to Consolidated Financial Statements

1. Organization and Description of Business

GeneDx Holdings Corp., through its subsidiary GeneDx, LLC, is a leading genomics company—one that sits at the intersection of diagnostics and data science, pairing decades of genomic expertise with an ability to interpret clinical data at scale. The Company believes that everyone deserves personalized, targeted medical care—and that it all begins with a genetic diagnosis. Fueled by one of the world's largest rare disease data sets, the Company's industry-leading exome and genome tests translate complex genomic data into clinical answers that unlock personalized health plans, accelerate drug discovery, and improve health system efficiencies. The Company operates with conviction that what is best for patients must be embedded in every aspect of our work. In support of these beliefs, we value equitability, simplicity and transparency.

Unless otherwise stated herein or unless the context otherwise requires, references in these notes to:

- "GeneDx Holdings" refer to GeneDx Holdings Corp., a Delaware corporation;
- "Legacy GeneDx" refer to GeneDx, LLC, a Delaware limited liability company, which we acquired on April 29, 2022 (the "Acquisition");
- "Legacy Sema4" refer to Sema4 OpCo Inc., a Delaware corporation, which consummated the business combination with CM Life Sciences, Inc. ("CMLS") on July 22, 2021 (the "Business Combination"); and
- "we," "us" and "our," the "Company" and "GeneDx" refer, as the context requires, to GeneDx Holdings and its consolidated subsidiaries.

On May 5, 2025 (the "Merger Date"), the Company consummated the transactions contemplated by the Agreement and Plan of Merger, which was entered into on April 15, 2025 (the "Merger Agreement") by and among the Company, Project Flare Merger Sub, Inc., a Delaware corporation ("Merger Sub") and a wholly-owned subsidiary of the Company, Fabric Genomics, Inc., a Delaware corporation ("Fabric Genomics"), pursuant to which, and on the terms and subject to the conditions thereof, the Company acquired Fabric Genomics through the merger of Merger Sub with and into Fabric Genomics, with Fabric Genomics surviving as a wholly-owned subsidiary of the Company (the "Merger").

See Note 3, "*Business Combinations*" for more information regarding the Merger.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States ("U.S. GAAP"). These financial statements consolidate the operations and accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated. Unless otherwise noted, all tabular dollars are in thousands, except per share amounts. Certain reclassifications have been made to the prior year consolidated financial statements in order to conform to the current year's presentation.

Use of Estimates

The preparation of the Company's consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and the related disclosures at the date of the consolidated financial statements as well as the reported amounts of revenues and expenses during the periods presented. The Company bases these estimates on current facts, historical and anticipated results, trends and various other assumptions that it believes are reasonable in the circumstances, including assumptions as to future events. These estimates include, but are not limited to, the transaction price for certain contracts with customers, potential or actual claims for recoupment from third-party payors, the valuation of stock-based awards, the valuation of financial liabilities and income taxes. Actual results could differ materially from those estimates, judgments and assumptions.

Concentration of Credit Risk and Other Risks and Uncertainties

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, marketable securities and accounts receivable. The majority of the Company's cash, cash equivalents and restricted cash are uninsured with account balances in excess of the Federal Deposit Insurance Company limits.

The Company's cash, cash equivalents and marketable securities are deposited with high-quality financial institutions. Management believes these financial institutions are financially sound and, accordingly, that minimal credit risk exists. The

Company is exposed to credit risk in the event of a default by the financial institutions holding its cash in excess of government insured limits and in the event of default by corporations and governments in which it holds investments in cash equivalents and short-term debt securities, to the extent recorded on the consolidated balance sheet. The Company has not experienced any losses on its deposits of cash and cash equivalents.

The Company assesses both the self-pay patient and the third-party payor group that reimburses the Company on the patient's behalf and institutional billed clients when evaluating concentration of credit risk from customers. Significant patients and payor groups are those that represent more than 10% of the Company's total annual revenues or accounts receivable balance at each respective balance sheet date. The significant concentrations of accounts receivable as of December 31, 2025 and 2024 were primarily from large managed care insurance companies, institutional billed accounts, and data arrangements. The Company does not require collateral as a means to mitigate customer credit risk.

For each significant payor group, revenue as a percentage of total revenues and accounts receivable as a percentage of total accounts receivable are as follows:

	Revenue			Accounts Receivable	
	Year Ended December 31,			As of December 31,	
	2025	2024	2023	2025	2024
Payor group A [1]	23%	22%	18%	18%	13%
Payor group B [1]	39%	32%	28%	35%	11%

(1) The significant payor groups identified in the table above represent multiple payors aggregated based on similar contract terms and reimbursement patterns. No single payor or individual client accounted for more than 10% of revenue or receivables for the current period.

The Company is subject to a concentration of risk from a limited number of suppliers for certain reagents, laboratory equipment and laboratory supplies. One supplier accounted for approximately 20%, 13%, and 11% of purchases for the years ended December 31, 2025, 2024, and 2023, respectively. Another supplier accounted for approximately 10% and 11% of purchases for the years ended December 31, 2024 and 2023, respectively. This risk is managed by maintaining a target quantity of surplus stock. Alternative suppliers are available for some or all of these reagents and supplies.

Revenue Recognition

The Company recognizes revenue when control of the promised goods or services is transferred to the customer in an amount that reflects the consideration which the Company expects to be entitled to in exchange for those goods or services. If any changes in customer credit issues are identified which were not assessed at the date of service, provisions for credit losses are recognized and recorded.

Diagnostic test revenue

The Company's diagnostic test revenue contracts typically consist of a single performance obligation to deliver diagnostic testing services to the ordering facility or patient and therefore allocation of the contract transaction price is not applicable. Control over diagnostic testing services is generally transferred at a point in time when the customer obtains control of the promised service which is upon delivery of the test result.

Diagnostic test revenues consist primarily of services reimbursed by third-party insurance payors. Third-party insurance payors include managed care health plans and commercial insurance companies, including plans offered through the health insurance exchanges, and employers. In arrangements with third-party insurance payors, the transaction price is stated within the contract, however, the Company accepts payments from third-party payors that are less than the contractually stated price and is therefore variable consideration and the transaction price is estimated.

When determining the transaction price, the Company uses a portfolio approach as a practical expedient to account for categories of diagnostic test contracts as collective groups rather than on an individual contract basis. The portfolio consists of major payor classes based on third-party payors. Based on historical collection trends and other analyses, the Company believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach was used.

Estimates of allowances for third-party insurance payors that impact the estimated transaction price are based upon the pricing and payment terms specified in the related contractual agreements. Contractual pricing and payment terms in third-party insurance agreements are generally based upon predetermined rates per diagnosis, per diem rates or discounted fee-for-service rates. In addition, for third-party payors in general, the estimated transaction price is impacted by factors such as historical collection

experience, contractual provisions and insurance reimbursement policies, payor mix, and other relevant information for applicable payor portfolios.

For institutional clients, the customer is the institution. The Company determines the transaction price associated with services rendered in accordance with the contractual rates established with each customer.

Payment terms and conditions vary by contract and customer, however standard payment terms are generally less than 60 days from the invoice date. In instances where the timing of the Company's revenue recognition differs from the timing of its invoicing, the Company does not assess whether a contract has a significant financing component if the expectation at contract inception is such that the period between payment by the customer and the transfer of the promised services to the customer will be one year or less.

Other revenue

The Company enters into both short-term and long-term project-based collaboration and service agreements with customers. The Company concludes that the goods and services transferred to our customers pursuant to these agreements generally comprise a single performance obligation on the basis that such goods and services are not distinct within the context of the contract. This is because the goods and services are highly interdependent and interrelated such that the Company would not be able to fulfill its underlying promise to our customers by transferring each good or service independently.

For Fabric Genomics, Other Revenue consists of clinical services billed directly to institutions, including virtual care, AI-enabled patient engagement, and genomic analysis services. Revenue is recognized when performance obligations are satisfied and collection is reasonably assured.

See Note 4, "*Revenue Recognition*" for more information.

Cash, Cash Equivalents and Restricted Cash

The Company considers all highly liquid investments with original maturities of three months or less from the date of purchase to be cash equivalents. Cash equivalents consist of amounts invested in money market funds and debt securities. Carrying values of cash equivalents approximate fair value due to the short-term nature of these instruments. The current and long-term portions of restricted cash are included within prepaid expenses and other current assets and other assets, respectively.

Marketable Securities

Marketable securities are classified as current assets as these investments are intended to be available to the Company for use in funding current operations. Unrealized gains and losses on available for sale securities are deemed temporary and are classified in accumulated other comprehensive income within stockholders' equity. Changes in the fair value of available for sale securities impact earnings only when such securities are sold, or an allowance for expected credit losses or impairment is recognized. The cost of marketable securities sold is based on the specific identification method. We regularly evaluate our portfolio of marketable securities for expected credit losses and impairment for any decline in fair value determined to be other-than-temporary. In making this judgment, we evaluate, among other things, the extent to which the fair value of a security is less than its amortized cost; the financial condition of the issuer, including the credit quality, and any changes thereto; and our intent to sell, or whether we will more likely than not be required to sell, the security before recovery of its amortized cost basis. Our assessment of whether a marketable security has a credit loss or is impaired could change in the future due to new developments or changes in assumptions related to any particular security.

See Note 5, "*Fair Value Measurements*" for more information.

Accounts Receivable

Accounts receivable consists of amounts due from customers and third-party payors for services performed and reflect the consideration to which the Company expects to be entitled in exchange for providing those services. Accounts receivable is estimated and recorded in the period the related revenue is recorded. During the years ended December 31, 2025, 2024, and 2023, the Company did not record provisions for credit losses. The Company wrote off $0.5 million and $0.4 million of accounts receivable balances for the years ended December 31, 2025 and 2024, respectively, and none for the year ended December 31, 2023.

Inventory, net

Inventory, net, which primarily consists of finished goods such as testing supplies and reagents, is capitalized when purchased and expensed when used in performing services. Inventory is stated at the lower of cost or net realizable value. Cost is determined

using actual costs on a first-in, first-out basis. The Company periodically performs obsolescence assessments and writes off any inventory that is no longer usable. Any write-down of inventory to net realizable value creates a new cost basis.

Property and Equipment, net

Property and equipment, net are stated at cost less accumulated depreciation and amortization. Equipment includes assets under finance lease. Improvements are capitalized, while maintenance and repairs are expensed as incurred. When assets are retired or otherwise disposed of, the cost and accumulated depreciation and amortization are removed from the consolidated balance sheets and any resulting gain or loss is reflected in the consolidated statements of operations and comprehensive loss in the period realized.

Finance leases and leasehold improvements are amortized straight-line over the shorter of the term of the lease or the estimated useful life. All other property and equipment assets are depreciated using the straight-line method over the estimated useful life of the asset, which ranges from three to five years.

The Company reviews the recoverability of its long-lived assets when events or changes in circumstances occur that indicate that the carrying value of the asset or asset group may not be recoverable. An impairment loss is recognized when the total estimated future undiscounted cash flows expected to result from the use of the asset and its eventual disposition are less than its carrying amount. Impairment, if any, is assessed using discounted cash flows or other appropriate measures of fair value.

See Note 6, "*Property and Equipment*" for more information.

Business Combinations

The Company accounts for acquisitions of entities that include inputs and processes and have the ability to create outputs as business combinations. The tangible and identifiable intangible assets acquired and liabilities assumed in a business combination are recorded based on their estimated fair values as of the business combination date, including identifiable intangible assets which either arise from a contractual or legal right or are separable from goodwill. The Company bases the estimated fair value of identifiable intangible assets acquired in a business combination on third-party valuations that use information and assumptions provided by the Company's management, which consider estimates of inputs and assumptions that a market participant would use. Any excess purchase price over the estimated fair value assigned to the net tangible and identifiable intangible assets acquired and liabilities assumed is recorded to goodwill. The use of alternative valuation assumptions, including estimated revenue projections, growth rates, royalty rate, estimated cost savings, cash flows, discount rates, estimated useful lives and probabilities surrounding the achievement of contingent milestones could result in different purchase price allocations and amortization expense in current and future periods.

See Note 3, "*Business Combinations*" for more information.

Goodwill

In accordance with ASC Topic 350, *Intangibles – Goodwill and Other*, the Company's goodwill is not amortized but is tested for impairment on an annual basis, or whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. The Company performs an annual impairment review of goodwill during the fourth fiscal quarter, or more frequently if business factors indicate.

See Note 7, "*Goodwill and Intangible Assets*" for more information.

Intangible Assets, Net

Amortizable intangible assets include trade names and trademarks, developed technology and customer relationships acquired as part of business combinations. Intangible assets are amortized on a straight-line basis. All intangible assets subject to amortization are reviewed for impairment in accordance with ASC Topic 360, *Property, Plant and Equipment*. There were no impairment losses recorded on intangible assets for any periods presented.

See Note 7, "*Goodwill and Intangible Assets*" for more information.

Fair Value Measurements

Financial assets and liabilities are recorded at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company determines the fair value of its financial instruments based on assumptions that market participants would use in pricing an asset

or liability in the principal or most advantageous market. The following hierarchy lists three levels of fair value based on the extent to which inputs used in measuring fair value are observable in the market:

Level 1: Observable inputs such as quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Observable inputs such as quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active or model-derived valuations whose significant inputs are observable.

Level 3: Unobservable inputs that are significant to the measurement of fair value but are supported by little to no market data.

The Company's financial assets and liabilities consist of cash and cash equivalents, marketable securities, accounts receivable, other current assets, accounts payable and accrued expenses, other current liabilities, and long-term debt. The Company's carrying value of cash and cash equivalents, accounts receivable, other current assets, accounts payable, accrued expenses and other current liabilities approximate their fair value due to the relatively short-term nature of these accounts.

See Note 5, "*Fair Value Measurements*" for more information.

Warrant Liability

The Company accounts for warrants as liability-classified instruments based on an assessment of the warrant terms and applicable authoritative guidance in accordance with ASC Topic 480, *Distinguishing Liabilities from Equity* ("ASC 480") and ASC Topic 815, *Derivatives and Hedging* ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, whether the warrants meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815. This assessment is conducted at the time of warrant issuance. The warrant liabilities are recorded on the consolidated balance sheets at fair value on their respective issuance dates, with subsequent changes in respective fair values recognized on the consolidated statements of operations and comprehensive loss at each reporting date.

See Note 5, "*Fair Value Measurements*" for more information.

Stock-Based Compensation

The Company measures stock-based compensation at the grant date based on the fair value of the award and recognizes stock-based compensation expense over the requisite service period for each separate vesting portion of the award on a straight-line basis.

The Company uses the Black-Scholes option-pricing model to estimate the fair value of its stock option awards. Determining the fair value of stock option awards requires judgment, including estimating expected stock price volatility and expected option term. The Company estimates a volatility factor for the Company's options based on analysis of historical share prices of a peer group of public companies, the historical share prices of the Company, and the implied volatility of the Company's call options. The Company estimates the expected term of options granted using the "simplified method," which is the mid-point between the vesting date and the ending date of the contractual term. The Company does not rely on the historical holding periods of the Company's options due to the limited availability of exercise data. The Company uses a risk-free interest rate based on the U.S. Treasury yield curve in effect for bonds with maturities consistent with the expected term of the option. Expected dividend yield is based on the fact that the Company has never paid dividends.

Restricted stock units granted by the Company include service-based restricted stock units ("RSUs") and performance-based restricted stock units ("PRSUs"). All restricted stock awards are valued based on the fair value of the stock on the grant date. PRSUs represent a right to receive a certain number of shares of the Company's Class A common stock based on the achievement of specified performance conditions and continued employment during the vesting period. At each reporting period, the Company assesses the probability of the achievement of such performance conditions and records expense for the awards if it is probable that such performance conditions will be achieved.

The Company issues new shares upon share option exercise and vesting of a restricted stock unit. Forfeitures of stock-based compensation are recognized as they occur.

See Note 12, "*Stock-Based Compensation*" for more information.

Income Taxes

The Company accounts for income taxes using the asset and liability method and deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is established when it is more likely than not that some or all of the deferred tax assets will not be realized. Based on the Company's historical operating losses, the Company has recorded a valuation allowance to reduce deferred tax assets to the amount that is more likely than not to be realized.

The Company recognizes tax benefits from uncertain tax positions only if it is more likely than not, based on technical merits, that the position will be sustained upon examination by the appropriate taxing authorities. The amount of tax benefit recognized for an uncertain tax position is the largest that is more than 50 percent likelihood to be realized upon ultimate settlement. The Company records interest and penalties related to tax uncertainties, where appropriate, in income tax expense.

See Note 13, "*Income Taxes*" for more information.

Leases

Under ASC Topic 842, *Leases*, the Company determines if an arrangement is or contains a lease at inception. A lease qualifies as a finance lease if any of the following criteria are met at the inception of the lease: (i) there is a transfer of ownership of the leased asset to the Company by the end of the lease term, (ii) the Company holds an option to purchase the leased asset that the Company is reasonably certain to exercise, (iii) the lease term is for a major part of the remaining economic life of the leased asset, (iv) the present value of the sum of lease payments equals or exceeds substantially all of the fair value of the leased asset, or (v) the nature of the leased asset is specialized to the point that it is expected to provide the lessor no alternative use at the end of the lease term. All other leases are classified as operating leases.

Right-of-use assets ("ROU assets") represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Operating and finance lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of remaining future minimum lease payments over the lease term. The Company does not recognize a ROU asset or lease liability for leases with a term of 12 months or less and does not include variable costs, which are based on actual usage, in the measurement of ROU assets and lease liabilities. The ROU assets include any lease payments made prior to the commencement date and initial direct costs incurred and excludes lease incentives received. ROU assets are subsequently assessed for impairment in accordance with the Company's accounting policy for long-lived assets.

All lease liabilities are measured at the present value of the associated payments, discounted using the Company's incremental borrowing rate determined based on the rate of interest that the Company would pay to borrow on a collateralized basis an amount equal to the lease payments for similar term and in a similar economic environment, unless there is a rate implicit in the lease that is readily determinable. The lease liabilities are classified as current or non-current based on the expected timing of payments.

The Company recognizes lease expense for operating leases on a straight-line basis over the lease term, which may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options. Variable costs are expensed when the event determining the amount of variable consideration to be paid occurs. Interest expense for finance leases is recognized based on the accretion of the lease liability. The Company has operating and finance lease arrangements with lease and non-lease components. The Company accounts for lease and non-lease components as a single lease component for all leases.

See Note 10, "*Leases*" for more information.

Recently Issued Accounting Pronouncements Not Yet Adopted

Changes to U.S. GAAP are established by the Financial Accounting Standards Board (the "FASB") in the form of ASUs to the FASB's ASC. The Company considers the applicability and impact of all ASUs. ASUs not included in the disclosures in this report were assessed and determined to be either not applicable or are not expected to have a material impact on the consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses* ("ASU 2024-03"). The standard requires public business entities to disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. ASU 2024-03 will be effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The guidance will be

applied on a prospective basis with the option to apply the standard retrospectively. The Company is currently evaluating the impact of the new guidance on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles – Goodwill and Other – Internal-Use Software* ("ASU 2025-06"). The standard establishes targeted enhancements to Subtopic 350-40 improving the operability of the recognition guidance considering different methods of software development. The update is effective for annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company plans to early adopt this pronouncement on a prospective basis effective January 1, 2026, and does not expect the adoption to have a material impact on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-12, *Codification Improvements* ("ASU 2025-12"). The standard addresses suggestions received from stakeholders regarding the Accounting Standards Codification and makes other incremental improvements to U.S. GAAP. The update represents changes to the Codification that clarify, correct errors in or make other improvements to a variety of topics that are intended to make it easier to understand and apply. ASU 2025-12 will be effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods, with early adoption permitted. Entities are required to apply the amendments to ASC 260 retrospectively. All other amendments may be applied prospectively or retrospectively. The Company is currently evaluating the impact of ASU 2025-12 on its consolidated financial statements and related disclosures.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes – Improvements to Income Tax Disclosures* ("ASU 2023-09"). The standard requires additional disclosures around disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. ASU 2023-09 will be effective for annual periods beginning after December 15, 2024, with early adoption permitted. The guidance will be applied on a prospective basis. The Company adopted this pronouncement effective December 31, 2025, and applied the new disclosure requirements prospectively to the current annual period. The adoption of ASU 2023-09 did not have a material impact on the consolidated financial statements, although it did result in expanded income-tax related disclosures. See in Note 13, "*Income Taxes*" for more information.

3. Business Combinations

As discussed in Note 1, on May 5, 2025, the Company completed the previously announced acquisition to acquire all of the issued and outstanding capital stock of Fabric Genomics for cash consideration of approximately $33.5 million. Fabric Genomics offers its artificial intelligence ("AI") based platform for Next Generation Sequencing analysis, interpretation, and clinical reporting for rare disease, hereditary risk, and cancer testing with accuracy and scalability.

The Company evaluated the Merger and concluded that it represented a business combination under ASC Topic 805, *Business Combinations*. Therefore, the Merger has been accounted for under the acquisition method of accounting. Under the acquisition method, the total purchase price of the Merger is allocated to the net tangible and identifiable intangible assets acquired, contingent consideration and liabilities assumed based on the fair value as of the Merger Date. The fair value of consideration totaled $36.5 million, which included $3.4 million in contingent consideration. See Note 5, "*Fair Value Measurements*" for more information on the contingent consideration liability.

The Company recorded the assets acquired, contingent consideration and liabilities assumed as of the Merger Date based on the information available as of that date. During the year ended December 31, 2025, the Company identified certain measurement period adjustments that resulted in a net increase of $0.6 million to goodwill. The Company is complete with measurement period adjustments as of December 31, 2025.

The following table presents the allocation of the purchase price to the fair value of the assets acquired and liabilities assumed:

	Purchase Price Allocation
Cash and cash equivalents	$ 611
Accounts receivable	510
Prepaid expenses and other current assets	29
Property and equipment, net	12
Other assets	59
Intangible assets, net	25,500
Operating lease right-of-use assets	854
Accounts payable and accrued expenses	(1,322)
Deferred revenue	(1,609)
Operating lease liability	(854)
Deferred tax liability	(774)
Fair value of net assets acquired	23,016
Goodwill [1]	13,520
Aggregate purchase price	$ 36,536

(1) The goodwill recorded relating to the Merger is the excess of the fair value of the consideration transferred by the acquirer over the fair value of the net identifiable assets acquired and liabilities assumed at the Merger Date, and represents future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The goodwill recorded is not deductible for tax purposes.

The fair value of acquired intangible assets was based on the present value of expected future cash flows attributable to the respective intangible assets using the net present value approach.

During the year ended December 31, 2025, the Company incurred $1.4 million in transaction costs associated with the acquisition. These expenses included third-party professional firms' services related to due diligence, advisory and legal services and were included in general and administrative expenses in the consolidated statements of operations and comprehensive loss. The Company's results for the year ended December 31, 2025 include $4.5 million of revenue from Fabric Genomics.

The following table reflects the fair values of the acquired intangible assets identified based on the Company's preliminary purchase accounting assessments:

	May 5, 2025	December 31, 2025	Life (in Years)
Trade names and trademarks	$ 4,500	$ 4,300	15
Developed technology	14,900	13,796	9
Customer relationships	6,100	5,810	14
	$ 25,500	$ 23,906	

Pro forma financial information

The following table provides unaudited pro forma financial information for the years ended December 31, 2025, 2024, and 2023 as if the Merger had occurred as of January 1, 2023:

	Years ended December 31,		
	2025	2024	2023
Pro forma revenues	$ 429,309	$ 310,907	$ 207,753
Pro forma net loss	(19,955)	(60,762)	(185,178)

The pro forma results include the following adjustments based on the Company's preliminary analysis and are subject to change as additional analysis is performed:

- additional amortization expense resulting from the acquired intangible assets,
- the change in fair value of contingent consideration liability.

The pro forma results do not include any anticipated cost savings or other effects of the plan integration of Fabric Genomics. Accordingly, the pro forma results above are not necessarily indicative of the results that would have been if the Merger had occurred on the dates indicated, nor are the pro forma results indicative of results which may occur in the future.

4. Revenue Recognition

Disaggregated Revenue

The following table summarizes the Company's disaggregated revenue by payor category:

	Year ended December 31,								
	2025			2024			2023		
	GeneDx	Other[1]	Total	GeneDx	Other[1]	Total	GeneDx	Other[1]	Total
Diagnostic test revenue:									
Patients with third-party insurance	$ 345,235	$ —	$ 345,235	$ 231,542	$ 3,157	$ 234,699	$ 126,265	$ 8,226	$ 134,491
Institutional customers	69,045	1,027	70,072	65,115	—	65,115	59,497	—	59,497
Self-pay patients	1,361	—	1,361	2,343	—	2,343	1,702	(36)	1,666
Total diagnostic test revenue	415,641	1,027	416,668	299,000	3,157	302,157	187,464	8,190	195,654
Other revenue	7,447	3,424	10,871	3,293	—	3,293	6,912	—	6,912
Total	$ 423,088	$ 4,451	$ 427,539	$ 302,293	$ 3,157	$ 305,450	$ 194,376	$ 8,190	$ 202,566

(1) For the years ended December 31, 2024 and 2023, Other represents revenues associated with the Legacy Sema4 operating segment. For the year ended December 31, 2025, Other represents revenues of the Fabric Genomics and Legacy Sema4 operating segments. See Note 16, "*Segment Reporting*" for more information.

Reassessment of Variable Consideration

Subsequent changes to the estimate of the transaction price, determined on a portfolio basis when applicable, are generally recorded as adjustments to revenue in the period of the change. The Company updates estimated variable consideration quarterly.

For the years ended December 31, 2025, 2024, and 2023, the total change in estimate resulted in a net increase to revenue of $17.7 million, $15.1 million, and $7.6 million respectively, resulting from changes in the estimated transaction price due to contractual adjustments, obtaining updated information from payors and patients that was unknown at the time the performance obligation was met and potential and actual settlements with third party payors. The change in estimate also included an increase in revenue related to the release of a previously established payor reserve, as further disclosed in the "Certain Payor Matters" section below. During the year ended December 31, 2024, the Company recorded a discrete benefit of $6.8 million in connection with a multi-year appeal recovery from a single third-party payor.

Certain Payor Matters

As noted above, third-party payors, including government programs, may decide to deny payment or seek to recoup payments for tests performed by the Company that they contend were improperly billed, not medically necessary or against their coverage determinations, or for which they believe they have otherwise overpaid, including as a result of their own error. As a result, the Company may be required to refund payments already received, and the Company's revenues may be subject to retroactive adjustment as a result of these factors among others, including without limitation, differing interpretations of billing and coding guidance, and changes by government agencies and payors in interpretations, requirements, policies and/or "conditions of participation" in various programs. The Company processes requests for recoupment from third-party payors in the ordinary course of its business, and it is likely that the Company will continue to do so in the future. If a third-party payor denies payment for testing or recoups money from the Company in a later period, reimbursement and the associated recognition of revenue for the Company's testing services could decline.

From time to time, the Company may have an obligation to reimburse Medicare, Medicaid, and third-party payors for overpayments regardless of fault. Settlements with third-party payors for retroactive adjustments due to audits, reviews, or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing services. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor, the Company's historical settlement activity (if any), and the Company's assessment of the probability a significant reversal of cumulative revenue recognized will occur when the uncertainty is subsequently resolved. Estimated settlements are adjusted in future periods as such adjustments become known (that is, if new information becomes available), or as years are settled or are no longer subject to such audits, reviews, and investigations.

On December 30, 2022, the Company entered into a settlement agreement with one of its third-party payors (the "Payor") in order to settle the claims related to coverage and billing matters allegedly resulting in the overpayments by the Payor to Legacy Sema4 (the "Disputed Claims"). Under the settlement agreement, $42.0 million is to be paid by the Company to the Payor in a series of payments each year through June 30, 2026. The first installment payment of $15.0 million was made on December 31, 2022, the second installment of $5.0 million was made on December 27, 2023, the third installment of $10.0 million was made on December 31, 2024, and the fourth installment of $10.0 million was made on December 31, 2025. As of December 31, 2025, the remaining balance of $2.0 million is due in 2026. In consideration for these payments, the Payor provided releases of the Disputed Claims, effective March 31, 2023.

As a result of this matter, and in connection with a review of certain billing policies and procedures undertaken by management, the Company considered the need to establish reserves for potential recoupments of payments previously made by third-party payors. As of December 31, 2025 and December 31, 2024, $5.0 million and $12.6 million of liabilities were recorded in accounts payable and accrued expenses and other liabilities, respectively. The Company uses estimates, judgments, and assumptions to assess whether it is probable that a significant reversal in the amount of cumulative revenue may occur in future periods, based upon information presently available. These estimates are subject to change. In addition, as discussed above, the Company has made certain adjustments to its estimated variable consideration as result of this matter and other potential settlements with payors.

5. Fair Value Measurements

Financial assets and liabilities are recorded at fair value on the consolidated balance sheets on a recurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For further information regarding the Company's fair value measurements, see Note 2, "*Summary of Significant Accounting Policies*".

The following tables set forth the fair value of financial instruments that were measured at fair value on a recurring basis:

	December 31, 2025			
	Total	**Level 1**	**Level 2**	**Level 3**
Financial Assets:				
Money market funds	$ 85,381	$ 85,381	$ —	$ —
U.S. treasury bonds	32,079	—	32,079	—
Corporate and municipal bonds	33,854	—	33,854	—
Total financial assets	$ 151,314	$ 85,381	$ 65,933	$ —
Financial Liabilities:				
Public warrant liability	$ 755	$ 755	$ —	$ —
Private warrant liability	345	—	345	—
Contingent consideration	1,570	—	—	1,570
Total financial liabilities	$ 2,670	$ 755	$ 345	$ 1,570

	December 31, 2024			
	Total	**Level 1**	**Level 2**	**Level 3**
Financial Assets:				
Money market funds	$ 57,907	$ 57,907	$ —	$ —
U.S. treasury bonds	30,990	—	30,990	—
Corporate and municipal bonds	25,679	—	25,679	—
Total financial assets	$ 114,576	$ 57,907	$ 56,669	$ —
Financial Liabilities:				
Public warrant liability	$ 2,415	$ 2,415	$ —	$ —
Private warrant liability	1,104	—	1,104	—
Total financial liabilities	$ 3,519	$ 2,415	$ 1,104	$ —

There were no transfers between Level 1, Level 2 and Level 3 during the years ended December 31, 2025 or 2024.

The Company's financial assets include investments in money market funds, U.S. treasury bonds, and corporate and municipal bonds. Investments in money market funds are classified within Level 1 of the fair value hierarchy as they are based on quoted prices in active markets. Investments in U.S. treasury bonds and corporate and municipal bonds are classified within Level 2 of the fair value hierarchy as they are based on quoted bid prices for comparable securities in the marketplace and broker/dealer quotes in active markets.

The Company's marketable securities presented in the consolidated balance sheet at December 31, 2025 have maturity dates ranging from 2026 through 2028 and are classified as current assets as these investments are intended to be readily available to fund current operations. The differences between the fair value and amortized cost basis of each security are the unrealized gains or losses recorded in accumulated other comprehensive income. As of December 31, 2025, the amortized cost for maturities less than one year and greater than one year were $32.1 million and $32.8 million, respectively.

Public and Private Warrants

As of the consummation of the CMLS and Legacy Sema4 Business Combination in July 2021, there were 666,516 warrants to purchase shares of Class A common stock outstanding, including 447,223 public warrants and 219,293 private placement warrants. As of December 31, 2025, there were 666,515 warrants to purchase shares of Class A common stock outstanding, including 457,323 public warrants and 209,192 private placement warrants outstanding. Each warrant expires five years after the Business Combination or earlier upon redemption or liquidation, and entitles the holder to purchase one share of Class A common stock at an exercise price of $379.50 per share, subject to adjustment, at any time commencing on September 4, 2021.

The Company may redeem the outstanding public warrants if the price per share of the Class A common stock equals or exceeds $594.00 as described below:

- in whole and not in part;
- at a price of $0.33 per public warrant;
- upon not less than 30 days' prior written notice of redemption to each warrant holder; and
- if, and only if, the closing price of the Class A common stock equals or exceeds $594.00 per share (as adjusted) for any 20 trading days within a 30-trading day period ending three trading days before sending the notice of redemption to warrant holders.

The Company may redeem the outstanding warrants if the price per share of the Class A common stock equals or exceeds $330.00 as described below:

- in whole and not in part;
- at $3.30 per warrant upon a minimum of 30 days' prior written notice of redemption provided that holders will be able to exercise their warrants on a cashless basis prior to redemption and receive that number of shares based on the redemption date and the fair market value of the common stock;
- if, and only if, the closing price of the Class A common stock equals or exceeds $330.00 per share (as adjusted) for any 20 trading days within the 30-trading day period ending three trading days before the Company sends the notice of redemption to the warrant holders; and
- if the closing price of the common stock for any 20 trading days within a 30-trading day period ending three trading days before the Company sends notice of redemption to the warrant holders is less than $594.00 per share (as adjusted), the private placement warrants must also be concurrently called for redemption on the same terms as the outstanding public warrants, as described above.

The private placement warrants were issued to CMLS Holdings, LLC, Mr. Munib Islam, Dr. Emily Leproust and Mr. Nat Turner, and are identical to the public warrants underlying the units sold in the initial public offering, except that (1) the private placement warrants and the common stock issuable upon the exercise of the private placement warrants would not be transferable, assignable or salable until 30 days after the completion of a Business Combination, subject to certain limited exceptions, (2) the private placement warrants are exercisable on a cashless basis, (3) the private placement warrants are non-redeemable (except as described above, upon a redemption of warrants when the price per share of Class A common stock equals or exceeds $330.00) so long as they are held by the initial purchasers or their permitted transferees, and (4) the holders of the private placement warrants and the common stock issuable upon the exercise of the private placement warrants have certain registration rights. If the private placement warrants are held by someone other than the initial purchasers or their permitted transferees, the private placement warrants will be redeemable by the Company and exercisable by such holders on the same basis as the public warrants.

The public warrants are classified within Level 1 of the fair value hierarchy as they are traded in active markets and the fair value is determined on the basis of quoted market prices. The private placement warrants are classified within Level 2 of the fair value

hierarchy as management determined the fair value of each private placement warrant is the same as that of a public warrant because the terms are substantially the same.

For the years ended December 31, 2025, 2024, and 2023, a gain of $2.4 million, loss of $3.3 million, and gain of $0.2 million was recorded within the change in the change in fair value of financial liabilities in the consolidated statements of operations and comprehensive loss, respectively.

Contingent Consideration (Fabric Genomics)

Pursuant to the Merger Agreement, the Company agreed to pay up to (i) $10.5 million in cash, shares of Class A common stock or a combination thereof, as determined by the Company in its sole discretion, on or prior to April 30, 2026 subject to Fabric Genomics achieving gross revenue equal to or above $6.0 million and a gross margin equal to or above 69% for the fiscal year ending December 31, 2025 (the "First Milestone Payment"), with the amount of the First Milestone Payment determined by multiplying $7.0 million by the quotient obtained by dividing Fabric Genomics' gross revenue for the fiscal year ending December 31, 2025 by $8.0 million, and (ii) $7.5 million in cash, shares of Class A common stock or a combination thereof, as determined by the Company in its sole discretion, on or prior to April 30, 2027 subject to Fabric Genomics achieving gross revenue equal to or above $9.0 million and a gross margin equal to or above 69% for the fiscal year ending December 31, 2026 (the "Second Milestone Payment" and, together with the First Milestone Payment, the "Milestone Payments"), with the amount of the Second Milestone Payment determined by multiplying $5.0 million by the quotient obtained by dividing Fabric Genomics' gross revenue for the fiscal year ending December 31, 2026 by $12.0 million. The shares of Class A common stock issued, if any, pursuant to the Milestone Payments are referred to as the "Milestone Shares." Any Milestone Shares that are issued will be valued at $93.0318 per share based on the average of the daily volume average weighted price of the Class A common stock over the period of 30 trading days ended April 11, 2025.

The measurement period for the First Milestone Payment was completed as of December 31, 2025, and the Company determined the payment amount based on the gross revenue and gross margin achieved by Fabric Genomics for the year ended December 31, 2025.

The fair value of the Second Milestone Payment was determined based on a Monte Carlo simulation valuation model, and is categorized as Level 3 of the fair value hierarchy as the Company utilizes unobservable inputs in estimating the fair value. Estimates and assumptions utilized in the Monte Carlo simulation model include risk-adjusted forecasted revenue and gross margin, revenue and gross profit volatility rates, expected stock price volatility, and discount rates which are based on the cost of debt and equity.

The following table summarizes the Level 3 inputs used in the valuation of the contingent consideration:

	At December 31, 2025	At May 5, 2025	
		Range	Weighted-average
Discount rate	3.5%	3.8% - 4.0%	3.9%
Expected term (in years)	1.3	1.0 - 2.0	1.4
Equity volatility	85.0%	107.0%	107.0%
Revenue volatility	12.5%	10.0%	10.0%
Gross margin volatility	30.0%	20.0%	20.0%

At December 31, 2025, the amount of contingent consideration liability reported in the consolidated balance sheet was $7.0 million, which consisted of $5.4 million for the First Milestone Payment and $1.6 million for the fair value of the Second Milestone Payment. During the year ended December 31, 2025, a loss of $3.6 million was recorded within the change in fair value of financial liabilities in the consolidated statements of operations and comprehensive loss.

Connecticut Department of Economic and Community Development Funding Commitment

The Company's loan from the Connecticut Department of Economic and Community Development ("DECD") is classified within Level 2 of the fair value hierarchy. The loan was recorded at its carrying value of $4.5 million and $5.8 million, respectively, at December 31, 2025 and December 31, 2024, with $4.5 million recorded in other current liabilities on the consolidated balance sheet at December 31, 2025. The fair value was $4.3 million, which is estimated based on discounted cash flows using the yields of similar debt instruments of other companies with similar credit profiles. See Note 9, "*Long-Term Debt*" for further information.

6. Property and Equipment

Property and equipment consisted of the following:

	As of December 31,	
	2025	2024
Laboratory equipment	32,197	18,267
Leasehold improvements	14,802	14,655
Computer equipment	10,951	6,912
Building under finance lease	4,529	4,529
Equipment under finance leases	689	3,293
Furniture, fixtures and other equipment	595	584
Construction in-progress	7,447	4,960
Total property and equipment	71,210	53,200
Less: accumulated depreciation and amortization	(25,517)	(20,307)
Property and equipment, net	$ 45,693	$ 32,893

For the years ended December 31, 2025, 2024, and 2023, depreciation and amortization expense was $9.6 million, $7.9 million, and $19.7 million, respectively, which included software amortization expense of $6.6 million for the year ended December 31, 2023. For intangible amortization, see Note 7, "*Goodwill and Intangible Assets*".

For the year ended December 31, 2025, the Company recorded the following:

- $0.9 million charge to accelerate the depreciation for certain lab equipment that was retired during the period.

For the year ended December 31, 2024, the Company recorded the following:

- $0.6 million charge to accelerate the depreciation, net of trade-in credits, for certain lab equipment that was sold during the period as a trade-in associated with the purchase of new lab equipment; and
- $0.3 million charge to accelerate the depreciation for certain lab equipment that was retired during the period.

For the year ended December 31, 2023, the Company recorded the following:

- $4.0 million charge to accelerate the amortization for certain capitalized software projects associated with Legacy Sema4 that were not expected to be utilized;
- $9.9 million non-cash impairment charges (of which $5.6 million was allocated to the right-of-use asset associated with the sublease), driven by indicators of impairment related to the Icahn School of Medicine at Mount Sinai ("ISMMS") sublease agreements during the first and third quarters of 2023; and
- $1.7 million net gain on sale of assets primarily associated with the closure of Legacy Sema4 facilities.

Depreciation and amortization expense is included within the statements of operations and comprehensive loss as follows:

	Year Ended December 31,		
	2025	2024	2023
Cost of services	$ 5,369	$ 4,047	$ 4,350
Research and development	1,181	923	6,710
Selling and marketing	—	—	2
General and administrative	3,055	2,958	8,647
Total depreciation and amortization expense	$ 9,605	$ 7,928	$ 19,709

7. Goodwill and Intangible Assets

The following table reflects, as of December 31, 2025 and December 31, 2024, the carrying values and remaining useful lives of acquired intangible assets:

	December 31, 2025			December 31, 2024			Weighted-Average Amortization Period (in years)
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value	
Tradenames and trademarks	$ 54,500	$ (11,658)	$ 42,842	$ 50,000	$ (8,333)	$ 41,667	12.5
Developed Technology	62,900	(23,104)	39,796	48,000	(16,000)	32,000	5.7
Customer Relationships	104,100	(18,257)	85,843	98,000	(13,067)	84,933	16.1
Total intangible assets	$ 221,500	$ (53,019)	$ 168,481	$ 196,000	$ (37,400)	$ 158,600	12.8

The following table summarizes the Company's estimated future amortization expense of intangible assets with finite lives as of December 31, 2025:

2026	$ 16,416
2027	16,416
2028	16,416
2029	16,416
2030	12,416
Thereafter	90,401
Total estimated future amortization expense	$ 168,481

Amortization expense for tradenames and trademarks and developed technology of $10.4 million, $9.1 million, and $9.1 million was recorded in general and administrative expenses for each of the years ended December 31, 2025, 2024, and 2023, respectively, within the consolidated statements of operations and comprehensive loss. Amortization expense for customer relationships of $5.2 million, $4.9 million, and $4.9 million was recorded in selling and marketing expenses for each of the years ended December 31, 2025, 2024, and 2023, respectively, within the consolidated statements of operations and comprehensive loss.

As discussed in Note 3, "*Business Combinations*", the acquisition of Fabric Genomics resulted in the initial recognition of $12.9 million of goodwill as of the Merger Date. The purchase price allocation for acquired businesses may be modified for up to one year from the date of acquisition if additional facts or circumstances lead to changes in the Company's preliminary purchase accounting estimates. The Company is complete with measurement period adjustments as of December 31, 2025.

The following table reflects changes to the carrying amount of goodwill between the Merger Date and December 31, 2025:

Balance at May 5, 2025	$ 12,926
Measurement period adjustments	594
Balance at December 31, 2025	$ 13,520

8. Related Party Transactions

Related party expenses include the purchase of diagnostic testing kits and lab materials from Twist Biosciences ("Twist"). Transactions with Twist are at arm's length and represent market rates. The Company incurred $7.4 million, $10.5 million, and $3.4 million in purchases, and $6.8 million, $8.1 million, and $1.8 million was recorded in cost of services for the years ended December 31, 2025, 2024, and 2023, respectively. Payables due as of December 31, 2025 and 2024 were $0.6 million and $0.7 million, respectively.

9. Long-Term Debt

As of December 31, 2025, long-term debt matures as follows:

2026	$	4,542
2027		—
2028		50,000
2029		—
2030		—
Total debt		54,542
Less: current portion of long-term debt		(4,542)
Less: long-term debt issuance costs		(1,824)
Total long-term debt, net of current portion and debt issuance costs	$	48,176

Perceptive Term Loan Facility

On October 27, 2023 (the "Closing Date"), the Company entered into a Credit Agreement and Guaranty (the "Credit Agreement") with Perceptive Credit Holdings IV, LP, as lender and administrative agent ("Perceptive"), which provides for a senior secured delayed draw term loan facility in an aggregate principal amount of up to $75.0 million (the "Perceptive Term Loan Facility"). An initial tranche of $50.0 million (the "Tranche A Loan") was funded under the Perceptive Term Loan Facility on the Closing Date. In addition to the Tranche A Loan, the Perceptive Term Loan Facility included an additional tranche of $25.0 million (the "Tranche B Loan," and together with the Tranche A Loan, the "Term Loans"), which was accessible by the Company through December 31, 2024 so long as the Company satisfied certain customary conditions precedent, including a specified revenue milestone (the funding date of the Tranche B Loan, the "Tranche B Borrowing Date"). Although the requirements for the Tranche B funding were met, the Company did not seek the additional funding.

The Perceptive Term Loan Facility has a maturity date of October 27, 2028 (the "Maturity Date") and provides for an interest-only period during the term of the loan with principal due at the maturity date. The Company's net proceeds from the Tranche A Loan were approximately $48.8 million, after deducting debt issuance costs and expenses.

Interest Rate

The Perceptive Term Loan Facility will accrue interest at an annual rate equal to the sum of (a) Term SOFR (as defined in the Credit Agreement) and (b) an applicable margin of 7.5% (the "Applicable Margin"). Accrued interest on the Term Loans is payable monthly in arrears. Upon an Event of Default (as defined in the Credit Agreement), the Applicable Margin will automatically increase by an additional 4% per annum.

Amortization and Prepayment

Prior to the Maturity Date, there will be no scheduled principal payments under the Perceptive Term Loan Facility. On the Maturity Date, the Company is required to pay Perceptive the aggregate outstanding principal amount of the Term Loans and all accrued and unpaid interest thereon. The Term Loans may be prepaid at any time, subject to a prepayment premium equal to 0% to 10% of the aggregate outstanding principal amount being prepaid, depending on the date of prepayment.

Security Instruments and Warrant

In connection with the Credit Agreement, the Company also entered into a Security Agreement, dated as of the Closing Date, with Perceptive, pursuant to which all of its obligations under the Credit Agreement are secured by a first lien perfected security interest on substantially all of its existing and after-acquired assets, subject to customary exceptions.

As consideration for the Credit Agreement, the Company issued to Perceptive a warrant to purchase up to 1,200,000 shares (the "Perceptive Warrants") of its Class A common stock. 800,000 warrant shares (the "Initial Warrant Shares") vested and became exercisable on the Closing Date and 400,000 warrant shares (the "Additional Warrant Shares" and, together with the Initial Warrant Shares, the "Warrant Shares") would have potentially vested and become exercisable on the Tranche B Borrowing Date. As the Company did not seek the additional funding from the Tranche B Loan, the Additional Warrant Shares did not vest and are not exercisable.

On April 30, 2024 (the "Exercise Date"), Perceptive provided the Company with a notice to exercise the Initial Warrant Shares at an aggregate exercise price of $2.5 million and instructed the Company to withhold a number of Initial Warrant Shares as

payment for the aggregate exercise price. As a result, the Company issued 645,414 shares of its Class A common stock in satisfaction of the cashless exercise in respect of the Initial Warrant Shares.

For the year ended December 31, 2024 and December 31, 2023, a loss of $10.1 million and a nominal gain was recorded, respectively, within the change in fair value of financial liabilities in the consolidated statements of operations and comprehensive loss based on re-measurement performed as of the Exercise Date.

Connecticut Department of Economic and Community Development Funding Commitment

In June 2017, ISMMS assigned a loan funding commitment from the DECD to the Company (the "DECD Loan Agreement") to support the Genetic Sequencing Laboratory Project in Branford, Connecticut, with funding based on the achievement of certain project development phases. This commitment was collateralized by a security interest in certain machinery and equipment the Company acquired from ISMMS, as defined in a separate security agreement.

In January 2023, the Company amended the DECD Loan Agreement, which resulted in the Company agreeing to pay $2.0 million in principal, obtaining $2.8 million in debt forgiveness for achieving its Phase 2 job milestone, and agreeing to two new forgiveness milestone targets for its Phase 3 job milestone (eligible for $2.0 million in forgiveness) and a final phase job milestone (eligible for $1.0 million in forgiveness) (the "2022 Amended DECD Loan Agreement"). Upon execution of this amendment, the Company paid the $2.0 million in principal and received $2.8 million in debt forgiveness, and the Company recognized the debt forgiveness as other (expense) income, net in the consolidated statements of operations and comprehensive loss for the year ended December 31, 2023. The terms of the 2022 Amended DECD Loan Agreement require the Company to make interest-only payments through July 2024 and requires the Company to make principal and interest payments commencing in August 2024 through July 2029 at the same fixed annual interest rate of 2.0%. The other terms of the 2022 Amended DECD Loan Agreement remained the same.

During the years ended December 31, 2025 and 2024, the Company made principal payments totaling $1.2 million and $0.5 million, respectively.

During the first quarter of 2026, the Company reached an agreement with the DECD and repaid the remaining outstanding balance under the DECD Loan Agreement. As of December 31, 2025, the outstanding loan balance of the DECD loan of $4.5 million was reported within other current liabilities on the consolidated balance sheet.

10. Leases

The Company's leases primarily consist of office and lab space, and equipment for use in its operations. Its leases generally have lease agreements which expire in 2026 to 2036, some with the option to extend. The Company includes extension options that are reasonably certain to be exercised as part of the lease terms. As of December 31, 2025, none of the Company's lease terms included the extension option as the Company has determined that it is unlikely to exercise the extension option.

Operating Leases

The Company's primary operating lease arrangements include leased properties for its corporate office and headquarters located in Stamford, Connecticut, its primary operating laboratory located in Gaithersburg, Maryland, a corporate office in Oakland, California, and a satellite meeting space located in New York City. The lease agreements for these properties expire in 2034, 2031, 2029, and 2026, respectively.

The Company's operating leases also include laboratories in Branford, Connecticut and Stamford, Connecticut have ceased operations as part of the Company's announced exits in 2022 from reproductive health and somatic tumor testing. The lease agreements for these properties expire in 2030 and 2036, respectively. These facilities as well as a portion of its headquarters located in Stamford, Connecticut are actively being marketed for sublet; however, the outstanding lease obligations remain obligations. At inception of the lease for the laboratory in Stamford, Connecticut, the value of the land was determined to be more than 25% of the total value and therefore the building is accounted for as a finance lease and the land as an operating lease.

Finance Leases

In addition to its leased laboratory building in Stamford, Connecticut noted above, the Company routinely enters into various finance lease agreements to obtain laboratory equipment that contain bargain purchase commitments at the end of the lease term. The leases are secured by the underlying equipment.

The tables below present financial information associated with the Company's operating and finance leases as of, and for the year ended, December 31, 2025 and 2024:

	Classification	December 31, 2025	December 31, 2024
Assets			
Operating lease assets	Operating lease right-of-use assets	$ 23,412	$ 25,613
Finance lease assets	Property and Equipment, net	2,905	3,173
Total lease assets		$ 26,317	$ 28,786
Liabilities			
Current			
Operating	Short-term lease liabilities	$ 3,881	$ 2,608
Finance	Short-term lease liabilities	523	728
Non-current			
Operating	Long-term lease liabilities	$ 38,778	$ 42,698
Finance	Long-term lease liabilities	17,268	18,221
Total lease liabilities		$ 60,450	$ 64,255

	Year ended December 31,		
Lease cost	**2025**	**2024**	**2023**
Operating lease cost			
Operating lease cost	$ 5,953	$ 5,637	$ 5,806
Short-term lease cost	330	314	745
Variable lease cost	1,784	1,140	659
Total operating lease cost	$ 8,067	$ 7,091	$ 7,210
Finance lease cost			
Depreciation and amortization of leased assets	$ 398	$ 647	$ 1,970
Interest on lease liabilities	1,345	1,460	1,041
Total finance lease cost	$ 1,743	$ 2,107	$ 3,011
Total lease cost	$ 9,810	$ 9,198	$ 10,221

For the years ended December 31, 2025, 2024, and 2023, cash paid for operating leases included in operating cash flows was $6.1 million, $5.2 million, and $5.5 million, respectively. For the years ended December 31, 2025, 2024, and 2023, cash paid for finance leases included in financing cash flows was $2.5 million, $2.7 million, and $3.6 million, respectively. Cash paid for finance leases included in operating cash flows were immaterial for each of the years ended December 31, 2025, 2024, and 2023.

Future minimum lease payments under non-cancellable leases as of December 31, 2025 are as follows:

Maturity of lease liabilities	**Operating lease**	**Finance lease**	**Total**
2026	$ 6,566	$ 1,992	$ 8,558
2027	6,545	2,045	8,590
2028	6,737	2,107	8,844
2029	6,825	2,170	8,995
2030	6,250	2,235	8,485
Thereafter	24,288	18,642	42,930
Total	57,211	29,191	$ 86,402
Less: imputed interest	(14,552)	(11,400)	(25,952)
Present value of lease liabilities	$ 42,659	$ 17,791	$ 60,450

Other information related to leases as of and for the year ended December 31, 2025, 2024 and 2023 are as follows:

	December 31,		
	2025	2024	2023
Weighted-average remaining lease term (years)			
Operating leases	8.1	9.0	10.0
Finance leases	10.8	11.4	11.8
Weighted-average discount rate			
Operating leases	6.7%	6.4%	6.4%
Finance leases	8.5%	8.4%	8.1%

11. Purchase Commitments and Contingencies

Purchase Commitments

The following sets forth purchase commitments with software and equipment providers as of December 31, 2025 with a remaining term of at least one year:

2026	$ 15,084
2027	11,713
2028	4,043
2029	3,914
2030	978
Total purchase commitments	$ 35,732

The Company enters into contracts with suppliers to purchase materials needed for diagnostic testing. These contracts generally do not require multi-year purchase commitments.

For further information regarding the Company's lease obligations, see Note 10, "*Leases*".

Contingencies

The Company is or may become subject to various claims and legal actions arising in the ordinary course of business. The Company does not believe that the outcome of any existing matters will have a material effect on the Company's consolidated financial statements. However, no assurance can be given that the ultimate resolution of such proceedings will not materially impact the Company's consolidated financial statements.

Except as described below, the Company was not a party to any material legal proceedings as of December 31, 2025, nor is it a party to any material legal proceedings as of the date of issuance of these consolidated financial statements.

Helo Putative Class Action

On September 7, 2022, a putative securities class action lawsuit was filed in the United States District Court for the District of Connecticut, styled *Helo v. Sema4 Holdings Corp.*, et al., 3:22-cv-01131 (D. Conn.) against the Company and certain of the Company's current and former officers. Following the appointment of a lead plaintiff, an amended complaint was filed on January 30, 2023. The defendants moved to dismiss the amended complaint on August 21, 2023, and that motion was granted on July 31, 2024. A second amended complaint was filed on September 13, 2024. As amended, the complaint purports to bring suit on behalf of the stockholders who purchased the Company's publicly traded securities between January 18, 2022 and August 15, 2022. The second amended complaint does not reassert most of the earlier allegations, and purports to allege that the defendants made false and misleading statements about the abilities and potential of Centrellis, the Company's proprietary intelligence platform, in violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and seeks unspecified compensatory damages, fees and costs. The Company's motion to dismiss the second amended complaint was denied on June 23, 2025, and the parties subsequently engaged in discovery.

During the first quarter of 2026, the parties in the Helo putative class action reached an agreement in principle to resolve all claims for approximately $4.8 million, and intend to execute a formal stipulation of settlement reflecting such agreement in principle. To be finalize, the settlement must first be approved by the United States District Court for the District of Connecticut.

There can be no assurance that the Court will approve such settlement. During the fourth quarter of 2025, the Company reserved the aforementioned settlement and associated litigation costs, totaling approximately $6.0 million, which are reported in accounts payable and accrued expenses on the consolidated balance sheet as of December 31, 2025.

Other Legal Proceedings

On November 28, 2023, a stockholder filed a derivative suit, allegedly on behalf of the Company, based largely on the same allegations in the securities class action referenced above. The suit was filed in federal court in the District of Delaware, styled *Ghazaleh v. Schadt*, et al., 1:23-cv-01357 (D. Del.), and purports to assert claims against certain of the Company's former and current officers and directors under Section 10(b) of the Exchange Act, and for breach of fiduciary duty, aiding and abetting breach of fiduciary duty, unjust enrichment and corporate waste. The Company is named only as a nominal defendant. The complaint seeks damages on the Company's behalf, and seeks corporate governance and other relief. On March 11, 2024, the Court issued an order staying this suit pending resolution of or announcement of a settlement in the *Helo* putative class action referenced above (or certain other developments).

On June 25, 2024, a substantially similar stockholder derivative suit was filed in federal court in the District of Connecticut, styled *Scinto v. Schadt*, et al., 3:24-cv-01100 (D. Conn.). The suit, also purportedly brought on the Company's behalf against certain of its former or current officers and directors, asserts claims for breach of fiduciary duty, gross mismanagement, and violations of Sections 14(a) and 10(b) of the Exchange Act. The Company is named only as a nominal defendant. The complaint seeks damages on the Company's behalf, as well as corporate governance reforms and other relief. On September 2, 2025, the Court issued an order staying this suit until the final resolution of or announcement of settlement in the *Helo* class action referenced above.

On August 15, 2025, a third, substantially similar stockholder derivative suit was filed in federal court in the District of Delaware, styled *Ingrao v. Ryan, et al.*, 1:25-cv-01027 (D. Del.). The suit, also purportedly brought on the Company's behalf against certain of its former or current officers and directors, asserts claims for breach of fiduciary duty, unjust enrichment and violations of Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder. The Company is named only as a nominal defendant. The complaint seeks damages on the Company's behalf, as well as corporate governance reforms and other relief. On October 27, 2025, the Court issued an order (1) consolidating this action with the above-referenced *Ghazaleh* derivative suit and (2) staying the consolidated suit until final resolution of or an announcement of a settlement in the *Helo* class action discussed above. The consolidated derivative suit is captioned *In re GeneDx Holdings Corp. Derivative Litigation*, Lead Case No. 1:23-cv-01357-GBW (D. Del.).

Defined Contribution Plan

Substantially all of the Company's employees in the U.S. are eligible to participate in the defined contribution plan the Company sponsors. The defined contribution plan allows employees to contribute a portion of their compensation in accordance with specified guidelines. The Company, at its discretion, makes matching contributions. The Company contributed $7.7 million, $5.9 million, and $6.5 million for the years ended December 31, 2025, 2024 and 2023, respectively.

12. Stock-Based Compensation

Stock-Based Compensation Expense

Stock-based compensation expense is included within the consolidated statements of operations and comprehensive loss as follows:

	Year Ended December 31,		
	2025	**2024**	**2023**
Cost of services	$ 791	$ 431	$ (1,217)
Research and development	5,366	1,192	(2,585)
Selling and marketing	5,009	1,089	(1,266)
General and administrative	20,996	6,426	4,742
Total stock-based compensation expense [(1)(2)]	$ 32,162	$ 9,138	$ (326)

(1) The Company recorded an aggregate reversal of stock-based compensation of $1.7 million, $3.9 million, and $24.7 million during the years ended December 31, 2025, 2024, and 2023, respectively, due to forfeiture activities upon employee terminations.
(2) Includes $1.5 million and $0.6 million of expense related to the 2021 Employee Stock Purchase Plan during year ended December 31, 2025 and 2024, respectively.

Stock Incentive Plans

The Company maintains the Amended and Restated 2021 Equity Incentive Plan (as amended and restated, the "2021 Plan"), which allows for grants of stock-based awards. No awards granted under the 2021 Plan are exercisable after 10 years from the date of grant, and the awards granted under the 2021 Plan generally vest over a four-year period on a graded vesting basis; however, the Company has also granted certain restricted stock units with vesting terms beginning 12 months from the grant date and vesting immediately on the grant date. On January 1 of each year through 2031, the aggregate number of shares of Class A common stock reserved for issuance under the 2021 Plan may be increased automatically by the number of shares equal to 5% of the total number of shares of all classes of common stock issued and outstanding immediately preceding December 31. In January 2025, the number of Class A common stock reserved for future issuance under the 2021 Plan automatically increased by 1,400,827 shares.

The Company also maintains the 2023 Equity Inducement Plan (the "Equity Inducement Plan"), which allows for grants of equity awards of the Company's Class A common stock to individuals who were not previously an employee or director of the Company, or following a bona fide period of non-employment, as an inducement material to such persons entering into employment with the Company.

As of December 31, 2025, there was an aggregate of 2,970,065 shares available for grants of stock options or other awards under the 2021 Plan and Equity Inducement Plan. In January 2026, the number of Class A common stock reserved for future issuance under the 2021 Plan automatically increased by 1,462,264 shares.

Stock Options

All stock options granted under the 2021 Plan are accounted for as service-based equity awards. The following summarizes the stock option activity during the year ended December 31, 2025:

	Stock Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Aggregate Intrinsic Value
Balance at December 31, 2024	341,280	$ 44.83	5.99	$ 12,429
Options exercised	(140,847)	$ 14.49		
Options forfeited and canceled	(979)	$ 55.44		
Balance at December 31, 2025	199,454	$ 65.29	6.41	$ 14,015
Options exercisable at December 31, 2025	188,632	$ 65.31	6.41	$ 12,728

Non-vested options outstanding at the end of the year were 10,822 with weighted average grant-date fair value of $45.37. As of December 31, 2025, unrecognized stock-based compensation cost related to the unvested portion of the Company's stock options was $0.1 million, which is expected to be recognized on a graded-vesting basis over a weighted-average period of 0.3 years.

The weighted-average grant-date fair value and total fair value of options with tranches vested was $23.30 and $1.8 million for the year ended December 31, 2025, respectively, $34.42 and $0.7 million for the year ended December 31, 2024, respectively, and $25.07 and $1.5 million for the year ended December 31, 2023, respectively.

There were no options granted during the year ended December 31, 2025 or 2024. The fair value of the stock option awards granted during the year ended December 31, 2023 were estimated using the Black-Scholes option pricing model with the following assumptions:

	2023
Expected volatility	105.0%
Weighted-average expected volatility	105.0%
Expected term (in years)	5.5
Risk-free interest rate	4.03%
Dividend yield	—
Fair value of Class A common stock	$6.35

The aggregate intrinsic value of exercised options was $16.4 million, $2.3 million, and $0.3 million in the years ended December 31, 2025, 2024, and 2023, respectively, and is calculated based on the difference between the exercise price and the fair

value of the Company's common stock as of the exercise date. The weighted-average grant-date fair value of options forfeited and canceled was $55.44, $7.46, and $22.71 for the years ended December 31, 2025, 2024, and 2023, respectively.

Restricted Stock Units

Restricted stock units granted under the 2021 Plan are accounted for as either service-based restricted stock units ("RSUs") or performance-based restricted stock units ("PRSUs"). Restricted stock units convert to Class A common stock on a one-for-one basis as the awards vest. The Company measures the value of restricted stock units at fair value based on the closing price of the underlying common stock on the grant date. The following table summarizes restricted stock unit activity during the year ended December 31, 2025:

	Restricted Stock Units Outstanding	Weighted Average Grant Date Fair Value Per Unit
Balance at December 31, 2024	1,869,561	$ 12.03
Restricted Stock Units granted [(1)]	625,957	$ 95.88
Restricted Stock Units vested	(638,339)	$ 16.15
Restricted Stock Units forfeited	(337,446)	$ 21.89
Balance at December 31, 2025	1,519,733	$ 42.91

(1) Includes 81,702 PRSUs granted during the year ended December 31, 2025 with a weighted-average grant-date fair value of $97.80.

During the year ended December 31, 2025, the Company approved awards of 81,702 PRSUs to certain executives. The grant date fair value of the PRSUs is based on the fair value of the Company's Class A common stock on the grant date. The awards have both service-based and performance-based vesting conditions. The actual number of shares earned on vesting ranges from 0% to 200% of the target number of shares granted, depending on the attainment of specified performance goals established for the years ending December 31, 2025 and 2026.

The total fair value of restricted stock units vested for the years ended December 31, 2025, 2024, and 2023 was $10.3 million, $2.1 million, and $6.6 million, respectively. As of December 31, 2025, unrecognized stock-based compensation cost related to the Company's restricted stock units was $36.8 million, which is expected to be recognized on a graded-vesting basis over a weighted-average period of 1.9 years.

Employee Stock Purchase Plan

The 2021 Employee Stock Purchase Plan (the "2021 ESPP") authorizes the issuance of shares of Class A common stock pursuant to purchase rights granted to employees. On January 1 of each year through 2031, the aggregate number of shares of Class A common stock reserved for issuance under the 2021 ESPP may be increased automatically by the number of shares equal to 1% of the total number of shares of all classes of common stock issued and outstanding immediately preceding December 31. In January 2025, the number of Class A common stock reserved for future issuance under the 2021 ESPP automatically increased by 280,165 shares.

The 2021 ESPP became open for enrollment in April 2024. Under the 2021 ESPP, eligible employees may purchase shares of the Company's Class A common stock at a discount through payroll deductions during each discrete six-month offering period. The purchase price under each discrete offering period is equal to 85% of the lesser of the fair market value of the Class A common stock on the first and last day of the offering period.

The Company issued 50,615 and 26,773 shares under the 2021 ESPP during the year ended December 31, 2025 and 2024, respectively. A total of 799,381 shares of Class A common stock were reserved for future issuance under the 2021 ESPP as of December 31, 2025. In January 2026, the number of Class A common stock reserved for future issuance under the 2021 ESPP automatically increased by 292,452 shares.

13. Income Taxes

The components of loss before incomes taxes consisted of the following:

	Year ended December 31,		
	2025	**2024**	**2023**
Foreign	$ 1,178	$ 929	$ 623
Domestic	(22,315)	(53,558)	(177,316)
Loss before income tax benefit	(21,137)	(52,629)	(176,693)

The components of income tax benefit consisted of the following:

	Year ended December 31,		
	2025	**2024**	**2023**
Current			
Federal	$ —	$ —	$ —
State and local	555	—	—
Foreign	310	241	164
Total Current	$ 865	$ 241	$ 164
Deferred			
Federal	$ (439)	$ (229)	$ 942
State and local	(542)	(355)	(2,032)
Foreign	—	—	—
Total Deferred	(981)	(584)	(1,090)
Total income tax benefit	$ (116)	$ (343)	$ (926)

For the years ended December 31, 2025, 2024, and 2023, the Company recorded a total income tax benefit of $0.1 million, $0.3 million, and $0.9 million, respectively. Accordingly, the effective tax rate for the Company for the years ended December 31, 2025, 2024, and 2023 was 0.5%, 0.6%, and 0.5% respectively.

On July 4, 2025, the One Big Beautiful Bill Act (the “OBBBA”) was enacted into law in the United States. The OBBBA includes, among other provisions, changes to bonus depreciation rules, the treatment of research and experimental expenditures under Section 174A, limitations on the deductibility of interest under Section 163(j), and modifications to certain international tax regimes. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027.

The Company has evaluated the effective provisions of the OBBBA for the year ended December 31, 2025, and determined their impact on the consolidated financial statements to be immaterial. The Company will continue to evaluate the full impact of the OBBBA changes as additional guidance becomes available.

As noted in Note 2, "*Summary of Significant Accounting Policies*", the Company adopted ASU 2023-09 and applied the new disclosure requirements prospectively for the year ended December 31, 2025. A reconciliation of the anticipated income tax benefit computed by applying the statutory federal income tax rate of 21% to loss before income taxes to the amount reported in the statement of operations and comprehensive loss after the adoption of ASU 2023-09 is as follows:

	Year ended December 31, 2025	
	Amount	**Percent**
U.S. federal statutory tax rate	$ (4,439)	21.0%
State and local income taxes, net of federal benefit [1]	(104)	0.5
Foreign tax effects	62	(0.3)
Changes in valuation allowances	5,896	(27.9)
Nontaxable or nondeductible items:		
Stock-based compensation	(14,295)	67.6
Excess compensation	12,701	(60.1)
Unrealized fair value gain on warrants	253	(1.2)
Other	128	(0.6)
Other adjustments:		
Return to provision adjustments	(318)	1.5
Effective tax rate	$ (116)	0.5%

(1) State taxes in Pennsylvania made up the majority (greater than 50%) of the tax in this category.

A reconciliation of the anticipated income tax benefit computed by applying the statutory federal income tax rate of 21% to loss before income taxes to the amount reported in the statements of operations and comprehensive loss for years prior to the adoption of ASU 2023-09 is as follows:

	Year ended December 31,	
	2024	**2023**
U.S. federal taxes at statutory rate	21.0%	21.0%
State and local taxes, net of federal benefit	0.6	1.1
Research and development tax credits	—	(0.8)
Non-deductible stock-based compensation	(3.8)	(2.4)
162(m) limitation	(2.7)	(0.1)
Permanent items	(0.5)	(0.1)
Unrealized fair value (gain) loss on warrants	(5.4)	0.1
Goodwill impairment	—	(0.1)
Change in valuation allowance	(10.7)	(18.4)
Other	2.1	0.2%
Effective tax rate	0.6%	0.5%

The tax effects of temporary differences and carryforwards that give rise to significant portions of the net deferred tax assets and liabilities were as follows:

	As of December 31,	
	2025	2024
Deferred tax assets:		
Net operating loss carryforwards	$ 280,752	$ 257,047
Stock-based compensation	4,848	2,599
Accrued compensation	4,377	2,001
Accrued expenses	326	247
Research and development credits	8,681	6,477
Leases	13,890	14,801
Obsolete inventory reserve	10	12
Third party liability	2,565	2,971
Section 174 amortization	24,733	29,484
Capitalized software	451	766
Other	1,107	1,194
Total deferred tax assets	341,740	317,599
Valuation allowance	(295,260)	(272,275)
Deferred tax assets, net of valuation allowance	46,480	45,324
Deferred tax liabilities:		
Property and equipment	(524)	(1,013)
ROU asset	(5,657)	(6,252)
Intangible amortization	(41,056)	(39,024)
Total deferred tax liabilities	(47,237)	(46,289)
Net deferred tax liability after valuation allowance	$ (757)	$ (965)

As of December 31, 2025, the Company had the following tax net operating loss carryforwards available to reduce future federal and state taxable income, and tax credit carryforwards available to offset future federal and Connecticut income taxes:

	Amount	Expiration period
Tax net operating loss carryforwards:		
Federal (pre-2018 net operating losses)	$ 62,892	2026-2037
Federal (post-2017 net operating losses)	$ 932,482	No expiration
State and local	$ 1,237,797	2027-2055
State and local	$ 116,087	No expiration
Tax credit carryforwards:		
Federal research and development	$ 7,208	2038-2044
Connecticut research and development	$ 777	2036
Connecticut research and development	$ 511	No expiration
California research and development	1,256	No expiration

The Company had the following deferred tax valuation allowance balances:

Year	Balance at the Beginning of Period	Additions	Balance at the End of Period
2025	$ 272,275	22,985	$ 295,260
2024	$ 271,567	708	$ 272,275
2023	$ 226,644	44,923	$ 271,567

Future realization of the tax benefits of existing temporary differences and carryforwards ultimately depends on the existence of sufficient taxable income within the carryforward period. As of December 31, 2025 and 2024 the Company performed an evaluation to determine whether a valuation allowance was needed. Based on the Company's analysis, which considered all available evidence, both positive and negative, the Company determined that it is more likely than not that a significant portion of its deferred tax assets will not be realized. Accordingly, the Company maintained a full valuation allowance as of December 31, 2025 and 2024. The valuation allowance increased by $23.0 million in 2025 and $0.7 million in 2024, primarily due to the increase in net operating loss carryforwards related to the Merger and current year activity.

Under Internal Revenue Code Section 382, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes to offset its post-change income may be limited. Generally, an ownership change occurs when certain shareholders increase their aggregated ownership by more than 50 percentage points over their lowest ownership percentage in a testing period (typically three years). Future changes in stock ownership, which may be outside of the Company's control, may trigger an ownership change. In addition, future equity offerings or acquisitions that have an equity component of the purchase price could result in an ownership change. If an ownership change has occurred or does occur in the future, utilization of the NOL carryforwards or other tax attributes may be limited.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits for the years ended December 31, 2025 and 2024 is as follows:

	As of December 31,		
	2025	2024	2023
Unrecognized tax benefits – January 1	$ 718	$ 718	$ 718
Gross increases – tax positions in current period	—	—	—
Unrecognized tax benefits – December 31	$ 718	$ 718	$ 718

To the extent penalties and interest would be assessed on any underpayment of income tax, the Company's policy is that such amounts would be accrued and classified as a component of income tax expense in the financial statements. The Company had a nominal amount of accrued interest or penalties related to uncertain tax positions as of December 31, 2025 and 2024.

The Company files income tax returns for U.S federal jurisdiction, various state jurisdictions, and various foreign countries. In the normal course of business, the Company is subject to examination by federal, state and foreign jurisdictions, where applicable. There are currently no pending federal, state or foreign income tax examinations. As a result of the Company's net operating loss carryforwards, the Company's federal and state statutes of limitations remain open from 2007 and forward until the net operating loss carryforwards are utilized or expire prior to utilization.

The amounts of cash income taxes paid by the Company were as follows:

	Year ended December 31, 2025
Federal	$ —
State and local:	
Florida	103
Maryland	40
North Carolina	40
Pennsylvania	129
Other state and local	35
Foreign:	
Canada	215
Iceland	99
Total cash income taxes paid	$ 661

The amount of cash income taxes paid by the Company during the years ended December 31, 2024 and 2023 was $0.2 million and $0.1 million, respectively.

14. Net Loss per Share

Basic and diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period. The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders:

	Year Ended December 31,		
	2025	2024	2023
Numerator:			
Net loss attributable to common stockholders	$ (21,021)	$ (52,286)	$ (175,767)
Denominator:			
Basic and diluted weighted-average common shares outstanding	28,641,734	26,891,213	24,311,989
Basic and diluted loss per share	$ (0.73)	$ (1.94)	$ (7.23)

The following tables summarize the outstanding shares of potentially dilutive securities that were excluded from the computation of diluted net loss per share attributable to common stockholders for the period presented because including them would have been anti-dilutive:

	Year Ended December 31,		
	2025	2024	2023
Outstanding options and RSUs to purchase Class A common stock	1,719,187	2,210,841	2,005,853
Outstanding warrants	666,515	666,515	1,466,515
Outstanding 2021 ESPP shares	21,258	20,566	—
Total	2,406,960	2,897,922	3,472,368

15. Supplemental Financial Information

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported on the consolidated balance sheets to the total of the same amounts shown on the consolidated statements of cash flows:

	As of December 31,	
	2025	2024
Cash and cash equivalents	$ 104,997	$ 85,212
Restricted cash (included in other assets)	992	990
Total	$ 105,989	$ 86,202

Restricted cash included in other assets as of December 31, 2025 and 2024 primarily consists of money market deposit accounts that secure an irrevocable standby letter of credit that serves as collateral for a security deposit for operating leases.

Prepaid expenses and other current assets consisted of the following:

	As of December 31,	
	2025	2024
Prepaid expenses	$ 7,174	$ 7,425
Other current assets	1,511	1,079
Total	$ 8,685	$ 8,504

Accounts payable and accrued expenses consisted of the following:

	As of December 31,	
	2025	2024
Accounts payable	$ 2,461	$ 7,954
Accrued expenses	44,659	12,443
Third party payor reserves, short-term	4,965	10,586
Legal reserves	5,560	—
Total	$ 57,645	$ 30,983

Other current liabilities consisted of the following:

	As of December 31,	
	2025	2024
Accrued compensation	$ 29,638	$ 16,241
Accrued severance	771	746
Due to related parties	643	668
Current portion of long-term debt	4,542	1,211
Short-term contingent consideration liability	5,444	—
Short-term warrant liability	1,100	—
Other	4,721	1,632
Total	$ 46,859	$ 20,498

Other liabilities consisted of the following:

	As of December 31,	
	2025	2024
Long-term contingent consideration liability	$ 1,570	$ —
Long-term warrant liability	—	3,519
Third party payor reserves, long-term	—	2,000
Other	71	—
Total	$ 1,641	$ 5,519

2023 Capital Raise

On January 31, 2023, the Company raised approximately $150.0 million in gross proceeds and announced the closing of an underwritten public offering of 9,962,316 shares of its Class A common stock and a concurrent registered direct offering of 2,353,436 shares of its Class A common stock. The net offering proceeds received after deducting underwriters' discounts and commissions payable by the Company were approximately $135.4 million. On April 17, 2023, following the Company's receipt of stockholder approval for the issuance, the Company issued the remaining 676,868 shares of its Class A common stock to Corvex Select Equity Master Fund LP, Corvex Master Fund LP and Corvex Dynamic Equity Select Master Fund LP in its previously announced registered direct offering for gross proceeds of approximately $7.6 million.

2024 Sales Agreement

The Company entered into a sales agreement (the "Sales Agreement") with TD Securities (USA) LLC ("TD Cowen") in April 2024, pursuant to which the Company may, but is not obligated to, offer and sell, from time to time, shares of its Class A common stock with an aggregate offering price up to $75.0 million through TD Cowen, as sales agent, subject to the terms and conditions described in the Sales Agreement and SEC rules and regulations (the "prior ATM offering"). During the year ended December 31, 2024, the Company issued 825,379 shares of its Class A common stock in connection with the ATM offering at an average price of $58.41 per share. Proceeds received, net of agent fees and other offering expenses, were $46.5 million. During the year ended December 31, 2025, the Company issued 251,367 shares of its Class A common stock in connection with the prior ATM offering at an average price of $106.56 per share, which resulted in the Company selling the maximum amount of shares in the prior ATM offering and the automatic termination of the Sales Agreement. Proceeds received, net of agent fees and other offering expenses, were $25.6 million.

2025 Sales Agreement

The Company entered into an additional sales agreement (the "Sales Agreement") with TD Securities (USA) LLC ("TD Cowen") pursuant to which we may, but are not obligated to, offer and sell, from time to time, shares of our Class A common stock with an aggregate offering price up to $100.0 million through TD Cowen, as sales agent, subject to the terms and conditions described in the Sales Agreement and SEC rules and regulations (the "ATM offering"). During the year ended December 31, 2025, the Company issued 147,583 shares of its Class A common stock in connection with this ATM offering at an average price of $147.44 per share and the proceeds received, net of agent fees and other offering expenses, were $21.1 million. As of December 31, 2025, approximately $78.2 million of capacity remained available under this ATM offering.

16. Segment Reporting

The Company's structure is aligned with how the chief operating decision maker ("CODM") reviews the business, makes investing and resource allocation decisions and assesses operating performance. The Company's CODM is its Chief Executive Officer. As of December 31, 2025, the Company has identified the GeneDx operating segment as its one reportable segment. The GeneDx operating segment primarily provides pediatric and rare disease diagnostics with a focus on whole exome and genome sequencing and, to a lesser extent, data and information services. The Company has also identified two other operating segments: (1) Fabric Genomics and (2) Legacy Sema4, which was completely shut down in 2023 and is winding down its operating activities. The Fabric Genomics and Legacy Sema4 operating segments do not meet the quantitative thresholds for reportable segments and are collectively reported in Other.

The CODM evaluates segment performance based on revenue and adjusted gross profit.

	Year ended December 31,								
	2025			2024			2023		
	GeneDx	Other	Total	GeneDx	Other	Total	GeneDx	Other	Total
Revenue	$ 423,088	$ 4,451	$ 427,539	$ 302,293	$ 3,157	$ 305,450	$ 194,376	$ 8,190	$ 202,566
Adjusted cost of services	122,100	1,101	123,201	106,376	145	106,521	106,983	2,305	109,288
Adjusted gross profit [1]	300,988	3,350	304,338	195,917	3,012	198,929	87,393	5,885	93,278
Reconciliations:									
Depreciation and amortization			5,369			4,047			4,350
Stock-based compensation			791			431			(1,217)
Restructuring costs			5			54			139
Gross profit			$ 298,173			$ 194,397			$ 90,006

(1) Adjusted cost of services and adjusted gross profit exclude depreciation and amortization expense, stock-based compensation expense and restructuring costs.

Management manages assets on a total company basis, not by reporting segment. The CODM does not regularly review any asset information by reporting segment and, accordingly, the Company does not report asset information by reporting segment.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

As required by Rules 13a-15 and 15d-15 under the Exchange Act, our Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2025. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of December 31, 2025, the end of the period covered by this Annual Report on Form 10-K, due to the material weakness in internal control over information technology general controls, or ITGCs, as described below.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting and for the assessment of the effectiveness of internal control over financial reporting as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act. Internal control over financial reporting is a process designed under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States.

We do not expect that our disclosure controls and procedures, or our internal controls, will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected.

Under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer and oversight of the Board of Directors, our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2025, based on the criteria set forth in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 COSO framework). The scope of management's assessment of the effectiveness of internal controls over financial reporting excluded the business of Fabric Genomics, which the Company acquired in a business combination on May 5, 2025. The Fabric Genomics business represented approximately 1% of total assets (excluding goodwill and intangible assets), 1% of total revenue, and 3% of total operating expenses, as reflected in our consolidated financial statements as of and for the year ended December 31, 2025.

Based on this evaluation, due to the material weakness described below, our management concluded that the Company's system of internal control over financial reporting was not effective as of December 31, 2025.

Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

We identified a material weakness in internal control related to deficiencies in the design and operating effectiveness of IT general controls related to segregation of duties in the program change management process for a single IT system that supports certain aspects of our revenue processes. As a result, certain automated controls and business process controls related to recording revenue that are dependent on the affected IT system or the information from such IT system were also deemed ineffective.

Following identification of the material weakness and prior to filing this Annual Report on Form 10-K, we completed procedures to assess the impact to the 2025 financial statements. Based on these procedures, we believe that our consolidated financial statements included in this Form 10-K have been prepared in accordance with U.S. GAAP. Our Chief Executive Officer and Chief Financial Officer have certified that, based on their knowledge, the financial statements, and other financial information included in this Form 10-K, fairly present in all material respects the financial condition, results of operations and cash flows of

the Company as of, and for, the periods presented in this Form 10-K. Our independent registered public accounting firm, Ernst & Young LLP, has issued an unqualified opinion on our financial statements, which is included in Item 8 of this Form 10-K. Although we have not identified any errors or misstatements in our consolidated financial statements as a result of this material weakness, these deficiencies created a reasonable possibility that a material misstatement of our annual or interim financial statements would not have been prevented or detected on a timely basis as of December 31, 2025.

Planned Material Weakness Remediation Activities

Management is committed to the remediation of the material weakness described above, as well as the continued improvement of our internal control over financial reporting. Our planned remediation efforts related to the material weakness include, but are not limited to:

- Enhancing system settings within the impacted IT application to enforce segregation of duties and align with control design requirements.
- Implementing and formalizing change management and monitoring controls to support improved governance over changes to the affected IT application.

As of the filing date, these remediation actions were implemented. While we believe that the measures already designed and implemented will be sufficient, the material weakness, in the aggregate, will not be considered fully remediated until all aspects of the control operate for a sufficient period of time and we have concluded, through testing, that these controls are operating effectively.

Changes in Internal Control Over Financial Reporting

Other than the identified material weakness and the remediation events discussed above, there were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

Other Information

None.

Rule 10b5-1 Plan Adoptions and Modifications

None of our directors or officers adopted, modified or terminated any “Rule 10b5-1 trading arrangements” or any “non-Rule 10b5-1 trading arrangements,” as each term is defined in Item 408 of Regulation S-K, during the fiscal quarter ended December 31, 2025.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None.

Part III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this Item is incorporated by reference from our definitive proxy statement for our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is incorporated by reference from our definitive proxy statement for our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item is incorporated by reference from our definitive proxy statement for our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item is incorporated by reference from our definitive proxy statement for our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item is incorporated by reference from our definitive proxy statement for our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025.

Part IV

Item 15. Exhibits, Financial Statement Schedules

a) The following documents are filed as a part of this Annual Report.

1. Consolidated financial statements: The consolidated financial statements are set forth under "Item 8. Financial Statements and Supplementary Data" of this Annual Report on Form 10-K.
2. Financial statement schedules: All schedules have been omitted because they are not required, not applicable, or the required information is included in the consolidated financial statements or notes thereto.
3. Exhibits: The exhibits listed in the accompanying Exhibit Index are filed or incorporated by reference as part of this Annual Report on Form 10-K.

		Incorporated by Reference			
No.	**Description of Exhibit**	**Form**	**Exhibit**	**Filing Date**	**Filed Herewith**
1.1	Sales Agreement, dated October 28, 2025, by and between GeneDx Holdings Corp. and TD Securities (USA) LLC.	S-3ASR	1.2	10/28/2025	
2.1+	Agreement and Plan of Merger, dated February 9, 2021, by and among CMLS, Merger Sub and Legacy Sema4, as amended by Amendment to Agreement and Plan of Merger dated May 3, 2021.	DEF14M	Annex A	07/02/2021	
2.2	Agreement and Plan of Merger and Reorganization, dated as of January 14, 2022, by and among, Orion Merger Sub I, Inc., Orion Merger Sub II, LLC, GeneDx, Inc., GeneDx Holding 2, Inc. and OPKO Health, Inc.	8-K	2.1	01/18/2022	
2.3+	Amendment to Agreement and Plan of Merger and Reorganization, dated as of April 29, 2022, by and among, Sema4 Holdings Corp., Orion Merger Sub I, Inc., Orion Merger Sub II, LLC, GeneDx, Inc., GeneDx Holding 2, Inc. and OPKO Health, Inc.	8-K	99.2	05/02/2022	
2.4+	Agreement and Plan of Merger, by and among GeneDx Holdings Corp., Project Flare Merger Sub, Inc., Fabric Genomics, Inc. and Martin Reese, dated as of April 15, 2025.	8-K	2.1	04/16/2025	
3.1	Third Amended and Restated Certificate of Incorporation, as amended.	8-K	3.1	07/29/2025	
3.2	Amended and Restated Bylaws of GeneDx Holdings Corp.	8-K	3.2	01/09/2023	
4.1	Specimen Class A Common Stock Certificate.	S-1/A	4.2	08/24/2020	
4.2	Specimen Warrant Certificate.	S-1/A	4.3	08/24/2020	
4.3	Warrant Agreement, dated as of September 1, 2020, by and between CM Life Sciences, Inc. and Continental Stock Transfer & Trust Company, as warrant agent.	8-K	10.1	09/04/2020	
4.4	Warrant to Purchase Stock, dated October 27, 2023, by and among the Company and Perceptive Credit Holdings IV, LP.	8-K	4.1	10/30/2023	
4.5	Description of Securities.				X
10.1	Amended and Restated Registration Rights Agreement, dated as of July 22, 2021, by and among the Company, certain equity holders of the Company named therein and certain equity holders of Sema4 named therein.	8-K	10.2	07/28/2021	
10.2	Form Director of and Officer Indemnification Agreement.	8-K	10.4	07/28/2021	
10.3*	GeneDx Holdings Corp. Amended and Restated 2021 Equity Incentive Plan.	8-K	10.1	04/17/2023	
10.4*	Form of Stock Option Agreement under the 2021 Equity Incentive Plan.	8-K	10.6	07/28/2021	
10.5*	Form of RSU Agreement under the 2021 Equity Incentive Plan.	8-K	10.7	07/28/2021	
10.6*	Form of Earn-Out RSU Agreement.	8-K	10.8	07/28/2021	
10.7*	2021 Employee Stock Purchase Plan.	8-K	10.9	07/28/2021	
10.8*	GeneDx Holdings Corp. 2023 Equity Inducement Plan.	8-K	10.1	07/24/2023	
10.9*	Form of Option Award Agreement under the 2023 Equity Inducement Plan.	8-K	10.2	07/24/2023	
10.10*	Form of Restricted Stock Unit Award Agreement under the 2023 Equity Inducement Plan.	8-K	10.3	07/24/2023	

10.11	Sub-Sublease, dated as of June 6, 2017, by and between Icahn School of Medicine at Mount Sinai and the Company, as amended July 31, 2019.	8-K	10.17	07/28/2021	
10.12	Sublease Agreement, dated as of November 8, 2019, by and between Marriott International, Inc. and the Company.	8-K	10.18	07/28/2021	
10.13	Sublease, dated as of April 23, 2019, by and between Icahn School of Medicine at Mount Sinai and the Company.	8-K	10.20	07/28/2021	
10.14	Lease Agreement, dated as of January 31, 2020, by and between 1 Commercial Street Associates, LLC and the Company.	8-K	10.21	07/28/2021	
10.15+	Lease Agreement, dated as of December 16, 2019, by and between Saul Holdings Limited Partnership and GeneDx, Inc.				X
10.16	Amendment to Lease Agreement, dated as of January 5, 2022, by and between Saul Holdings Limited Partnership and GeneDx, Inc.				X
10.17#	Master Services Agreement, dated as of April 2, 2018, by and among the Company, Icahn School of Medicine at Mount Sinai, The Mount Sinai Hospital, and the parties thereto, as amended July 31, 2019.	8-K	10.22	07/28/2021	
10.18#	Master Services Agreement, dated as of May 10, 2018, by and between the Company and Icahn School of Medicine at Mount Sinai, as amended July 31, 2019.	8-K	10.23	07/28/2021	
10.19#	BioMe Biospecimen and Data Access Agreement, dated as of July 19, 2019, by and between Icahn School of Medicine at Mount Sinai and the Company.	8-K	10.25	07/28/2021	
10.20#	Non-Exclusive Patent License Agreement, dated as of June 1, 2017, by and between the Company and Icahn School of Medicine at Mount Sinai.	8-K	10.26	07/28/2021	
10.21#	Supply Agreement, dated as of June 20, 2014, by and between the Company and Illumina, Inc., and amendments thereto.	8-K	10.27	07/28/2021	
10.22*	Mount Sinai Genomics, Inc. 2017 Equity Incentive Plan, as amended, and forms of equity agreements thereunder.	S-8	99.6	09/27/2021	
10.23	Form of Subscription Agreement, dated as of January 14, 2022 by and among the Company and the subscriber parties thereto.	8-K	10.1	01/18/2022	
10.24	Form of Shareholder Agreement, dated as of January 14, 2022 by and among the Company and the stockholder parties identified therein.	8-K	10.2	01/18/2022	
10.25*	Employment Agreement, dated as of January 14, 2022, as amended April 29, 2022, by and between Sema4 Holdings Corp. and Katherine Stueland.	8-K	10.2	05/02/2022	
10.26*	Amendment No. 1 to the Employment Agreement of Kevin Feeley, dated August 25, 2022.	8-K	10.1	08/26/2022	
10.27#	Amendment No. 1 to BioMe Biospecimen and Data Access Agreement, dated as of January 19, 2023, by and between Icahn School of Medicine at Mount Sinai and Sema4 OpCo, Inc.	10-K	10.34	03/16/2023	
10.28	2022 Replacement Promissory Note.	10-K	10.35	03/16/2023	
10.29	Credit Agreement and Guaranty, dated October 27, 2023, by and among the Company and Perceptive Credit Holdings IV, LP.	8-K	10.1	10/30/2023	
10.30	Security Agreement, dated October 27, 2023, by and among the Company and Perceptive Credit Holdings IV, LP.	8-K	10.2	10/30/2023	
10.31+	Letter Agreement, Amendment No. 2 to Sub-Sublease, dated as of March 20, 2023, by and between Icahn School of Medicine at Mount Sinai and the Company.	10-Q	10.3	05/09/2023	
10.32*	Employment Agreement by and between Dr. Bryan Dechairo and GeneDx, LLC, dated as of October 10, 2024.	8-K	10.1	01/02/2025	
10.33*	Amended Form of Restricted Stock Unit Award Agreement under the 2023 Equity Inducement Plan.				X
10.34*	Non-Employee Director Compensation Policy, effective April 10, 2025.	10-Q	10.1	07/29/2025	
10.35	Joinder Agreement, dated July 2, 2025 by Fabric Genomics, Inc. in favor of Perceptive Credit Holdings IV, LP.	10-Q	10.2	07/29/2025	
10.36	Guarantee Assumption agreement, dated July 2, 2025, by Fabric Genomics, Inc.	10-Q	10.3	07/29/2025	
19.1	Insider Trading Policy.	10-K	19.1	02/20/2025	

21.1	Subsidiaries of the Company.				X
23.1	Consent of Ernst & Young LLP, independent registered accounting firm for GeneDx Holdings Corp.				X
24.1	Power of Attorney (included on signature page to this Annual Report on Form 10-K).				X
31.1	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
97.1	Policy Relating to Recovery of Erroneously Awarded Compensation.	10-Q	99	07/29/2025	
101.INS	Inline XBRL Instance Document				X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document				X
101.SCH	Inline XBRL Taxonomy Extension Schema Document				X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document				X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document				X
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101.)				X

* Management Contract or Compensatory Plan

** Furnished.

\+ Certain of the exhibits and schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Company agrees to furnish a copy of all omitted exhibits and schedules to the SEC upon its request.

\# The Company has omitted portions of the exhibit as permitted under Regulation S-K Item 601(b)(10).

Item 16. Form 10-K Summary

We may voluntarily include a summary of information required by Form 10-K under this Item 16. We have elected not to include such summary information.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GENEDX HOLDINGS CORP.

Date: February 23, 2026

By: /s/ Katherine Stueland
Name: Katherine Stueland
Title: Chief Executive Officer and Director (Principal Executive Officer)

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Katherine Stueland, Kevin Feeley and Heidi Chen, and each or any one of them, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the United States Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitutes or substitute, may lawfully do or cause to be done by virtue hereof.

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

Signature	Title	Date
/s/ Katherine Stueland Katherine Stueland	Chief Executive Officer and Director (Principal Executive Officer)	February 23, 2026
/s/ Kevin Feeley Kevin Feeley	Chief Financial Officer (Principal Financial Officer)	February 23, 2026
/s/ Jason Ryan Jason Ryan	Chairman of the Board	February 23, 2026
/s/ Eli D. Casdin Eli D. Casdin	Director	February 23, 2026
/s/ Emily Leproust Emily Leproust	Director	February 23, 2026
/s/ Keith Meister Keith Meister	Director	February 23, 2026
/s/ Joshua Ruch Joshua Ruch	Director	February 23, 2026
/s/ Richard Pfenninger, Jr. Richard Pfenninger, Jr.	Director	February 23, 2026
/s/ Thomas Fuchs Thomas Fuchs	Director	February 23, 2026

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

The following summary sets forth certain material terms and provisions of our securities that are registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This description also summarizes relevant provisions of the General Corporation Law of Delaware (the "DGCL"). The following description is a summary and does not purport to be a complete description of the rights and preferences of our securities. It is subject to, and qualified in its entirety by reference to, the applicable provisions of the DGCL and our Amended and Restated Certificate of Incorporation (our "Amended and Restated Certificate of Incorporation"), and our Amended and Restated Bylaws (our "Bylaws"), each of which is incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.5 is a part. We encourage you to read our Amended and Restated Certificate of Incorporation, our Bylaws, and the applicable provisions of the DGCL for additional information.

Authorized and Outstanding Stock

Our Amended and Restated Certificate of Incorporation authorizes the issuance of 1,000,000,000 shares of Class A common stock, $0.0001 par value per share, and 1,000,000 shares of Preferred Stock, $0.0001 par value per share. The outstanding shares of our common stock are duly authorized, validly issued, fully paid and non-assessable. As of December 31, 2025, there were 29,245,296 shares of our Class A common stock outstanding, no shares of preferred stock outstanding and 666,515 warrants outstanding.

Common Stock

Our Amended and Restated Certificate of Incorporation provides that each share of our common stock has the same relative rights and is identical in all respects to each other share of our common stock. The rights, preferences and privileges of holders of our common stock are subject to the rights, preferences and privileges of the holders of shares of any series of preferred stock that we have issued or may issue in the future.

Voting Power

Except as otherwise required by law or as otherwise provided in any certificate of designation for any series of preferred stock, or under our Amended and Restated Certificate of Incorporation, the holders of common stock possess all voting power for the election of our directors and all other matters requiring stockholder action and are entitled to one vote per share on matters to be voted on by stockholders. The holders of common stock shall at all times vote together as one class on all matters submitted to a vote of the holders of common stock under our Amended and Restated Certificate of Incorporation.

Dividends

Subject to the rights, if any of the holders of any outstanding shares of preferred stock, under our Amended and Restated Certificate of Incorporation, holders of common stock are entitled to receive such dividends and other distributions, if any, as may be declared from time to time by our board of directors (the "Board") in its discretion out of funds legally available therefor and shall share equally on a per share basis in such dividends and distributions.

Liquidation, Dissolution and Winding Up

In the event of the voluntary or involuntary liquidation, dissolution or winding-up of the Company our Amended and Restated Certificate of Incorporation, the holders of common stock will be entitled to receive all the remaining assets of the Company available for distribution to stockholders, ratably in proportion to the number of shares of common stock held by them, after the rights of the holders of the preferred stock have been satisfied.

Preemptive or Other Rights

Under our Amended and Restated Certificate of Incorporation, our stockholders have no preemptive or other subscription rights and there are no sinking fund or redemption provisions applicable to our common stock.

Election of Directors

Under the terms of our Amended and Restated Certificate of Incorporation, the term of the Class I Directors in place at such time will expire at our first annual meeting of the stockholders of the following the effectiveness of our Amended and Restated Certificate of Incorporation; the term of the Class II Directors in place at such time will expire at our second annual meeting of the stockholders following the effectiveness of our Amended and Restated

Certificate of Incorporation; and the term of the Class III Directors in place at such time will expire at our third annual meeting of the stockholders following the effectiveness of our Amended and Restated Certificate of Incorporation.

Preferred Stock

Our Amended and Restated Certificate of Incorporation provides that shares of preferred stock may be issued from time to time in one or more series. Our Board is authorized to fix the voting rights, if any, designations, powers, preferences and relative, participating, optional, special and other rights, if any, and any qualifications, limitations and restrictions thereof, applicable to the shares of each series. Our Board is able, without stockholder approval, to issue preferred stock with voting and other rights that could adversely affect the voting power and other rights of the holders of the common stock and could have anti-takeover effects. The ability of our Board to issue preferred stock without stockholder approval could have the effect of delaying, deferring or preventing a change of control of us or the removal of existing management. We have no preferred stock outstanding at the date hereof. Although we do not currently intend to issue any shares of preferred stock, we cannot assure you that we will not do so in the future.

Warrants

Public Warrants

Each whole public warrant entitles the registered holder to purchase one share of our Class A common stock at a price of $379.50 per whole share, subject to adjustment as discussed below, at any time commencing on the later of 12 months from the closing of CMLS's initial public offering ("IPO") or 30 days after the completion of the Business Combination. Pursuant to the warrant agreement, a warrant holder may exercise its public warrants only for a whole number of shares of common stock. This means that only a whole public warrant may be exercised at any given time by a warrant holder. No fractional public warrants will be issued upon separation of the units and only whole public warrants will trade. The public warrants will expire five years after the completion of CMLS' initial business combination, at 5:00 p.m., New York City time, or earlier upon redemption or liquidation.

We are not obligated to deliver any shares of common stock pursuant to the exercise of a public warrant and will have no obligation to settle such public warrant exercise unless a registration statement under the Securities Act of 1933, as amended (the "Securities Act") with respect to the shares of common stock underlying the public warrants is then effective and a prospectus relating thereto is current, subject to our satisfying our obligations described below with respect to registration. No public warrant will be exercisable for cash or on a cashless basis, and we will not be obligated to issue any shares to holders seeking to exercise their public warrants, unless the issuance of the shares upon such exercise is registered or qualified under the securities laws of the state of the exercising holder, or an exemption is available. In the event that the conditions in the two immediately preceding sentences are not satisfied with respect to a public warrant, the holder of such public warrant will not be entitled to exercise such public warrant and such public warrant may have no value and expire worthless. In the event that a registration statement is not effective for the exercised public warrants, the purchaser of a unit containing such public warrant will have paid the full purchase price for the unit solely for the share of common stock underlying such unit.

Redemption of Warrants When the Price per Share of Class A Common Stock Equals or Exceeds $594.00 - Once the warrants become exercisable, we may redeem the outstanding public warrants:

- in whole and not in part;
- at a price of $0.33 per public warrant;
- upon not less than 30 days' prior written notice of redemption to each warrant holder; and
- if, and only if, the closing price of the Class A common stock equals or exceeds $594.00 per share (as adjusted) for any 20 trading days within a 30-trading day period ending three trading days before sending the notice of redemption to warrant holders (the "Reference Value")

If and when the warrants become redeemable by us, we may exercise its redemption right even if it is unable to register or qualify the underlying securities for sale under all applicable state securities laws.

Redemption of Warrants When the Price per Share of Class A Common Stock Equals or Exceeds $330.00 - Once the warrants become exercisable, we may redeem the outstanding warrants:

- in whole and not in part;

- at $3.30 per warrant upon a minimum of 30 days' prior written notice of redemption provided that holders will be able to exercise their warrants on a cashless basis prior to redemption and receive that number of shares based on the redemption date and the fair market value of the Class A common stock;
- if, and only if, the closing price of the Class A common stock equals or exceeds $330.00 per share (as adjusted) for any 20 trading days within the 30-trading day period ending three trading days before we send the notice of redemption to the warrant holders; and
- if the closing price of the Class A common stock for any 20 trading days within a 30-trading day period ending three trading days before we sends notice of redemption to the warrant holders is less than $594.00 per share (as adjusted), the Private Placement Warrants must also be concurrently called for redemption on the same terms as the outstanding Public Warrants, as described above.

We have established the last of the redemption criterion discussed above to prevent a redemption call unless there is at the time of the call a significant premium to the warrant exercise price. If the foregoing conditions are satisfied and we issue a notice of redemption of the public warrants, each warrant holder will be entitled to exercise his, her or its public warrant prior to the scheduled redemption date. However, the price of the common stock may fall below the $594.00 redemption trigger price as well as the $379.50 warrant exercise price after the redemption notice is issued.

Redemption procedures and cashless exercise.

If we call the public warrants for redemption as described above, our management will have the option to require any holder that wishes to exercise his, her or its public warrant to do so on a "cashless basis." In determining whether to require all holders to exercise their public warrants on a "cashless basis," our management will consider, among other factors, our cash position, the number of public warrants that are outstanding and the dilutive effect on our stockholders of issuing the maximum number of shares of common stock issuable upon the exercise of our public warrants. If our management takes advantage of this option, all holders of public warrants would pay the exercise price by surrendering their public warrants for that number of shares of common stock equal to the quotient obtained by dividing (i) the product of the number of shares of common stock underlying the public warrants, multiplied by the difference between the exercise price of the public warrants and the "fair market value" (defined below) by (ii) the fair market value. The "fair market value" shall mean the average reported last sale price of the common stock for the 10 trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of public warrants. If our management takes advantage of this option, the notice of redemption will contain the information necessary to calculate the number of shares of common stock to be received upon exercise of the public warrants, including the "fair market value" in such case. Requiring a cashless exercise in this manner will reduce the number of shares to be issued and thereby lessen the dilutive effect of a warrant redemption. We believe this feature is an attractive option to us if we do not need the cash from the exercise of the public warrants after our initial business combination. If we call our public warrants for redemption and our management does not take advantage of this option, the Sponsor and its permitted transferees would still be entitled to exercise their private placement warrants for cash or on a cashless basis using the same formula described above that other warrant holders would have been required to use had all warrant holders been required to exercise their public warrants on a cashless basis, as described in more detail below.

A holder of a public warrant may notify us in writing in the event it elects to be subject to a requirement that such holder will not have the right to exercise such public warrant, to the extent that after giving effect to such exercise, such person (together with such person's affiliates), to the warrant agent's actual knowledge, would beneficially own in excess of 9.8% (or such other amount as a holder may specify) of the shares of common stock outstanding immediately after giving effect to such exercise.

Anti-dilution Adjustments. If the number of outstanding shares of common stock is increased by a stock dividend payable in shares of common stock, or by a split-up of shares of common stock or other similar event, then, on the effective date of such stock dividend, split-up or similar event, the number of shares of common stock issuable on exercise of each public warrant will be increased in proportion to such increase in the outstanding shares of common stock. A rights offering to holders of common stock entitling holders to purchase shares of common stock at a price less than the fair market value will be deemed a stock dividend of a number of shares of common stock equal to the product of (i) the number of shares of common stock actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for common stock) multiplied by (ii) one minus the quotient of (a) the price per share of common stock paid in such rights offering divided by (b) the fair market value. For these purposes (1) if the rights offering is for securities convertible into or exercisable for common stock, in determining the price payable for common stock, there will be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion and (2) fair market value means the volume weighted average price of common stock as reported during the 10 trading day period ending on the trading day prior to the first date on which the shares of

common stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive such rights.

In addition, if we, at any time while the public warrants are outstanding and unexpired, pay a dividend or make a distribution in cash, securities or other assets to the holders of common stock on account of such shares of common stock (or other shares of our capital stock into which the public warrants are convertible), other than (i) as described above; (ii) certain ordinary cash dividends; (iii) to satisfy the redemption rights of the holders of common stock in connection with a proposed initial business combination; (iv) to satisfy the redemption rights of the holders of common stock in connection with a stockholder vote to amend our current certificate of incorporation to modify the substance or timing of our obligation to redeem 100% of our public shares if we do not complete a business combination within 24 months from the closing of CMLS's IPO, or (v) in connection with the redemption of our public shares upon our failure to complete our initial business combination, then the warrant exercise price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each share of common stock in respect of such event.

If the number of outstanding shares of our common stock is decreased by a consolidation, combination, reverse stock split or reclassification of shares of common stock or other similar event, then, on the effective date of such consolidation, combination, reverse stock split, reclassification or similar event, the number of shares of common stock issuable on exercise of each public warrant will be decreased in proportion to such decrease in outstanding shares of common stock.

Whenever the number of shares of common stock purchasable upon the exercise of the public warrants is adjusted, as described above, the warrant exercise price will be adjusted by multiplying the warrant exercise price immediately prior to such adjustment by a fraction (x) the numerator of which will be the number of shares of common stock purchasable upon the exercise of the public warrants immediately prior to such adjustment, and (y) the denominator of which will be the number of shares of common stock so purchasable immediately thereafter.

In case of any reclassification or reorganization of the outstanding shares of common stock (other than those described above or that solely affects the par value of such shares of common stock), or in the case of any merger or consolidation of us with or into another corporation (other than a consolidation or merger in which we are the continuing corporation and that does not result in any reclassification or reorganization of our outstanding shares of common stock), or in the case of any sale or conveyance to another corporation or entity of the assets or other property of us as an entirety or substantially as an entirety in connection with which we are dissolved, the holders of the public warrants will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the public warrants and in lieu of the shares of our common stock immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares of stock or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of the public warrants would have received if such holder had exercised their public warrants immediately prior to such event. Additionally, if less than 70% of the consideration receivable by the holders of common stock in such a transaction is payable in the form of common stock in the successor entity that is listed for trading on a national securities exchange or is quoted in an established over-the-counter market, or is to be so listed for trading or quoted immediately following such event, and if the registered holder of the public warrant properly exercises the public warrant within 30 days following public disclosure of such transaction, the warrant exercise price will be reduced as specified in the warrant agreement based on the per share consideration minus Black-Scholes Warrant Value (as defined in the warrant agreement) of the public warrant.

The public warrants have been issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. You should review a copy of the warrant agreement, which is filed as an exhibit to the registration statement pertaining to CMLS's IPO, for a complete description of the terms and conditions applicable to the public warrants. The warrant agreement provides that the terms of the public warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50% of the then outstanding public warrants to make any change that adversely affects the interests of the registered holders of public warrants.

The public warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price (or on a cashless basis, if applicable), by certified or official bank check payable to us, for the number of public warrants being exercised. The warrant holders do not have the rights or privileges of holders of common stock and any voting rights until they exercise their public warrants and receive shares of common stock. After the issuance of shares of common stock upon exercise of the public warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by stockholders.

Warrants may be exercised only for a whole number of shares of common stock. No fractional shares will be issued upon exercise of the public warrants. If, upon exercise of the public warrants, a holder would be entitled to receive a fractional interest in a share, we will, upon exercise, round down to the nearest whole number the number of shares of common stock to be issued to the warrant holder. As a result, warrant holders not purchasing public warrants in multiples of three warrants will not obtain value from the fractional interest that will not be issued.

Private Placement Warrants

The private placement warrants are identical to the public warrants underlying the units sold in CMLS's IPO, except that (1) the private placement warrants and the Class A common stock issuable upon the exercise of the private placement warrants will not be transferable, assignable or saleable until 30 days after the completion of the Business Combination, subject to certain limited exceptions, (2) the private placement warrants will be exercisable on a cashless basis, (3) the private placement warrants will be non-redeemable (except as described above in "Redemption of Warrants When the Price per Share of Class A common stock Equals or Exceeds $330.00") so long as they are held by the initial purchasers or their permitted transferees, and (4) the holders of the private placement warrants and the Class A common stock issuable upon the exercise of the private placement warrants will have certain registration rights. If the private placement warrants are held by someone other than the initial purchasers or their permitted transferees, the private placement warrants will be redeemable by us and exercisable by such holders on the same basis as the public warrants.

Dividends

We have not paid any cash dividends on our common stock to date and do not intend to pay cash dividends. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition. The payment of any cash dividends will be within the discretion of our Board at such time. In addition, our Board is not currently contemplating and does not anticipate declaring any stock dividends in the foreseeable future. Further, if we incur any indebtedness, our ability to declare dividends may be limited by restrictive covenants we may agree to in connection therewith.

Transfer Agent and Warrant Agent

The transfer agent for our common stock and warrant agent for our warrants is Continental Stock Transfer & Trust Company. We have agreed to indemnify Continental Stock Transfer & Trust Company in its roles as transfer agent and warrant agent, its agents and each of its stockholders, directors, officers and employees against all liabilities, including judgments, costs and reasonable counsel fees that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence, willful misconduct or bad faith of the indemnified person or entity.

Certain Anti-Takeover Provisions of Delaware Law and Our Amended and Restated Certificate of Incorporation and Bylaws

Provisions of the DGCL and our Amended and Restated Certificate of Incorporation could make it more difficult to acquire us by means of a tender offer, a proxy contest or otherwise, or to remove incumbent officers and directors. These provisions, summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids and to encourage persons seeking to acquire control of us to first negotiate with the board of directors. We believe that the benefits of these provisions outweigh the disadvantages of discouraging certain takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms and enhance the ability of our Board to maximize stockholder value. However, these provisions may delay, deter or prevent a merger or acquisition of us that a stockholder might consider is in its best interest, including those attempts that might result in a premium over the prevailing market price of the common stock.

In addition, our Amended and Restated Certificate of Incorporation provides for certain other provisions that may have an anti-takeover effect:

- There is no cumulative voting with respect to the election of directors.
- Our Board is empowered to elect a director to fill a vacancy created by the expansion of the Board or the resignation, death, or removal of a director in certain circumstances.
- Directors may only be removed from the Board for cause.
- Our Board will be classified into three classes of directors. As a result, in most circumstances, a person can gain control of our Board by successfully engaging in a proxy contest at two or more annual meetings.

- A prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders.
- A prohibition on stockholders calling a special meeting and the requirement that a meeting of stockholders may only be called by members of our Board, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors.
- Our authorized but unissued common stock and preferred stock are available for future issuances without stockholder approval and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans. Our Board is entitled, without further stockholder approval, to designate one or more series of preferred stock and the associated voting rights, preferences and privileges of such series of preferred stock. The existence of authorized but unissued and unreserved common stock and preferred stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Forum Selection Clause

Our Amended and Restated Certificate of Incorporation and our Bylaws include a forum selection clause. Our Amended and Restated Certificate of Incorporation and our Bylaws provide that, subject to limited exceptions, the Court of Chancery of the State of Delaware and federal court within the State of Delaware will be exclusive forums for any

- derivative action or proceeding brought on our behalf;
- action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers, stockholders, employees or agents to us or our stockholders;
- action asserting a claim against us or any of our directors, officers, stockholders, employees or agents arising pursuant to any provision of the DGCL, our Amended and Restated Certificate of Incorporation or our Bylaws or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware;
- action to interpret, apply, enforce or determine the validity of our Amended and Restated Certificate of Incorporation or our Bylaws; or
- other action asserting a claim against us or any of our directors, officers, stockholders, employees or agents that is governed by the internal affairs doctrine.

These choice of forum provisions do not apply to actions brought to enforce a duty or liability created by the Exchange Act or any other claim for which federal courts have exclusive jurisdiction. Furthermore, in accordance with our Bylaws, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will be, to the fullest extent permitted by law, the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. We intend for this provision to apply to any complaints asserting a cause of action under the Securities Act despite the fact that Section 22 of the Securities Act creates concurrent jurisdiction for the federal and state courts over all actions brought to enforce any duty or liability created by the Securities Act or the rules and regulations promulgated thereunder. Please see "*Risk Factors* - *Our Charter and our Bylaws designate the Court of Chancery of the State of Delaware and federal court within the State of Delaware as the exclusive forum for certain types of actions and proceedings that our stockholders may initiate, which could limit a stockholder's ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees"* in the Annual Report on Form 10-K of which this Exhibit 4.4 is a part for additional information.

Listing of Securities

Our common stock and warrants are listed on Nasdaq under the symbols "WGS" and "WGSWW," respectively.

FLEX SPACE OFFICE LEASE

THIS FLEX SPACE OFFICE LEASE (the "**Lease**"), made this 16TH day of DECEMBER, 2019 (the "**Lease Date**"), by and between Saul Holdings Limited Partnership, a Maryland limited partnership (hereinafter "**Landlord**"); and GeneDX, Inc., a New Jersey corporation (hereinafter "**Tenant**").

WITNESSETH:

WHEREAS, Landlord and Tenant (or its predecessor) have entered into that certain lease agreement dated June 11, 2002 (as amended, the "**Existing Lease**"); and

WHEREAS, Landlord and Tenant desire to enter into the Lease to take effect upon the expiration of the Existing Lease.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. PREMISES. For and in consideration of the rent hereinafter reserved and the mutual covenants hereinafter contained, Landlord does hereby lease and demise unto Tenant, and Tenant does hereby hire, lease and accept, from Landlord, approximately eighty-three thousand six hundred seventy-three (83,673) gross rentable square feet of space (the "**Gross Area**") comprised of (i) approximately forty-seven thousand six hundred eighty-eight (47,688) rentable square feet known as Suite 1 in the building located at 205 Perry Parkway, Gaithersburg, Maryland 20877, and (ii) approximately thirty-five thousand nine hundred eighty-five (35,985) rentable square feet known as Suite 2 in the building located at 207 Perry Parkway, Gaithersburg, Maryland 20877 (collectively, the "**Building**"), situated on Phase I of the Avenel Business Park (the "**Property**") all upon the terms and conditions hereafter set forth. That portion of the Gross Area which Tenant shall be entitled to occupy is hereinafter referred to as the "**Premises**," and is outlined and shaded in red on the site plan, together with the Building and the Property, attached hereto as **Exhibit A** and by this reference made a part hereof. It is specifically understood that for purposes of calculating any payments or pro-rations hereunder, the number of gross rentable square feet set forth above shall control. Tenant acknowledges that it currently possesses the Premises. Except as otherwise provided in Article 59 of this Lease, the Premises have been accepted by Tenant in its "as-is" condition and are measured in accordance with the BOMA Standard Method of Measuring Floor Area in Office Buildings (ANSI/BOMA Z.65.1 1996), such measurement being subject to confirmation by Tenant's architect, provided, however, that confirmation by Tenant's architect shall be completed prior to the Lease Date.

2. TERM. The term of this Lease (the "**Term**") shall commence on the April 1, 2020 and shall end at midnight on August 31, 2031. The "**Rent Commencement Date**" shall be September 1, 2021.

3. RENT.

(a) Commencing with the Rent Commencement Date, Tenant shall pay as annual rent for the Premises the sum of One Million Four Thousand Seventy-Six and No/100 Dollars ($1,004,076.00) per annum, payable in equal monthly installments of Eighty-Three Thousand Six Hundred Seventy-Three and No/100 Dollars ($83,673.00) each (the "**Base Rent**"). All such monthly installments of rent shall be payable to Landlord at the address specified in Article 33 of this Lease, in advance, without previous notice or demand therefor, and without deduction, setoff or recoupment, with the first monthly installment to be due and payable no later than the Rent Commencement Date and each subsequent monthly installment to be due and payable on the first day of each and every month following the Rent Commencement Date during the Term hereof. If the Rent Commencement Date is a date other than the first day of a month, rent for the period

commencing with and including the Rent Commencement Date until the first day of the following month shall be pro-rated at the rate of one-thirtieth (1/30th) of the fixed monthly rental per day. Tenant shall not be obligated to pay Base Rent for the seventeen (17) month period commencing on April 1, 2020 and ending on August 31, 2021.

(b) Landlord hereby acknowledges receipt of Forty-Three Thousand Seven Hundred Thirty-Three and 24/100 Dollars ($43,733.24) (the "**Security Deposit**") to be held as security for the performance by Tenant of Tenant's covenants and obligations under this Lease, it being expressly understood that the deposit may be commingled with other funds of Landlord and shall not be considered an advance payment of rental or a measure of Landlord's damage in case of default by Tenant. Upon the occurrence of any event of default by Tenant or breach by Tenant of Tenant's covenants under this Lease, Landlord may, from time to time, without prejudice to any other remedy, use the Security Deposit to the extent necessary to make good any arrears of rent and/or any damage, injury, expense or liability caused to Landlord by the event of default or breach of covenant. In the event that Tenant shall fully and faithfully comply with all the terms, conditions and covenants of this Lease, any part of the security not used or retained by Landlord shall be returned to Tenant after the expiration date of the Term of this Lease and after delivery of exclusive possession of the Premises to Landlord; provided, however, that Landlord may retain all or a portion of the security until Landlord makes the final annual adjustments of Annual Operating Costs and Real Estate Taxes and ascertains Tenant's share of such amounts which accrued prior to the expiration of the Term.

4. RENT ESCALATION.

(a) Commencing on September 1, 2022 and continuing on the first day of each September thereafter during the Term hereof, the annual rent (without deduction for rent abatement, if any) shall be increased by two one one-half percent (2.5%) of the amount of the annual rent which was in effect during the immediately preceding twelve (12) month period for which the adjustment is being made, payable by Tenant as additional monthly rent.

(b) For all purposes of this Lease, the term "**Lease Year**" shall be defined to mean a period of twelve (12) full calendar months. The first Lease Year shall commence on April 1, 2020, and each succeeding Lease Year shall commence on the anniversary date of the beginning of the first Lease Year.

5. ANNUAL OPERATING COSTS.

(a) Tenant agrees to pay to Landlord, as Additional Rent (as defined in Article 6 below), its Pro-Rata Share (as hereinafter defined) of Annual Operating Costs (as hereinafter defined).

(b) Tenant shall initially pay to Landlord on April 1, 2020, and on the first day of each calendar month thereafter, as its estimated payment of the Annual Operating Costs, the sum of Four Hundred Ninety-Five Thousand Three Hundred Forty-Four and 16/100 Dollars ($495,344.16), calculated at the rate of Five and 92/100 Dollars ($5.92) per square foot, in equal monthly installments of Forty-One Thousand Two Hundred Seventy-Eight and 68/100 Dollars ($41,278.68) each; notwithstanding the foregoing, for purposes of calculating Tenant's Pro-Rata Share of increases in Annual Operating Costs, the total aggregate of Annual Operating Costs for the first year of the Term after the initial Fiscal Year (as defined below) or for any succeeding Fiscal Year shall not increase by more than five percent (5%) over the amount of Annual Operating Costs for the immediately preceding Fiscal Year; provided, however, that if the Annual Operating Costs increase for any Fiscal Year exceeds five percent (5%), then the amount of the Annual Operating Costs increase in excess of five percent (5%) may be added to the Annual Operating Costs increase for up to three (3) of the immediately succeeding consecutive Fiscal Years when the Annual Operating Costs increase is less than five percent (5%), so that, to the fullest extent possible (subject to the maximum increase of five percent (5%) per Fiscal Year in Annual Operating Costs provided for herein), Annual Operating Costs increases shall reflect all increases in the Annual Operating Costs occurring after the initial Fiscal Year; provided, however, Tenant shall pay its full Pro-Rata Share of increases in costs incurred for snow removal (for areas not maintained by Tenant), common area utilities, HVAC maintenance costs (for any units installed by Tenant), or insurance rate increases ("**Uncontrollable Costs**") in excess of increases in Annual Operating Costs calculated

under the foregoing provisions. The foregoing limitation on annual increases in Annual Operating Costs set forth herein shall not apply, to the extent Landlord is required to spend additional amounts for Uncontrollable Costs in excess of any amounts provided for under the preceding provisions of this paragraph. At any time, Landlord may, in good faith, re-estimate Tenant's Pro-Rata share of Landlord's Annual Operating Costs based on Landlord's actual costs incurred, and thereafter Tenant's monthly installments shall also be adjusted based on Landlord's revised estimate of Annual Operating Costs. If the Rent Commencement Date is a date other than the first day of the month, Tenant's Pro-Rata share shall be pro-rated in the same manner as Base Rent under Article 3 hereof. Within one hundred twenty (120) days following each September 30th during the Term hereof, Landlord shall submit to Tenant a statement (the "**Annual Statement**") in reasonable detail of the actual Annual Operating Costs for the twelve month period ending September 30th of each year ("**Fiscal Year**"). If such statement shows that Tenant's share of the actual Annual Operating Costs exceeded Tenant's monthly payments, then Tenant shall immediately pay the total amount of such deficiency to Landlord. If such statement shows that Tenant's monthly payments exceeded Tenant's share of the actual Annual Operating Costs, then any such overpayments shall be credited against Tenant's next payment of monthly Base Rent, or, if the Term has expired, such overpayments shall be refunded to Tenant within thirty (30) days after the expiration date of the Term. Thereafter, upon receipt of such succeeding Annual statement, Tenant's monthly payments during the period covered by said Annual Statement shall be adjusted to the actual Annual Operating Cost, and such adjustment shall be paid within thirty (30) days of the date of said Annual Statement. The Landlord's budget estimate for Annual Operating Costs, as adjusted pursuant to this Article 5, shall be used as the basis for calculating Tenant's monthly payments for the next succeeding twelve (12) month period. Landlord and Tenant agree that the Annual Statement shall be subject to Tenant's audit rights as provided in paragraph (i) of this Article 5.

(c) All monthly payments as may be required hereunder shall be payable in full on the first day of each calendar month. Failure of the Landlord to provide any Annual Statement within the said one hundred twenty (120) day period shall not constitute a waiver by Landlord of its rights to payments due pursuant to this Article 5, and the obligations hereunder shall survive the expiration or other termination of this Lease.

(d) For any applicable Fiscal Year that begins prior to the Rent Commencement Date or ends after the expiration date of this Lease, the amount due for that Fiscal Year shall be apportioned on a per diem basis so that only that portion attributable to the portion of such Fiscal Year that occurs during the Term of this Lease, shall be payable by Tenant.

(e) Annual Operating Costs as used herein shall mean all costs of operation, maintenance and repair of the Building and the Property, (except structural repairs), and its appurtenances, and shall include the following by way of illustration but not limitation: Real Estate Taxes (as hereinafter defined), the cost of labor, materials and services for the operation, maintenance and repair of the Building and its appurtenances (including service roads and parking areas) and the Common Areas, including, but not limited to, water and sewer charges; on site and off site storm water management systems and facilities; heating, ventilating and air conditioning maintenance and repairs; refuse and rubbish disposal; snow removal; license, permits and inspection fees; maintenance and service contracts; management fees; all landscaping costs (including upgrades and replacements thereto); parking lot lighting; watchman, guards, and any personnel engaged in the operation, maintenance or repair of the Property and its appurtenances together with payroll taxes and employee benefits applicable thereto; reserve for asphalt and roof repairs; Landlord's administrative costs equal to fifteen percent (15%) of the Annual Operating Costs (excluding Real Estate Taxes); and insurance. It is understood and agreed that management fees may be charged by Landlord or any other person or entity on the basis of a specified percentage of the gross receipts derived from the Building or on any other basis, provided that, in the case of management fees charged by Landlord, such fees shall be five percent (5%) of gross receipts. Except as caused by Landlord's gross negligence or willful misconduct, Landlord shall not be liable in any such case for any inconvenience, disturbance, loss of business or any other annoyance arising from the exercise of any or all of the rights of Landlord in this Article 5. Notwithstanding the foregoing to the contrary, Annual Operating Costs shall not include:

(i) expenses incurred in leasing or procuring tenants (including lease commissions, advertising expenses and expenses of renovating space for tenants);

(ii) interest or amortization payments on any mortgages or deeds of trust;
(iii) net basic rents under ground leases;
(iv) costs specifically billed to and paid by specific tenants and not to tenants generally;
(v) legal fees and other expenses incurred by Landlord or agents in connection with the negotiations of leases;
(vi) allowances, concessions, permits, licenses, inspections, and other costs and expenses incurred in the initial build-out of the Building;
(vii) costs incurred due to violations by Landlord of the terms and conditions of any lease;
(viii) costs incurred for any item to the extent of Landlord's recovery under a manufacturer's, materialmen's, vendor's or contractor's warranty, if any;
(ix) costs of acquisition of sculpture, paintings or other objects of art;
(x) costs of repairs incurred by reason of condemnation to the extent Landlord receives compensation therefore through condemnation or similar awards;
(xi) costs relating to maintaining Landlord's existence, either as a corporation, partnership, trust or other entity;
(xii) any penalties or interest expenses incurred because of Landlord's failure to timely pay Real Estate Taxes;
(xiii) costs of any repairs or improvements to the Building resulting from a fire or other casualty, excluding reasonable insurance deductibles;
(xiv) except as it pertains directly to the operation, repair, maintenance and management of this Building, Landlord's general overhead expenses;
(xv) costs arising from the investigation and/or removal of hazardous materials in, about or below the Building or the Property and any costs associated with compliance with any legal obligation relating to the remediation of hazardous materials due to governmental regulations;
(xvi) costs incurred to cure violations of any governmental laws, ordinances, rules, regulations or orders enacted prior to the date hereof;
(xvii) depreciation or capital improvements costs with respect to the Building, the Property or any equipment, machinery, fixtures or improvements therein, except (i) capital expenditures made by Landlord to reduce operating expenses if Landlord shall have reasonably determined that the annual reduction in operating expenses shall exceed depreciation therefore and (ii) the cost of capital improvements made in order to comply with statutes, rules, regulation or directives hereafter promulgated by any governmental authority after the Lease Date, as provided above; such depreciation shall be determined by dividing the original cost of such capital expenditure by the number of years of useful life of the capital item acquired and the useful life shall be reasonably determined by Landlord in accordance with generally accepted accounting principles and practices in effect at the time of acquisition of the capital item;
(xviii) any costs associated with the completion of Landlord's Work (as defined in Article 59 below).

Tenant shall not be required to pay for any expense incurred by Landlord more than once, so that if Tenant is billed separately for any cost elsewhere in the Lease, such cost shall not be again charged as part of Landlord's Annual Operating Costs.

(f) "**Common Areas**" means all areas provided by Landlord, from time to time, for the common or joint use and benefit of the occupants of the Building and their employees, agents, servants, customers and other invitees, including, without limitation, management offices, parking areas, parking decks, access roads, driveways, retaining walls, landscaped areas, truck serviceways, sidewalks, parcel pickup stations and, to the extent Landlord elects to service, repair, maintain and/or replace HVAC Equipment, all such HVAC Equipment for which Landlord has, or has assumed, responsibility.

(g) The term "**Real Estate Taxes**" means all taxes, rates and assessments, general and special, levied or imposed, with respect to the land, buildings and improvements comprising the Property, including all taxes, rates and

assessments, general and special, levied or imposed, for schools, public betterment, general or local improvement and operations and taxes imposed in connection with any special taxing district. If the system of real estate taxation shall be altered or varied and any new tax or levy shall be levied or imposed on said land, buildings and improvements, and/or Landlord in substitution for real estate taxes presently levied or imposed on immovables in the jurisdiction where the Building is located, then any such new tax or levy shall be included within the term Real Estate Taxes. Should any governmental taxing authority acting under any regulation, levy, assess, or impose a tax, excise and/or assessment however described (other than an income or franchise tax) upon, against, on account of, or measured by, in whole or in part, the rent expressly reserved hereunder, or upon the rent expressly reserved under any other leases or leasehold interests in the Property, as a substitute (in whole or in part) or in addition to any existing real estate taxes on land and buildings and otherwise, such tax or excise on rents shall be included within the term Real Estate Taxes, and, if Landlord has the right to do so, Landlord shall pay any special assessments in installments. In the event Landlord is required to pay Real Estate Taxes in advance, Tenant agrees that Landlord shall immediately be entitled to reimbursement therefor. Reasonable expenses (consisting of attorneys' fees, consulting fees, expert witness fees and similar costs) incurred by Landlord in obtaining or attempting to obtain a reduction of any Real Estate Taxes, shall be added to and included in the amount of any such Real Estate Taxes. Real Estate Taxes which are being contested by Landlord shall nevertheless be included for purposes of the computation of the liability of Tenant under this Article 5, provided, however, that in the event that Tenant shall have paid any amount of increased rent pursuant to this Article 5 and the Landlord shall thereafter receive a refund of any portion of any Real Estate Taxes on which such payment shall have been based, Landlord shall pay to Tenant the appropriate portion of such refund. Landlord shall have no obligation to contest, object to or litigate the levying or imposition of any Real Estate Taxes and may settle, compromise, consent to, waive or otherwise determine in its discretion to abandon any contest with respect to the amount of any Real Estate Taxes without consent or approval of the Tenant.

(h) The Tenant's Pro-Rata Share as used herein shall mean seventy-five and 41/100ths percent (75.41%) of the Annual Operating Costs and Real Estate Taxes for the Building and the Property.

(i) Tenant, upon not less than ten (10) days written notice to Landlord, shall have reasonable access during normal business hours in Landlord's headquarters office to inspect the books and records of Landlord relating to Annual Operating Costs and/or to have such books and records audited or reviewed, at Tenant's expense, by a certified public accountant, for the purpose of verifying Tenant's Pro-Rata share of Annual Operating Costs. Tenant shall bear all costs relating to such inspection, including, but not limited to, costs of photocopies. In the event that such information is already available in electronic format and doesn't require Landlord to manually download such information prior to sending it to Tenant, then Landlord shall send such information electronically to Tenant. If (i) Tenant has first notified Landlord of any alleged discrepancies in Tenant's Pro-Rata Share of Annual Operating Costs and has used reasonable efforts to resolve such discrepancy with Landlord prior to commencing an audit, and (ii) Tenant's audit determines that Tenant was overcharged by more than an additional five percent (5%) in excess of its Pro-Rata Share, and (iii) Landlord either agrees with such audit determination (or it is judicially determined that such audit results were correct), then, in addition to any overpayment found to be due to Tenant, Landlord shall reimburse Tenant for an additional amount equal to the reasonable cost of such audit; notwithstanding the foregoing, Landlord shall not be obligated to reimburse Tenant for any costs or expenses arising out of an audit if the person or entity performing such audit is being compensated on a contingent fee basis. Tenant shall keep the results of any audit of Annual Operating Costs confidential.

(j) Notwithstanding anything in this Lease to the contrary, as of April 1, 2020, Tenant hereby assumes Landlord's obligation to remove snow in the area depicted on the attached **Exhibit C-1**, as set forth in this paragraph (j), and Tenant's Pro-Rata Share of Annual Operating Costs shall not include the snow removal obligation that Tenant has assumed under this paragraph (j). Tenant or Tenant's contractor shall comply with the snow removal scope of work attached hereto as **Exhibit C**.

(k) In the event Tenant desires to take additional responsibilities for the maintenance and repair of the Premises, the parties shall meet, and upon agreement by the parties of the change in responsibilities, the parties shall enter into an amendment documenting each party's revised obligations.

6. ADDITIONAL RENT.

(a) Tenant shall (i) pay all charges for water, sewer, and electricity used by Tenant during the Term of this Lease and metering therefor; (ii) pay all telephone charges; and (iii) be responsible for the prompt and sanitary storage of Tenant's refuse and rubbish in the Premises.

(b) Any amounts required to be paid by Tenant hereunder and any charges or expenses incurred by Landlord on behalf of Tenant under the terms of this Lease shall be considered "**Additional Rent**" payable in the same manner and upon the same terms and conditions as the rent reserved hereunder. Any failure on the part of Tenant to pay such Additional Rent when and as the same shall become due shall entitle Landlord to the remedies available to it for non-payment of rent. Tenant's failure to object to any statement, invoice or billing rendered by the Landlord within a period of three (3) years after receipt thereof shall constitute Tenant's acquiescence with respect thereto, and such statement, invoice or billing shall thereafter be deemed to be correct and shall be an account stated between Landlord and Tenant. If Tenant requests that Landlord prepare, review, or execute any document, consent or waiver in connection with this Lease or otherwise, Tenant shall be obligated to pay to Landlord, as Additional Rent, a fee in the amount set forth on the fee schedule attached hereto as **Exhibit F**, to compensate Landlord for the cost of reviewing and processing any such request, and Landlord shall not be obligated to process any such request of Tenant until Tenant has paid Landlord the applicable processing fee. Nothing herein shall be deemed to require that Landlord consent to, execute or approve any document, consent or waiver submitted to Landlord by Tenant notwithstanding Tenant's payment of the applicable processing fee.

(c) Payment by Tenant of a lesser amount than shall be due and shall be deemed to be payment on account, and shall not constitute an accord and satisfaction with respect to the underlying obligation. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which it may have against the Tenant. In addition to all liens upon and rights of setoff or recoupment against any money or property of Tenant by law, Landlord shall have, to the extent permitted by law, a contractual security interest in and a right of setoff against all deposits, moneys or other property of Tenant now or hereafter in the possession of or on deposit with Landlord. Each such security interest or right of setoff may be exercised without demand upon or notice to Tenant. No security interest or right of setoff shall be deemed to have been waived by any act or conduct on the part of Landlord or by any neglect to exercise such right of setoff or to enforce such setoff and/or security interest or by any delay in so doing. Every right of setoff and/or security interest shall continue in full force and effect until such right of setoff and/or security interest is expressly waived or released by an instrument in writing executed by Landlord.

7. LAWS AND ORDINANCES. Tenant will, at its own cost, promptly comply with and carry out all orders, requirements or conditions now or hereafter imposed upon it by the ordinances, laws and/or regulations of the municipality, county and/or state in which the Premises are located, whether required of Landlord or otherwise, in the conduct of Tenant's business, including, without limitation, all local, state and federal laws and regulations respecting the storage, handling and use of any hazardous waste, infectious waste or other hazardous materials, brought into the Premises by Tenant or parties under Tenant's control, except that Landlord shall comply with any orders affecting structural walls and columns unless due to Tenant's particular business or use of the Premises. Tenant will indemnify and save Landlord harmless from all penalties, claims, and demands resulting from Tenant's failure or negligence in this respect. Landlord shall comply with all laws and regulations with regard to: the Common Areas and structural portions of the Building which Landlord is required to repair pursuant to the terms of this Lease. In addition, from and after the Lease Date, Landlord shall cause the Common Areas to conform to all applicable legal and insurance requirements, including the Americans with Disabilities Act ("**ADA**"). Landlord will indemnify and save Tenant harmless (at Landlord's sole cost) from all penalties, claims, and demands resulting from Landlord's failure or negligence in this respect.

8. FURNITURE; FIXTURES; ELECTRICAL EQUIPMENT.

(a) Business machines, mechanical equipment and materials belonging to Tenant which cause vibration, noise,

cold, heat or fumes that may be transmitted to the Building or to any other leased space therein to such a degree as to be objectionable to Landlord or to any other tenant in the Building shall be placed, maintained, isolated, stored and/or vented by Tenant at its sole expense so as to absorb and prevent such vibration, noise, cold, heat or fumes. Tenant shall not keep within or about the Premises any dangerous, inflammable, toxic or explosive material, except for those chemicals and hazardous materials listed on the **Exhibit I**, attached hereto. Tenant shall indemnify Landlord and hold it harmless against any and all damage, injury, or claims resulting from the moving of Tenant's equipment, furnishings and/or materials into or out of the Premises or from the storage or operation of the same. Any and all damage or injury to the Premises, the Building, or the Property caused by such moving, storage or operation shall be repaired by Tenant at Tenant's sole cost.

(b) Tenant shall not install any equipment whatsoever which will or may necessitate any changes, replacements or additions to (i) the water system, plumbing system, heating system, air conditioning system or the electrical system of the Premises, or (ii) the building structure without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. Tenant shall, at its sole cost and expense, pay all charges for electricity used by the Tenant during the Term of this Lease, including that used for interior lighting and the operation of the heating and air conditioning system in the Premises. All equipment and fixtures hereafter installed and paid for by Tenant in the Premises shall remain the property of Tenant and shall be removable by Tenant at the expiration or earlier termination of the Term of this Lease; provided that, in the event of the removal of any or all of such equipment and fixtures, Tenant shall promptly restore the damage done to the Premises by the installation and/or removal thereof. Should Tenant fail to restore the Premises, Landlord may do so, collecting, at Landlord's option, the cost and expenses thereof, as Additional Rent, upon demand. Any such equipment and fixtures which are not removed and those which, by the terms of this Lease are not removable by Tenant at any termination of this Lease, including, but not limited to, a termination by Landlord pursuant to this Lease, shall be and become the property of Landlord (without any obligation by Landlord to pay compensation for such equipment and fixtures). Notwithstanding anything herein contained to the contrary, or any decision of any court to the contrary, the terms "equipment" and "fixtures" shall not include any air conditioning equipment, heating, lighting, electrical and plumbing systems installed by Tenant in the Premises, nor any wiring or other apparatus related thereto, or any items either installed by or paid for by Landlord; provided, however, that nothing herein should be construed to apply to Tenant's fixtures or equipment connected to said systems. Subject to paragraph (a) of Article 9 of this Lease, in the event Tenant installs any furniture, fixtures, or other equipment in the Premises after the date hereof, Landlord agrees that at the time of its approval of the installation of such furniture, fixtures, or equipment, Landlord shall inform Tenant if, upon the expiration or earlier termination of this Lease, Tenant shall be required to remove such furniture, fixtures, or equipment from the Premises.

(c) Notwithstanding anything in this Article 8 to the contrary, all business machines, equipment, fixtures, and materials currently on the Premises as of the Lease Date and belonging to Tenant are acknowledged as approved by Landlord and in compliance with this Article 8 and may be removed at the termination of the Lease, at Tenant's option.

9. ALTERATIONS.

(a) Tenant shall make no alterations or changes, structural or otherwise, to any part of the Premises, either exterior or interior, without Landlord's written consent, which consent shall not be unreasonably withheld, conditioned, or delayed. In the event of any such approved changes, Tenant shall have all work done at its own expense. Request for such consent shall be accompanied by plans stating in detail, precisely what is to be done. Tenant shall comply with the building codes, regulations and laws, now or hereafter, to be made or enforced in the municipality, county and/or state, which pertain to such work. Except to the extent expressly provided to the contrary in this Lease, any additions, improvements, alterations and/or installations made by Tenant to the Premises (except only moveable office furniture and fixtures) shall become and remain a part of the Premises and shall become Landlord's property upon the termination of Tenant's occupancy of said Premises; provided, however, that if Landlord gives written notice to Tenant at the time of installation, it may require Tenant to remove any wiring or cables installed in the Premises or the Building by or on behalf of Tenant. Tenant shall not be required to remove any alteration, wiring, or cabling if Landlord does not provide a notice advising Tenant of the required removal at the time of installation, and, notwithstanding anything herein to the contrary, Tenant shall not be required to

remove any alteration, wiring or cabling currently on the Premises or constructed on the Premises before December 31, 2024. Tenant shall save Landlord harmless from and against all expenses, liens, claims or damages to either property or person which may or might arise by reason of the making of any such additions, improvements, alterations and/or installations. Landlord reserves the right to change, increase or reduce, from time to time, the number, composition, dimensions or location of any parking areas, signs, the Building name, service areas, walkways, roadways or other Common Areas or make alterations or additions to the Building, in its sole discretion; provided, however, that such change, increase, or reduction shall not reduce the rentable square footage of the Premises or materially impact Tenant's use of the Premises. Landlord's approval of Tenant's plans and specifications under this Article 9 or any other provisions of this Lease is solely for the purpose of ascertaining whether Tenant's proposed alterations will have an adverse impact on the structural components or Common Areas of the Building and to insure the aesthetic and architectural harmony of the Tenant's proposed alterations with the remainder of the Building. No approval of plans by Landlord shall be deemed to be a representation or warranty by Landlord that such plans or the work provided for therein will comply with applicable codes, laws or regulations or be in conformance with any insurance or other requirements which affect the Premises or the Building, and Tenant shall have the sole responsibility of complying with all such requirements notwithstanding Landlord's approval of Tenant's plans. Notwithstanding anything contained herein to the contrary, Tenant shall be permitted to install a security system in the Premises and on the Building (interior and exterior), including card readers and CCTV security cameras, subject to Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned, or delayed.

(b) **NOTICE IS HEREBY GIVEN THAT LANDLORD SHALL NOT BE LIABLE FOR ANY LABOR OR MATERIALS FURNISHED OR TO BE FURNISHED TO TENANT UPON CREDIT, AND THAT NO MECHANICS' OR OTHER LIEN FOR ANY SUCH LABOR OR MATERIALS SHALL ATTACH TO OR AFFECT THE ESTATE OR INTEREST OF LANDLORD IN AND TO THE PREMISES OR THE BUILDING, EXCEPT TO THE EXTENT CAUSED BY OR ON BEHALF OF LANDLORD. WHENEVER AND AS OFTEN AS ANY LIEN ARISING OUT OF OR IN CONNECTION WITH ANY WORK PERFORMED, MATERIALS FURNISHED OR OBLIGATIONS INCURRED BY OR ON BEHALF OF TENANT SHALL HAVE BEEN FILED AGAINST THE PREMISES OR THE BUILDING, OR IF ANY CONDITIONAL BILL OF SALE SHALL HAVE BEEN FILED FOR OR AFFECTING ANY MATERIALS, MACHINERY OR FIXTURES USED IN THE CONSTRUCTION, REPAIR OR OPERATION THEREOF, OR ANNEXED THERETO BY TENANT, TENANT SHALL FORTHWITH TAKE SUCH ACTION BY BONDING, DEPOSIT OR PAYMENT AS WILL REMOVE OR SATISFY THE LIEN OR CONDITIONAL BILL OF SALE WITHIN TEN (10) DAYS OF LANDLORD'S WRITTEN REQUEST THEREFOR.**

10. DAMAGE.

(a) If the Premises are damaged by fire or other cause covered by Landlord's policy of fire insurance with extended coverage or other property damage insurance carried by Landlord and the Premises, or a portion thereof, are rendered unusable, all damage to the structural portions of the building required to be maintained by Landlord pursuant to this Lease (including Landlord's Work, as defined in Article 59 herein) shall be repaired by and at the expense of Landlord and the rent until such repairs shall have been made shall abate pro-rata according to the part of the Premises which is unusable by Tenant. However, if such damage was caused by the gross negligence of Tenant, its employees, agents, contractors, visitors or licensees, and Landlord does not receive rental insurance proceeds relating to same, then all rentals shall be payable by Tenant during such period. Due allowance shall be made for reasonable delay which may arise by reason of adjustment of fire insurance on the part of Landlord and/or Tenant, and for delay on account of "labor troubles" or any other cause beyond Landlord's control. If, however, the Premises are rendered wholly untenantable by fire or other cause, or Landlord shall decide not to rebuild the same, Landlord may, at its option, cancel and terminate this Lease by giving Tenant, within sixty (60) days from the date of such damage, notice in writing of its intention to cancel this Lease, whereupon the Term of this Lease shall cease and terminate upon the third day after such notice is given, and Tenant shall vacate the Premises and surrender the same to Landlord, but in none of the certain contingencies in this Article 10 mentioned shall there be any liability on the part of Landlord to Tenant covering or in respect of any period during which the occupation of said Premises by Tenant may not be possible because of the matters hereinabove stated. Without limiting the foregoing,

Landlord shall not be responsible for consequential damages, lost profits or any damage to Tenant's personal property. If Landlord does not elect to terminate this Lease as provided above, Landlord shall proceed in a commercially reasonable manner to repair the portions of the Premises which Landlord is required to restore in accordance with this Article 10 and, upon the completion of such repairs, Tenant shall use diligent and commercially reasonable efforts to repair the portions of the Premises which are the responsibility of Tenant to insure under this Lease.

(b) Notwithstanding anything to the contrary contained in this Lease, if the Premises are damaged or destroyed by fire, accident, the elements or other casualty (a "**Casualty**") during the Term, Landlord shall notify Tenant within thirty (30) days after such Casualty of Landlord's good faith estimate of the time needed for Landlord to substantially complete the work described in paragraph (a) above. If the estimated time for such work exceeds one hundred eighty (180) days from the date of Casualty, Tenant shall have the right to terminate this Lease by giving to Landlord notice of such termination within fifteen (15) days after Landlord provides notice of such good faith estimate. In the event that Landlord or Tenant do not exercise a right of termination as provided in this Lease, Landlord shall commence such work and, thereafter, shall diligently and continuously pursue completion of such repairs, within the estimated completion date as set forth in Landlord's notice. If Landlord fails to so complete the repairs within the estimated completion date, Tenant shall have the right and option, as its sole and exclusive remedy upon no less than thirty (30) days prior notice to Landlord to terminate this Lease; provided, however, that any termination of this Lease by Tenant shall be null and void if Landlord substantially completes repairs within thirty (30) days after receipt of Tenant's notice of termination.

11. CONDEMNATION. If the Premises or any part thereof shall be taken by any governmental or quasi-governmental authority pursuant to the power of eminent domain, or by deed in lieu thereof, Tenant agrees to make no claim for compensation in the proceedings, and hereby assigns to Landlord any rights which Tenant may have to any portion of any award made as a result of such taking, and this Lease shall terminate as to the portion of the Premises taken by the condemning authority and rental shall be adjusted to such date. The foregoing notwithstanding, Tenant shall be entitled to claim, prove and receive in the condemnation proceedings such awards as may be allowed for relocation expenses and for fixtures and other equipment installed by it which shall not, under the terms of this Lease, be or become the property of Landlord at the termination hereof, but only if such awards shall be made by the condemnation court in addition to and stated separately from the award made by it for the land and the Building or part thereof so taken. If the nature, location or extent of any proposed condemnation affecting the Building is such that Landlord elects in good faith to demolish the Building, then Landlord may terminate this Lease by giving at least sixty (60) days written notice of termination to Tenant at any time after such condemnation and this Lease shall terminate on the date specified in such notice. In addition, Tenant may terminate this Lease within thirty (30) days after receipt of written notice of such proposed condemnation if Tenant reasonably determines that the proposed condemnation of a portion of the Premises consisting of ten percent (10%) or more of the Premises will materially and adversely affect Tenant's conduct of its business in the Premises, and this Lease shall terminate upon sixty (60) days written notice to Landlord.

12. USE OF PREMISES.

(a) The Premises shall be used and occupied by Tenant solely for the purpose of general office use, and the operation of and doing business as a laboratory, including research, development, and testing of biological materials, and for no other purpose whatsoever. The Premises shall not be used for any illegal purpose or in violation of any valid regulation of any governmental body, or in any manner to (i) create any nuisance or trespass; (ii) intentionally deleted; (iii) vitiate any insurance; (iv) emit odors or noise outside of the Premises; or (v) alter the classification or increase the rate of insurance on the Property. Tenant shall open for business in the Premises on or before the Rent Commencement Date, and shall thereafter continuously, actively and diligently operate its said business on the whole of the Premises.

(b) Tenant shall be prohibited from using or occupying the Premises for a Controlled Substances Use (as hereinafter defined) or in any manner that violates or could violate any Controlled Substances Laws (as hereinafter defined), including, without limitation, any business, communications, financial transactions, or other activities related to a Controlled Substance (as hereinafter defined), or a Controlled Substances Use that violates or could violate any Controlled Substances

Laws and shall permit any lender with a mortgage encumbering the Property to physically inspect the Premises upon the request of Landlord. A "**Controlled Substances Use**" means the cultivation, growth, creation, production, manufacture, sale, distribution, storage handling, possession, or other use of a Controlled Substance. "**Controlled Substance**" means marijuana, cannabis, or other controlled substances as defined in the Federal Controlled Substances Act or that otherwise are illegal or regulated under any Controlled Substances Laws. "**Controlled Substances Laws**" means the Federal Controlled Substances Act (21 U.S.C. §§ 801 *et seq.*) or any similar or related federal, state, or local law, ordinance, code, rule, regulation, or order. Notwithstanding anything contained in this paragraph (b) to the contrary, this paragraph (b) shall not apply to Controlled Substances utilized by Tenant in connection with the normal course of its business, including research, development, and testing, which shall be deemed not to be a Controlled Substance Use.

13. REPAIRS BY TENANT. Tenant shall be responsible for repairing, maintaining and cleaning the Premises and the fixtures therein, keeping same in good order and condition during the Term of this Lease at its sole cost and expense, and will, at the expiration or other termination of the Term hereof, surrender and deliver up the same and all keys, locks and other fixtures connected therewith (except only office furniture and business equipment) in safe, clean, sanitary, and non-hazardous condition, and otherwise in good order and condition, as the same were required to be in on the date Tenant occupied the Premises for the conduct of Tenant's business, ordinary wear and tear excepted.

14. REPAIRS BY LANDLORD. Landlord shall have no duty to Tenant to make any repairs or improvements to the interior of the Premises except structural repairs, and then only if not brought about by any act or neglect of Tenant, its agents, employees or invitees. Unless caused by Landlord's gross negligence or willful misconduct, Landlord shall not be liable for any damage caused to the person or property of Tenant, its agents, employees or invitees, due to the Property or the Building or any part or appurtenances thereof being improperly constructed or being or becoming out of repair, or arising from the leaking of water or sewer, or from electricity, or from any other cause whatsoever. Tenant agrees to report immediately in writing to Landlord any defective condition in or about the Premises known to Tenant which Landlord is required to repair. Unless caused by Landlord's gross negligence or willful misconduct, Landlord shall not be liable for failure to furnish or for suspension or delay in furnishing such services due to breakdown, maintenance, or repair work, strike, riot, civil commotion, governmental action or any other cause beyond the reasonable control of Landlord, or for interruptions of service for reasonable periods in connection with construction work being performed in the Building. Landlord hereby reserves the exclusive right at any time and from time to time to install, use, repair, inspect and replace pipes, ducts, conduits, and wires leading through or located adjacent to the Premises and serving other parts of the Building in locations which do not materially interfere with Tenant's use thereof. Landlord's right hereunder may be exercised by Landlord's designees. Tenant acknowledges and agrees that, from time to time, it will be necessary for Landlord to temporarily interrupt the electrical or other utility service to the Premises in order to perform maintenance and repair service on the utility systems serving the Property, or in connection with supplying such utility service to new or existing tenants of the Property. Landlord will give Tenant reasonable advance notice of any such interruptions in service (except any interruptions due to emergencies) and will use commercially reasonable efforts to minimize the interruption of Tenant's business as a result of such interruptions. Notwithstanding the foregoing to the contrary, Landlord shall maintain in good condition and repair (including any replacements thereof) the Common Areas, including, but not limited to, landscaping, cleaning, lighting, preventive maintenance, snow, ice, rubbish, and debris removal, painting, parking lot maintenance, repairs, rental of machinery, equipment, and other assets used in the operation and maintenance of the Property, unless performed by Tenant under this Lease, and the roof, windows (excluding glass repairs and/or replacements of glass), gutters, downspouts, floor slab, exterior walls, foundation, footing and all structural portions (both interior and exterior) of the Premises, and the sidewalk and alleys adjacent thereto in a manner consistent with the maintenance standards of similar office buildings in the same geographic area as the Property. Landlord shall also maintain in good condition and repair the main lines for wiring and utility connections to the extent not maintained by the applicable utility provider and not damaged by Tenant. Landlord covenants that Landlord will promptly make or complete any such repairs.

15. ROOF RIGHTS. Except as otherwise provided in this Lease, Landlord shall have the exclusive right to use all or any portion of the roof of the Building for any purposes.

16. LANDLORD'S REMEDIES UPON DEFAULT. Tenant shall be in default under this Lease if Tenant (i) fails to pay any installment of Base Rent, Additional Rent or other charges or money obligation to be paid by Tenant hereunder within five (5) days after the same shall become due (all of which monetary obligations of Tenant shall bear interest at the rate of twelve percent (12%) per annum from the date due until paid); provided, however, that Landlord shall not exercise its remedies with respect to the first two (2) monetary payments received after such five (5) day period in any Lease Year unless Tenant fails to cure such default within five (5) days after Landlord provides Tenant with written notice of such late payment; or (ii) defaults in the performance of any of the covenants, terms or provisions of this Lease (other than the payment, when due, of any of Tenant's monetary obligations hereunder) or any of the Rules and Regulations now or hereafter established by Landlord to govern the operation of this Building and fails to cure such default within thirty (30) days after written notice thereof from Landlord; provided, however, that, solely with respect to non-monetary defaults which cannot with due diligence and best efforts be cured within such thirty (30) day period if, within such thirty (30) day period Tenant commences and thereafter diligently pursues the cure of any such non-monetary default, the period of cure by Tenant shall be extended to effect a cure; or (iii) abandons the Premises or fails to keep the Premises continuously and uninterruptedly open for business; or (iv) files a voluntary petition in bankruptcy, or any similar petition seeking relief under any present or future federal, or other bankruptcy or insolvency statute or law; or if a proceeding under any present or future federal, state or other bankruptcy or insolvency statute or law shall be filed against Tenant or any asset of Tenant, and such proceeding shall not have been dismissed or vacated within thirty (30) days of the date of such filing; or (v) makes an assignment for the benefit of its creditors. Upon the occurrence of any of the above events, subject to any applicable notice and cure periods, Landlord, at its option, may pursue any one or more of the following remedies:

(a) Landlord, at its option, may at once, or at any time thereafter, terminate this Lease by written notice to Tenant, whereupon this Lease shall end. Upon such termination by Landlord, Tenant will at once surrender possession of the Premises to Landlord and remove all of Tenant's effects therefrom, and Landlord may forthwith re-enter the Premises and repossess itself thereof, and remove all persons and effects therefrom, using such force as may be necessary, without being guilty of trespass, forcible entry, detainer or other tort.

(b) Landlord may, without terminating this Lease, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim for damages therefor, and, if Landlord so elects, make such alterations and repairs as, in Landlord's judgment, may be necessary to relet the Premises, and relet the Premises or any part thereof for such rent and for such period of time and subject to such terms and conditions as Landlord may deem advisable and receive the rent therefor. Upon each such reletting, the rent received by Landlord in respect of such reletting shall be applied first to the payment of any indebtedness other than rent due hereunder from Tenant to Landlord, including interest thereon; second, to the payment of any loss and expenses of such reletting, including brokerage fees, attorneys' fees and the cost of such alterations and repair; third, to the payment of rent due and unpaid hereunder, together with interest thereon as herein provided; and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. Tenant agrees to pay to Landlord, on demand, any deficiency that may arise by reason of such reletting. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect to terminate this Lease for such prior default.

(c) In the event Landlord shall re-enter the Premises and/or terminate this Lease in accordance with the provisions of this Article 16, Landlord may, in addition to any other remedy it may have, recover from Tenant all damages and expenses Landlord may suffer or incur by reason of Tenant's default hereunder, including without limitation, the cost of recovering the Premises and reasonable attorney fees. Tenant agrees that actual damages to Landlord resulting from Landlord's exercise of the remedies set forth in paragraphs (a) or (b) above, will be difficult to ascertain, and therefore, after a default of Tenant hereunder, Tenant shall also pay to Landlord "**Liquidated Damages**" for the failure of Tenant to observe and perform the covenants of this Lease, which at the election of Landlord, shall be either: (A) (x) the sum of (i) the minimum monthly rent, plus (ii) the Additional Rent payable hereunder for the month immediately preceding such failure to operate, re-entry or termination, less (z) the net amount, if any, of the rents collected on account of the lease or leases of the Premises for each month of the period which would otherwise have constituted the balance of the Term of this Lease, all of which

sums shall become due and payable by Tenant to Landlord upon the first day of each calendar month during the otherwise unexpired portion of the Term hereof; or (B) the whole of said Liquidated Damages calculated under clause (A) multiplied by the number of months then remaining in the Lease Term, discounted to present value at a rate of six percent (6%) per annum as of the date of termination or re-entry by Landlord; provided, however, that in the event Landlord shall relet the Premises and the rent received by Landlord in respect of such reletting together with the discounted Liquidated Damages paid by Tenant, less the costs and expenses incurred by Landlord in such reletting, shall exceed the rent reserved hereunder for that period which would otherwise have constituted the remainder of the Term hereof, then Landlord shall, upon the expiration of the period which would have constituted the Term of this Lease, refund to Tenant the lesser of the amount of such excess or the discounted Liquidated Damages theretofore paid by Tenant.

(d) If the rent agreed to be paid, including all other sums of money which under the provisions hereto are declared to be rent, shall be in arrears in whole or in part for five (5) or more days, Landlord may at its option (if such arrearage remains unpaid after ten (10) days written notice to Tenant) declare the tenancy hereunder converted into a tenancy from month to month, and upon giving written notice to Tenant of the exercise of such option, Landlord shall forthwith be entitled to all provisions of law relating to the summary eviction of monthly tenants in default in rent.

(e) Anything in this Lease to the contrary notwithstanding, in order to cover the extra expense involved in handling delinquent payments, Tenant shall pay a late charge in an amount equal to the greater of (i) five percent (5%) of any delinquent payment, or (ii) Two Hundred Fifty and No/100 Dollars ($250.00), when any installment of Base Rent (or any other amount as may be considered Additional Rent under this Lease) is paid more than five (5) days after the due date thereof, except that such late charge shall not apply to the first two (2) monetary payments received after such five (5) day period in any Lease Year, unless Tenant fails to cure such default within five (5) days after Landlord provides Tenant with written notice of such late payment. It is hereby understood that this charge is for extra expenses incurred by the Landlord in processing the delinquency.

(f) Intentionally Deleted.

(g) If, on more than two (2) occasions during the Term, checks delivered by Tenant to Landlord are not honored by Tenant's bank, then Landlord may, at its option, upon notice to Tenant, require that all future checks delivered in payment of amounts due under this Lease shall be in the form of either bank certified or bank cashier's checks, and Landlord shall not be obligated to accept any payment from Tenant which is not a certified or cashier's check. All bank service charges incurred by Landlord as a result of any dishonored checks delivered by Tenant to Landlord shall be reimbursed to Landlord by Tenant as Additional Rent.

(h) Pursuit of any of the foregoing remedies shall not preclude Landlord from pursuing any other remedies therein or at law or in equity provided, nor shall pursuit of any remedy by Landlord constitute a forfeiture or waiver of any rent due to Landlord hereunder or of any damages accruing to Landlord by reason of Tenant's violation of any of the covenants and provisions of this Lease. Tenant hereby waives any right to assert or maintain any counterclaims against Landlord in any action brought by Landlord to obtain possession of the Premises. No act of Landlord (including, without limitation, acts of maintenance, efforts to relet the Premises, or any other actions taken by Landlord or its agents to protect Landlord's interests under this Lease) other than a written notice of termination, shall terminate this Lease. The acceptance of keys to the Premises by Landlord, its agents, employees, contractors or other persons on Landlord's behalf shall not be deemed or constitute to effect a termination of this Lease unless such early termination is evidenced by a written instrument signed by Landlord. For avoidance of doubt, the previous sentence does not apply to the surrender of the Premises at the end of the Term of the Lease, and the acceptance of keys by Landlord at the end of the Term of the Lease shall constitute a surrender of Tenant's possession of the Premises. The receipt or acceptance of payments of Minimum Rent or Additional Rent by Landlord, its agents, employees, contractors or other persons on Landlord's behalf after Landlord has elected to terminate this Lease or reenter as provided in this Article 16 shall not be deemed or constitute to effect a cure by Tenant of any default, but shall be deemed to be payment on account with respect to Tenant's underlying obligations, and Landlord may accept such check without prejudice to any other rights or remedies which it may have against the Tenant.

17. INSURANCE.

(a) Subject to paragraph (g) of this Article 17, Tenant agrees to indemnify and save Landlord and Landlord's Managing Agent harmless from any and all liabilities, damages, causes of action, suits, claims, judgments, costs and expenses of any kind (including attorneys' fees): (i) relating to or arising from or in connection with the possession, use, occupancy, management, repair, maintenance or control of the Premises, or any portion thereof; (ii) arising from or in connection with any negligent act or omission of Tenant or Tenant's agents, employees or invitees; or (iii) resulting from any violation or injury to person or property or loss of life sustained in or about the Premises; provided, however, that the foregoing shall not be deemed to require that Tenant indemnify Landlord with respect to liabilities, damages, causes of action, suits, claims, judgments, costs and expenses of any kind (including attorneys' fees), to the extent caused by the negligence of Landlord or Landlord's partners, officers, directors, employees, and agents, or any default of Landlord under this Lease. To assure such indemnity, Tenant shall carry and keep in full force and effect at all times during the Term of this Lease for the protection of Landlord and Landlord's Managing Agent and Tenant herein, public liability and property damage insurance with combined single limits of not less than One Million Dollars ($1,000,000.00) per occurrence; with not less than a Two Million Dollar ($2,000,000.00) aggregate per location. If any act or omission of Tenant in violation of the provisions of this Lease alters the classification or increase the rate of insurance on the Building or the Property then Landlord's costs and expenses incurred with respect to curing any such default of Tenant, and any costs and expenses incurred by Landlord (including, without limitation, attorney fees) as a direct or indirect result of any default of Tenant (whether or not cured by Tenant) shall, upon demand, be paid for by Tenant as Additional Rent.

(b) Tenant shall be and remain liable for the maintenance, repair and replacement of all plate glass in the Premises with glass of like kind and quality. If requested by Landlord, Tenant shall keep the same insured under a policy of plate glass insurance.

(c) Tenant shall obtain and at all times during the Term hereof maintain, at its sole cost and expense, policies of insurance covering the Premises and any permanent alterations to the Premises made by Tenant or Landlord in accordance with this Lease (excluding only structural improvements and components required to be insured and maintained by Landlord) including, without limitation, decorative finishes, equipment, lighting or fixtures unique to Tenant's use of the Premises and any trade fixtures or other fixtures or property (including improvements which may not be removed by Tenant under the terms of this Lease), and all of Tenant's fixtures, equipment and inventory installed and/or located in the Premises, in an amount of not less than the full replacement cost of said items, with the classification "Fire and Extended Coverage" together with insurance against vandalism, malicious mischief, and sprinkler leakage or other sprinkler damage, equipment breakdown insurance, and any proceeds of such insurance so long as this Lease shall remain in effect, shall be used only to repair or replace the items so insured.

(d) Said public liability and property damage insurance policies and any other insurance policies carried by Tenant with respect to the Premises shall: (i) be issued in form acceptable to Landlord by good and solvent insurance companies, qualified to do business in the state in which the Premises is located and reasonably satisfactory to Landlord; (ii) be endorsed to name Landlord, Landlord's Managing Agent, Tenant and any other parties in interest from time to time designated in writing by notice from Landlord to Tenant as Additional Insureds; (iii) be written as primary policy coverage and not contributing either to or in excess of any coverage which Landlord may carry; (iv) provide for thirty (30) days prior written notice to Landlord of any cancellation or other expiration of such policy or any defaults or material changes thereunder; and (v) contain an express waiver of any right of subrogation by the insurance company against Landlord and Landlord's Managing Agent. Such insurance policies shall be obtained from an approved insurance company and Tenant shall deliver a copy of said policy or an original Certificate of Insurance to Landlord, before Tenant takes occupancy of the Premises, showing the same to be in full force and effect. Neither the issuance of any insurance policy required hereunder, nor the minimum limits specified herein with respect to Tenant's insurance coverage shall be deemed to limit or restrict in any way Tenant's liability arising under or out of this Lease. If, at any time during the Term, any type of insurance policy required by this Lease is no longer available, discontinued or generally considered outdated within the insurance industry,

then in lieu of such outdated policy, Landlord and Tenant shall maintain the new type of policy replacing and most comparable to such outdated policy.

(e) In addition to the indemnity and insurance provision stipulated in this Article 17, the Tenant shall also obtain and at all times during the Term of this Lease maintain the following additional insurance of the type marked below with an "X:"

X Gradual Pollution and/or Contamination Liability
_____ Umbrella Liability in Limits of Not Less Than Two Million Dollars ($2,000,000.00).

(f) Except in the event of Tenant's negligence or willful misconduct, subject to paragraph (g) of this Article 17, Landlord will defend (with counsel selected by Landlord) and indemnify Tenant and save it harmless from and against any and all claims, actions, damages, liability, expense, and costs incurred by Tenant (including, without limitation, attorneys' fees), in connection with loss of life, personal injury and/or damage to property of third parties: (i) arising from or out of the Common Areas of the Property and the Building, occasioned by any negligent act or omission of Landlord, or (ii) arising from or in connection with any negligent act or omission of Landlord or Landlord's agents or employees.

(g) To the extent permitted by law, each of Landlord and Tenant hereby releases the other, to the extent of all insurance carried (or required to be carried) by each party under the terms of this Lease, from liability for any loss or damage to the Premises caused by fire or other of the extended casualties insured against; provided, however, that this release shall be in force and effect only with respect to loss or damage occurring during such time as the releasing party's insurance policy contains a clause or clauses which provides that: (i) the insurance company waives subrogation or consents to a waiver of right of recovery, and (ii) such waiver of subrogation or consent to a waiver of a right of recovery does not adversely affect or prejudice said policy or the releasing party's right of full recovery thereunder. If a party advises the other party that a clause of the type described in this paragraph is (i) not obtainable, or (ii) only obtainable at additional cost, then such party shall not be obligated to obtain a waiver; provided, however, that with respect to an inability to obtain a waiver due to the imposition of additional cost, the party shall promptly notify the other party of the amount of such additional cost and, if the party desiring that the other party obtain a waiver agrees in writing to pay the additional cost of obtaining the waiver, then, upon receipt of such payment, that party shall obtain a waiver of subrogation for the benefit of the other party, as described above. To the extent that Tenant is permitted to self-insure as to its property located in the Premises, Tenant will nevertheless be deemed to be insured for such property for the purposes of this paragraph (g).

18. PROPERTY AT TENANT'S RISK. It is understood and agreed that all personal property in the Premises, of whatever nature, whether owned by Tenant or any other person, shall be and remain at Tenant's sole risk and Landlord shall not assume any liability or be liable for any damage to or loss of such personal property, arising from the bursting, overflowing, or leaking of the roof or of water or sewer pipes, or from heating or plumbing fixtures or from the handling of electric wires or fixtures or from any other cause whatsoever.

19. ASSIGNMENT; SUBLETTING.

(a) Neither Tenant, nor any of its permitted successors or assigns, shall transfer, assign, mortgage, encumber, or, by operation of law or otherwise, pledge, hypothecate, or assign all or any of its interest in this Lease, or sublet or permit the Premises, or any part thereof, to be used by others, including, but not by way of limitation, licensees of Tenant, without the prior written consent of Landlord, in each instance, which consent Landlord shall not unreasonably withhold, condition, or delay if the requirements of this Article 19 and the requirements and conditions set forth in other provisions of this Lease are fully complied with. Any such subletting or assignment shall be referred to as a "**Transfer**," and the person to whom Tenant's interest is transferred shall be referred to as a "**Transferee.**"

(b) Except as otherwise provided herein, the prohibition against any Transfer without the prior written consent of Landlord (not to be unreasonably withheld, conditioned, or delayed) shall apply, without limitation, to the following

circumstances, each of which shall be deemed a Transfer: (i) if Tenant or any guarantor of this Lease is a corporation (other than a corporation, the outstanding voting stock of which is listed on a "national securities exchange," as defined in the Securities Exchange Act of 1934), and if shares of such corporation are transferred by sale, assignment, bequest, inheritance, operation of law or otherwise (including, without limitation, a transfer to or by a receiver or trustee in federal or state bankruptcy, insolvency or other proceeding), so as to result in or make possible a change in the present control of such corporation; (ii) if Tenant or any guarantor of this Lease is a partnership, any change in control or ownership of such partnership; (iii) any transfer by sale, assignment, bequest, inheritance, operation of law or other disposition of all or substantially all of the assets of Tenant or any guarantor which results in or makes possible a change in the present control of the business of Tenant or any such guarantor; (iv) any other change in ownership of Tenant, any guarantor of this Lease or the business operated by Tenant; or (v) any subletting or assignment which occurs by operation of law, merger, consolidation, or reorganization or any change of Tenant's corporate or proprietary structure. In no event may Tenant assign this Lease, or sublease the Leased Premises, if Tenant is in default under this Lease.

(c) In the event that Tenant desires to effect a Transfer hereunder, Tenant shall give Landlord written notice (the "**Transfer Notice**") thereof. To be effective, the Transfer Notice shall be accompanied by Tenant's check, payable to the order of Landlord, or Landlord's Agent, in an amount equal to One Thousand and No/100 Dollars ($1,000.00) to compensate Landlord for the cost of reviewing the proposed Transfer and specify the proposed Transferee, and the proposed terms of the Transfer, and contain such information about the proposed Transferee, its experience, its financial situation, its methods of operation, and its impact on the Building, as a prudent businessman would require in making the Transfer decision. Within forty-five (45) days of the receipt of the Transfer Notice, Landlord shall, by written notice to Tenant, elect: (i) to permit the proposed Transfer; or (ii) to deny consent to the proposed Transfer, in which event Tenant shall continue to occupy the Lease Premises and comply with all of the terms and conditions hereof. In the event that Landlord fails to give Tenant written notice of its election hereunder within the specified forty-five (45) day period, Landlord shall be deemed to have denied its consent to the proposed Transfer.

(d) If this Lease is transferred, the permitted Transferee shall assume by written instrument all of Tenant's obligations under the Lease and such Transferee, at least thirty (30) days prior to the effective date of the permitted Transfer, shall deliver to Landlord the proposed sublease, assignment and assumption agreement or other instrument evidencing the Transfer and the Transferee's undertaking of Tenant's obligations under the Lease. All of such documents shall be subject to Landlord's prior written approval, not to be unreasonably withheld, conditioned, or delayed. In the event of a permitted Transfer, Tenant shall continue to be liable hereunder, and shall not be released from performance hereunder. Following a permitted Transfer of this Lease, Landlord shall be required to send the named Tenant any notice of default by the approved Transferee.

(e) Any Transfer without Landlord's consent, whether as a result of any act or omission of Tenant, or by operation of law or otherwise, shall not be binding upon Landlord, and shall confer no rights upon any third person. Each such unpermitted Transfer shall, without notice or grace period of any kind, constitute a default by Tenant under this Lease. Consent by Landlord to any one Transfer shall not constitute a waiver of the requirement for consent to any other Transfer. No reference in this Lease to assignees, subtenants or licensees shall be deemed to be a consent by Landlord to the occupancy of the Leased Premises by any such assignee, subtenant or licensee. If Tenant's interest in this Lease is assigned, whether or not in violation of the provisions of this Article 19, Landlord may collect rent from the assignee. If the Premises, or any part thereof, are sublet to, or occupied or used by any person or entity other than Tenant, whether or not in violation of the Article 19, Landlord may collect rent from the subtenant, user or occupant. In either case, Landlord shall apply the amount collected to the Basic Rent and Additional Rent payable under this Lease, but neither any such assignment, subletting, occupancy or use, whether with or without Landlord's prior consent, nor any such collection or application shall be deemed to create any privity between Landlord and any subtenant or to be a waiver of any term, covenant or condition of this Lease or the acceptance by Landlord of such assignee, subtenant, occupant or user as Tenant. The listing of any name other than that of Tenant on any door of the Premises or of the Premises or on any directory in the Building, or otherwise, shall not operate to vest in the person or entity so named any right or interest in this Lease or in the Premises or be deemed to constitute, or serve as a substitute for, any prior consent of Landlord required under this Article 19, and it is understood that

any such listing shall constitute a privilege extended by Landlord which shall be revocable at Landlord's will by notice to Tenant. Neither an assignment of Tenant's interest in this Lease, nor a subletting, occupancy or use of the Premises or any part thereof by any person or entity other than Tenant, nor the collection of rent by Landlord from any person or entity other than Tenant as provided in this Article 19, nor the collection of rent by Landlord from any person or entity other than Tenant as provided in this Article 19, nor the application of any such rent as provided in this Article 19 shall, in any circumstances, relieve Tenant from its obligation fully to observe and perform the terms, covenants and conditions of this Lease on Tenant's part to be observed and performed. For any period during which Tenant is in default hereunder, Tenant hereby authorizes each such subtenant to pay said rent directly to Landlord upon the subtenant's receipt of notice from Landlord specifying same. Landlord's collection of such rent shall not be construed as an acceptance of such subtenant as the tenant under this Lease. Each sublease is subject to the condition that if the Lease Term is terminated as a result of Tenant's default or if Landlord succeeds to Tenant's interest in the Premises by voluntary surrender or otherwise, at Landlord's option (but expressly without any obligation to so elect) the subtenant shall be bound to Landlord for the balance of the term of such sublease and shall attorn to and recognize Landlord as its landlord under the terms of such sublease.

(f) Notwithstanding anything set forth in this Article 19 to the contrary, if Tenant fully complies with the requirements and conditions of this Article 19 and other provisions of this Lease, Tenant may Transfer this Lease without Landlord's consent and without the payment of any associated fees described in paragraph (c) above, if Landlord is advised of any such Transfer within thirty (30) days after any such Transfer occurs, to (i) Tenant's parent or subsidiary entity or to an entity under common ownership with and controlled by the same persons who control Tenant, or (ii) any party which acquires substantially all of the assets of Tenant, or (iii) to an entity into which Tenant merges or consolidates; provided, however, that in each such event, (1) such assignee shall assume in writing all of Tenant's obligations under this Lease; and (2) Tenant continues to remain liable under this Lease for the performance of all of the terms contained herein including but not limited to, the payment of Base Rent, Annual Operating Costs and all Additional Rent due under this Lease; provided, however, that the provisions of this paragraph shall not permit a Transfer in the event that Tenant is acquired by another entity and becomes a subsidiary thereof, (x) unless Tenant continues to be operated as a separately identified company, substantially in the same manner as before such acquisition, or (y) if, after such acquisition, or as a result thereof, Tenant's net worth will decline by ten percent (10%) or more, unless in either of such cases, the parent of the party acquiring Tenant agrees to guaranty Tenant's obligations under this Lease. The liability of any Guarantor of this Lease shall not be affected as a result of any assignment permitted under this paragraph (f). In no event shall Tenant be permitted to use a series of one or more assignments to "spin-off" this Lease as an independent asset separate and apart from the balance of Tenant's other leases. As an example of the foregoing, Tenant shall not assign this Lease to an affiliate corporation or entity whose assets consist solely of this Lease and the rights granted herein and thereafter sell or transfer the stock of such affiliate corporation or entity to an unrelated third party, the result of what would otherwise be two independent assignments would become a transfer of this Lease to an independent third party. Any such transfer is prohibited by the terms of this Article 19.

(g) If any sublease provides that the subtenant is to pay any amount in excess of the rent and other charges due under this Lease, then whether such excess is in the form of an increased monthly or annual rental, a lump sum payment, payment for the sale, transfer or lease of Tenant's fixtures, leasehold improvements, furniture, and other personal property, or any other form (and if the subleased space does not constitute the entire Premises, the existence of such excess shall be determined on a pro-rata basis), Tenant shall pay to Landlord fifty percent (50%) any such excess as Additional Rent no later than ten (10) days after Tenant's receipt thereof.

20. SIGNS. No sign, advertisement or notice shall be inscribed, painted, affixed or displayed on the windows or exterior walls of the Premises or on any public area of the Building, except the directories and the office doors, and then only in such places, numbers, sizes, color and style as are approved by Landlord and which conform to all applicable laws and/or ordinances. Any and all permitted signs shall be installed and maintained by Landlord at Tenant's sole expense. During the period of six months prior to the expiration of this Lease or any renewal thereof, Landlord shall have the right to display on the exterior of the Premises a sign advertising the space as available "For Rent." Notwithstanding the aforesaid, but subject to all applicable laws and/or ordinances, Tenant may install, at Tenant's sole cost and expense, a building standard monument sign in the location set forth on **Exhibit D-2**, and/or two (2) identification signs on the façade of the Building,

above the Premises (collectively, the "**Exterior Signs**"), under the following terms and conditions: (i) the Exterior Signs shall conform to Landlord's Sign Criteria attached as **Exhibit D-1** hereto; (ii) the exact size and location of, and all plans and specifications for, the Exterior Signs shall be subject to the reasonable approval of Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed; and (iii) Tenant shall, at Tenant's sole cost and expense, repair, replace and maintain the Exterior Signs, in good condition, consistent with general construction standards; and (iv) Tenant shall obtain, at Tenant's sole cost and expense, all permits and approvals for the installation of the Exterior Signs, but neither Tenant nor Landlord shall obtain any variance or waiver of any governmental requirements if any such variance or waiver would reduce or otherwise adversely affect the ability of Landlord or other tenants of the Building to install or replace signs which would be permitted but for any variance or waiver of any governmental requirements obtained for the Exterior Signs.

21. RULES AND REGULATIONS. Tenant shall at all times comply with the rules and regulations set forth on **Exhibit B** attached hereto, and with any additions thereto and modifications thereof adopted from time to time by Landlord, and each such rule or regulation shall be deemed to be a covenant of this Lease to be performed and observed by Tenant. In the event of any conflict between these Rules and Regulations and the terms and provisions of the Lease, the latter shall control the resolution of such conflict.

22. PARKING. Landlord grants Tenant the non-exclusive, unassigned, right to use the parking area or areas designated by the Landlord from time to time. Tenant hereby agrees to comply with all traffic and parking rules and regulations imposed by Landlord from time to time. Tenant shall have the right to parking spaces at a ratio of three and one-half per one thousand (3.5/1,000) square feet of its Premises. Out of this parking ratio, Landlord shall designate twenty (20) spaces as reserved for Tenant's use. Landlord shall have no obligation to monitor or enforce such reserved parking spaces.

23. LANDLORD ACCESS. Upon at least forty-eight (48) hours prior written notice, which notice may be by electronic mail, except for (iv) below, in which case, notice may be telephonic or by electronic mail, and during normal business hours (except in cases of emergency), Landlord shall have the right to enter upon the Premises for purposes of (i) during the period of twelve (12) months prior to the expiration of this Lease or any renewal thereof, showing the Premises to prospective tenants; (ii) during the period of twelve (12) months prior to the expiration of this Lease, or any renewal thereof, to post the Premises with "For Rent" or other offering signs, as Landlord may deem reasonably appropriate; (iii) to exhibit the same to prospective purchasers or mortgagees; and (iv) to inspect the Premises to see that Tenant is complying with all its obligations hereunder, or to make required repairs. Notwithstanding anything herein to the contrary, Landlord acknowledges that the Premises contain information of Tenant that may be confidential or subject to trade secret protection. Accordingly, Tenant may request that identification from prospective tenants, prospective purchasers, and other third parties seeking access to the Premises (except with regards to maintenance and repairs) be provided to Tenant forty-eight (48) hours prior to entry in the Premises, and Tenant reserves the right to prevent such parties from entering specific portions of the Premises if, in Tenant's good faith opinion, such entry into such portions of the Premises would unreasonably jeopardize Tenant's confidential information or trade secrets.

24. SUBORDINATION.

(a) This Lease is subject and subordinate to the lien of any ground leases and to all mortgages, deeds of trust or deeds to secure debt which may now or hereafter affect or encumber the Building or the real property of which the Premises form any part, and to all renewals, modifications, consolidations, replacements or extensions thereof. This Article 24 shall be self-operative and no further instrument of subordination shall be required. In confirmation of any such subordination, Tenant shall execute within ten (10) days after receipt, any certificate that Landlord may reasonably so request. No foreclosing lender nor any purchaser at foreclosure shall be liable for any defaults (including defaults of a continuing nature) by any prior landlord, or for the return of any security deposit; Tenant covenants and agrees to attorn to Landlord or to any successor to Landlord's interest in the Premises, whether by sale, foreclosure or otherwise.

(b) Notwithstanding the foregoing, in the event any ground lessor, mortgagee or the holder of any deed of trust or deed to secure debt shall elect to make the lien of this Lease prior to the lien of its ground lease or mortgage, then, upon

such party giving Tenant written notice to such effect at any time prior to the commencement of foreclosure by filing a notice thereof for record among the land records, this Lease shall be deemed to be prior in lien to the lien of such ground lease or mortgage, whether dated prior or subsequent thereto.

(c) Landlord will use reasonable efforts to obtain a non-disturbance agreement for Tenant's benefit from the lender holding the mortgage lien on the Property as of the Lease Date (the "**Lender**"). The non-disturbance agreement shall be on the Lender's approved form, in substantively the same form that is attached to this Lease as **Exhibit H**, and Tenant shall pay to Landlord, as Additional Rent, all fees, costs and expenses charged to Landlord by the Lender in connection with the Lender's review of this Lease and negotiation or review of the non-disturbance agreement including, without limitation, the Lender's legal fees. Upon request of Tenant, Landlord will also use reasonable efforts to obtain a non-disturbance agreement for Tenant's benefit from future lenders holding a mortgage lien on the Property (a "**Future Lender**"). The non-disturbance agreement shall be on the Future Lender's approved form, and Tenant shall pay to Landlord, as Additional Rent, all fees, costs and expenses charged to Landlord by the Future Lender in connection with the Lender's review of this Lease and negotiation or review of the non-disturbance agreement including, without limitation, the Future Lender's legal fees.

25. MORTGAGEE PROTECTION. Tenant agrees to give any Mortgagees and/or Trust Deed Holders, by Registered Mail, a copy of any Notice of Default served upon Landlord, provided that prior to such notice, Tenant has been notified, in writing, (by way of Notice of Assignment of Rents and Leases, or otherwise) of the address of such Mortgagees and/or Trust Deed Holders. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the Mortgagees and/or Trust Deed Holders shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary if within such thirty (30) days, any Mortgagee and/or Trust Deed Holder has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure), in which event this Lease shall not be terminated while such remedies are being so diligently pursued. Tenant agrees that in the event of the sale of the Property, by foreclosure or deed in lieu thereof, the purchaser at such sale shall only be responsible for the return of any Security Deposit paid by Tenant to Landlord in connection with this Lease to the extent that such purchaser actually receives such Security Deposit.

26. CONSTRUCTION OF TENANT IMPROVEMENTS. Tenant shall construct the Premises in accordance with plans and specifications approved by Landlord (such approval not to be unreasonably withheld, conditioned, or delayed) and otherwise in accordance with Article 9 of the Lease (collectively, "**Tenant's Work**"). Tenant shall have the option to employ a general contractor of its choice for Tenant's Work. The general contractor shall be licensed in the State of Maryland and reasonably acceptable to Landlord. There will be no construction management fee due to Landlord for oversight, design, or construction of Tenant's Work. Tenant may utilize Landlord's Contribution (as defined in Article 53 below) for interior improvements within the Premises, wall insulation and vapor barrier, electric service and consolidation, and replacing and consolidating any HVAC units, installation of exterior wall insulation, and installation of a sill and drywall below the windows. Notwithstanding anything herein to the contrary, when Tenant undertakes work on an exterior wall below the windows, it shall install exterior wall insulation and install a sill and drywall below the windows (collectively, the "**Wall Work**", which, for the avoidance of doubt, is expressly recognized as a component of "**Tenant's Work**"). Any HVAC units not utilized by Tenant may be relocated by Landlord at its sole discretion. Tenant shall have the right to consolidate HVAC into more centralized units and reduce number of electrical meters to the Building, as permitted by code. Landlord acknowledges that Tenant's Work will be phased over several years and that Landlord's Contribution shall be available to Tenant upon the Lease Date. Landlord acknowledges that Tenant has Seventy-Six Thousand Seven Hundred Fifty-Two and 95/100 Dollars ($76,752.95) (the "**Existing Lease Contribution**") remaining for Landlord's contribution for work in the premises under the Existing Lease. Tenant must spend the Existing Lease Contribution before April 1, 2020. In the event Tenant fails to spend the Existing Lease Contribution and properly seek reimbursement of it from Landlord pursuant to the terms of the Existing Lease by April 1, 2020, then Tenant shall no longer have the right to such Existing Lease Contribution. Except as otherwise expressly provided for herein, Tenant shall not be required to remove Tenant's Work from the Premises at the end of the Term. In performing Tenant's Work or any other alteration to the Premises, Tenant will comply with, or require its contractors and subcontractors to comply with, the construction rules and regulations

attached hereto as **Exhibit G**.

27. HOLD-OVER; SURRENDER OF PREMISES. If Tenant shall not immediately surrender the Premises the day after the end of the Term hereby created, then Tenant shall, by virtue of this agreement, become, at Landlord's option, either (a) a tenant at sufferance, or (b) a tenant from month-to-month. In either of such events, rent shall be payable at a monthly or daily rate, as the case may be, of one hundred fifty percent (150%) of the Base Rent and one hundred percent (100%) of the Additional Rent payable by Tenant immediately prior to the expiration or termination of the Term, with said tenancy to commence on the first day after the end of the Term above demised; and said tenancy shall be subject to all of the conditions and covenants of this Lease insofar as such covenants and conditions are applicable thereto. Nothing contained in this Lease shall be construed as a consent by Landlord to the occupancy or possession of the Premises after the expiration of the Term of this Lease. If Landlord fails to make an election under clause (a) or (b) within ten (10) days after the expiration or termination of the Term, the hold-over tenancy shall be deemed to be a tenancy from month-to-month. If Tenant holds over as a month-to-month tenant, each party hereto shall give to the other at least thirty (30) days written notice to quit the Premises (any right to a longer notice period being hereby expressly waived), except in the event of non-payment of rent in advance or of the other Additional Rents provided for herein when due, or of the breach of any other covenant by the said Tenant, in which event Tenant shall not be entitled to any notice to quit, the usual thirty (30) days' notice to quit being expressly waived; provided, however, that in the event Tenant shall hold-over after expiration of the Term hereby created, and if Landlord shall desire to regain possession of said Premises promptly at the expiration of the Term aforesaid, then at any time prior to the date Landlord makes (or is deemed to have made) its election under clause (b) of this Article 27, Landlord at its option, may re-enter and take possession of the Premises forthwith, by any legal action or process in force in the state in which the Premises is located; provided, however, that if Landlord has accepted rent for any period beyond the expiration of the Term and Tenant is not then in default under any of the provisions of this Lease, Landlord shall promptly refund to Tenant an amount equal to any excess rental received by Landlord with respect to any period after Landlord exercises its right to re-enter the Premises under this Article 27. At the expiration of or earlier termination of the Term of this Lease, Tenant shall peacefully surrender the Premises to Landlord, in condition required under paragraph (a) of Article 9 of this Lease, ordinary wear and tear excepted to the extent the Premises is not required to be repaired and/or maintained by Tenant. Tenant shall surrender all keys for the Premises to Landlord and shall notify Landlord in writing of all combinations of locks, safes, and vaults, if any in the Premises. If the Premises are not surrendered as and when aforesaid, Tenant shall indemnify and hold Landlord harmless from and against all claims, loss or liability (direct, indirect, foreseeable or unforeseeable) resulting from the delay by Tenant in surrendering the Premises including, without limitation, any claims made by any succeeding occupant based upon Landlord's inability to deliver the Premises to any such succeeding occupant. Tenant shall comply with the provisions of Article 9 hereof respecting Tenant's Property. Tenant's obligations to observe and perform the covenants set forth in this Article 27 shall survive the expiration or earlier termination of this Lease.

28. ESTOPPEL CERTIFICATES.

(a) Tenant agrees, at any time and from time to time, upon not less than twenty (20) days prior written notice by Landlord, to execute, acknowledge and deliver to Landlord or to such person(s) as may be designated by Landlord, a statement in writing (i) certifying that Tenant is in possession of the Premises, has unconditionally accepted the same and is currently paying the rents reserved hereunder, (ii) certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications), (iii) stating the Rent Commencement Date and the dates to which the rent and other charges hereunder have been paid by Tenant and (iv) stating whether or not to the best knowledge of Tenant, Landlord is in default in the performance of any covenant, agreement or condition contained in this Lease, and, if so, specifying each such default of which notices to Landlord should be sent. Any such statement delivered pursuant hereto may be relied upon by any owner, prospective purchaser, mortgagee or prospective mortgagee of the Building or of Landlord's interest therein, or any prospective assignee of any such mortgagee.

(b) Landlord agrees, at any time and from time to time, within twenty (20) days' after receipt of written notice from Tenant, to execute, acknowledge, and deliver to Tenant, or to such person(s) as may be designated by Tenant, a

statement in writing: (i) certifying that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and such modifications stated), (ii) stating the dates which the rent and other charges due hereunder have been paid by Tenant, and (iii) stating whether or not, to the best of Landlord's knowledge, Tenant is in default in the performance of any covenant, agreement, or condition contained in this Lease, and, if so, specifying each such default of which notice to Landlord should be sent.

29. QUIET ENJOYMENT. Landlord warrants that it has the right to make this Lease for the Term aforesaid and that it will put Tenant into complete and exclusive possession of the Premises. Landlord covenants that if Tenant pays the rent and all other charges provided for herein, performs all of its obligations provided for hereunder and observes all of the other provisions hereof, Tenant shall at all times during the Term hereof peaceably and quietly have, hold and enjoy the Premises, without any interruption or disturbance from Landlord, or anyone claiming through or under Landlord, subject to the terms hereof.

30. INTENTIONALLY DELETED.

31. MODIFICATIONS DUE TO FINANCING. If, in connection with obtaining temporary or permanent financing for the Building or the land upon which the Building is located, any such lender shall request reasonable modifications of this Lease as a condition to such financing, Tenant agrees that Tenant will not unreasonably withhold, delay or defer the execution of any agreement of modification of this Lease provided such modifications do not increase the financial obligations of Tenant hereunder, materially increase other obligations of Tenant, or materially adversely affect the leasehold interest hereby created or Tenant's reasonable use and enjoyment of the Premises.

32. ATTORNEYS. The non-prevailing party shall reimburse the prevailing party upon demand for any costs or expenses, including attorney fees, incurred in connection with the enforcement of obligations hereunder. So long as Landlord is the prevailing party pursuing to the preceding sentence, any and all costs or expenses incurred by Landlord pursuant to the provisions of this Article 32 hereof shall be considered as Additional Rent hereunder. Landlord and Tenant each acknowledge that they have engaged counsel in connection with the negotiation of this Lease.

33. NOTICES. All notices, rent or other payments required or desired to be given hereunder by either party to the other shall be sent by first class mail, postage prepaid, or by a reputable commercial messenger service, except that notices of default and notices related to the exercise of options or other rights under this Lease shall be sent by certified mail, return receipt requested or by a receipted overnight commercial messenger service (such as Federal Express, UPS, or DHL) for delivery on the next following business day. Notice of any matter given orally, by telephone, facsimile, email or in any form other than as provided in this Article 33 shall be of no force or effect, and shall not be binding on the intended recipient unless the intended recipient, at its option and without any obligation to do so, sends the party sending such communication a notice in accordance with this Article 33 accepting receipt of such non-conforming notice and waiving the requirements of this Article 33. Consent by Landlord to any non-conforming notice shall not constitute a waiver of the requirements of this Article 33 with respect to any subsequent notice or notices. Notices sent by mail shall be deemed to be received on the date of actual receipt by the recipient or on the date delivery is refused. Notices sent by a receipted overnight commercial messenger service shall be deemed received on the next business day after depositing with such delivery service. Notices to the respective parties, and any amounts required to be paid hereunder, shall be addressed and sent as follows:

If to Landlord:

Notices and Correspondence:
Windham Management Company
Attention: Legal Department
7501 Wisconsin Avenue, Suite 1500E
Bethesda, Maryland 20814
Main Phone: (301) 986-6000

Rent, Payments, Etc.:
Saul Holdings Limited Partnership
PO Box 38042
Baltimore, Maryland 21297-8042

If to Tenant:

GeneDX, Inc.
Attention: Director of Administrative Operations
207 Perry Parkway
Gaithersburg, Maryland (MD) 20877
Main Phone: (301) 519-2100

With a courtesy copy to:

Genova Burns
Attention: Matthew Kertz, Esq.
494 Broad Street
Newark, New Jersey (NJ) 07102
Main Phone: (973) 533-0777

If to Guarantor:

Bio-Reference Laboratories, Inc.
Attention: Legal Department
481 Edward H. Ross Drive
Elwood Park, New Jersey (NJ) 07407
Main Phone: (201) 791-2600

With a courtesy copy to:

Genova Burns
Attention: Matthew Kertz, Esq.
494 Broad Street
Newark, New Jersey (NJ) 07102
Main Phone: (973) 533-0777

Either party may designate a substitute address, from time to time, by notice in writing sent in accordance with the provisions of this Article 33.

34. APPLICABLE LAW. This Lease shall be construed under the laws of the State in which the Premises is located.

35. NO RESERVATION. The submission of this Lease for examination does not constitute a reservation of or option for the Premises, and this Lease becomes effective only upon execution and delivery thereof by Landlord. Neither party shall have any legal obligation to the other in the event that the Lease contemplated herein is not consummated for any reason. Discussions between the parties respecting the proposed Lease described herein, shall not serve as a basis for a claim against either party or any officer, director or agent of either party.

36. PARTIES; ASSIGNS AND SUCCESSORS. Feminine or neuter pronouns may be substituted for those of the masculine form, and the plural may be substituted for the singular number, in any place or places herein in which the context may require such substitution or substitutions. The term "Landlord" as used in this Lease, means only the owner for the time being of the Landlord's interest in this Lease; and, in the event of the sale, assignment or transfer by such owner of the Landlord's interest in this Lease, such owner shall thereupon be released and discharged of all covenants and obligations of Landlord hereunder thereafter accruing. Except as provided in the preceding sentence, all of the covenants, agreements, terms, conditions, provisions and undertakings in this Lease shall inure to the benefit of, and shall extend to and be binding upon, the parties hereto and their respective heirs, executors, legal representatives, successors and assigns, to the same extent as if they were in every case named and expressed. If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) shall sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay rent and perform all other obligations hereunder shall be deemed to be joint and several and any notice required or permitted by the terms of this Lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. In like manner, if the Tenant named in this Lease shall be a partnership or other business association, the members of which are, by virtue or statute or general law, subject to personal liability, the liability of each such member shall be joint and several. Nothing in this Lease shall be deemed to create any right in any person or entity not a party hereto, no such person or entity shall be deemed a third party beneficiary under this Lease, and no such person or entity shall have the right, by virtue of this Lease, to enforce such rights or to enjoin any actual or threatened violation of such rights by either party to this Lease.

37. SEVERABILITY. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall to any extent be held invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held or unenforceable, shall not

be affected thereby and each term, covenant and condition of this Lease shall be valid and enforced to the fullest extent permitted by law.

38. RENT TAX. If applicable in the jurisdiction where the Premises are situated, Tenant shall pay and be liable for all rental, sales and use taxes or other similar taxes, if any, levied or imposed by any City, State, County or other governmental body having authority, such payments to be in addition to all other payments required to be paid to Landlord by Tenant under the terms of this Lease. Any such payments shall be paid concurrently with the payment of the rent upon which the tax is based as set forth above.

39. ACTS OF GOD/FORCE MAJEURE. If either party shall be prevented or delayed from promptly performing any non-monetary obligation or satisfying any non-monetary condition under this Lease by strike, lockout, labor dispute, inability to obtain labor or materials or reasonable substitutes therefore, act of God, governmental restriction, regulation, or control, enemy or hostile government action, civil commotion, insurrection, sabotage, fire or other casualty, or any other condition beyond the reasonable control of such party, then the time to perform such obligation or satisfy such condition shall be extended by an amount of time equal to the delay caused by such event. Notwithstanding the foregoing, lack of funds or causes resulting from lack of funds shall not be deemed to be a cause beyond the control of either party, and the provisions of this Article 39 shall not operate to excuse either party from the prompt payment of any monies required by this Lease.

40. LANDLORD'S LIABILITY. Tenant agrees that Landlord shall have no personal liability with respect to any of the provisions of this Lease and Tenant shall look solely to the estate and property of Landlord in the land and buildings, including insurance and condemnation proceeds related thereto, comprising the Property of which the Premises form a part for the satisfaction of Tenant's remedies, including, without limitation, the collection of any judgment or the enforcement of any other judicial process requiring the payment or expenditure of money by Landlord, subject, however, to the prior rights of any holder of any Mortgage covering all or part of the Property, and no other assets of Landlord shall be subject to levy, execution or other judicial process for the satisfaction of Tenant's claim and, in the event Tenant obtains a judgment against Landlord, the judgment docket shall be so noted. This Section shall inure to the benefit of Landlord's successors and assigns and their respective principals.

41. REMEDIES CUMULATIVE; NO WAIVER. All rights and remedies given herein and/or by law or in equity to each party are separate, distinct and cumulative, and no one of them, whether exercised by a party or not, shall be deemed to be in exclusion of any of the others. No failure of a party to exercise any power given to it hereunder, or to insist upon strict compliance by the other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of either party of its right to demand exact compliance with the terms hereof.

42. MODIFICATION. This writing is intended by the parties as the final expression of their agreement and as a complete and exclusive statement of the terms thereof, all negotiations, considerations and representations between the parties having been incorporated herein. No course of prior dealings between the parties or their affiliates shall be relevant or admissible to supplement, explain or vary any of the terms of this Lease. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement between the parties or their affiliates shall not be relevant or admissible to determine the meaning of any of the terms of this Lease. No representations, understandings or agreements have been made or relied upon in the making of this Lease other than those specifically set forth herein. This Lease can only be modified by a written agreement signed by all of the parties hereto or their duly authorized agents.

If drafts of this Lease or other communications between the parties were sent by email or other electronic methods, then the following additional provisions shall also apply: (i) any typewritten signature included with any e-mail or any document attached to any email is not an electronic signature within the meaning of Electronic Signatures in Global and National Commerce Act or any other law of similar import, including without limitation, the Uniform Electronic Transactions Act ("**UETA**"), as the same may be enacted in any State, (ii) any transmission of this Lease is not intended as an "electronic signature" to a "record" of such transaction (as those terms are defined under UETA); instead, it is Landlord's

intention that a record of such transaction shall be created only upon manually-affixed original signatures on an original Lease document, and (iii) the final, definitive version of this Lease shall be created by Landlord (the "**Final Draft**"), and Tenant authorizes Landlord to affix to the Final Draft the original, manually executed signature pages attached by Tenant to the executed document submitted by Tenant to Landlord.

43. WAIVERS. Landlord and Tenant each hereby waives all right to trial by jury in any claim, action, proceeding or counterclaim by either party against the other on any matters arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant and/or Tenant's use or occupancy of the Premises. Tenant hereby expressly waives (to the extent legally permissible) for itself and all persons claiming by, through or under it, any right of redemption or right for the restoration of the operation of this Lease under any present or future law in case Tenant shall be dispossessed for any cause, or in case Landlord shall obtain possession of the Premises as provided in this Lease. Tenant understands that the Premises are leased exclusively for business, commercial and mercantile purposes and therefore shall not be redeemable under any provision of law.

44. INTERPRETATION. Captions and headings are for convenience and reference only. Whenever in this Lease any printed portion, or any part thereof, has been stricken out, whether or not any replacement provision has been added, this Lease shall be read and construed as if the material so stricken out were never included herein, and no implication shall be drawn from the text of the material so stricken out which would be inconsistent in any way with the construction or interpretation which would be appropriate if such material had never been contained herein. The Exhibits referred to in this Lease and attached hereto are a substantive part of this Lease and are incorporated herein by reference. In any legal proceeding respecting this Lease, this Lease will be construed with equal weight for the rights of both parties, the terms hereof having been determined by free and fair negotiation, with due consideration for the rights and requirements of both parties. Both parties agree that they have had equal input into the wording and phraseology of the provisions of this Lease, and that, therefore, no provision will be construed as drafted by one party or the other, without respect to whose draft of this Lease the wording or phraseology arises. If any of the typewritten portions of this Lease conflict with any of the printed provisions of this Lease, the provisions set forth in the typewritten portions shall control; provided, however, that to the extent the printed portions of this Lease may be read in a manner which will not conflict with the provisions of the typewritten portions, then such interpretation shall be deemed to be the correct interpretation of the provisions of this Lease.

45. FINANCIAL STATEMENTS. Tenant, upon Lease execution, and thereafter upon written request by Landlord (but in no event more than once per Lease Year), will provide Landlord with a copy of its current financial statements consisting of a balance sheet, an earnings statement, statement of changes in financial position, statement of changes in Tenant's equity, and related footnotes, prepared in accordance with generally accepted accounting principles. Such financial statements must be either certified by a CPA or sworn to as to their accuracy by Tenant's chief financial officer. The financial statements provided must be as of a date not more than twelve (12) months prior to the date of request. Landlord shall retain such statements in confidence, but may provide copies to lenders and potential lenders.

46. MEMORANDUM OF LEASE. Landlord agrees that it will, upon receipt of written request from Tenant received after any termination rights of Tenant provided for in this Lease have expired or been waived by Tenant, execute a short form (or memorandum) of this Lease, on Landlord's form, in recordable form, which conforms to the provisions of this Article 46 (the "**Memorandum**"). The Memorandum may be recorded, at Tenant's sole cost and expense, among the land records of the jurisdiction in which the Premises are located, and shall contain only the following: (i) the names and addresses of Landlord and Tenant; (ii) a reference to this Lease and its date of execution; (iii) a description of the Premises which is legally sufficient to permit a third party to identify and locate the Premises with certainty; (iv) the Term of this Lease and the dates of commencement and expiration of the Term; (v) a description of any options to renew the Term of this Lease provided for herein; (vi) the provisions set forth in paragraph (b) of Article 9 of this Lease (Notice of Non-Liability); (vii) Tenant's covenant and agreement to take all actions necessary, at Tenant's sole cost and expense, to terminate and release the Memorandum within thirty (30) days after the date the Term of this Lease expires or is terminated; and (viii) the following provision: "Tenant hereby appoints any attorney of any court of record within the United States who may be, from time to time, designated in writing by Landlord (including any successor or assign of Landlord's estate in the Premises) (the "**Agent**") as Tenant's attorney-in-fact with full

power and authority, for and on behalf of Tenant and Tenant's successors and assigns, to execute any documents and to take, at the sole cost and expense of Tenant (or Tenant's successor or assign), all actions necessary or required, in Agent's discretion (including, without limitation, the power and authority to execute, acknowledge and record documents on Tenant's behalf) to terminate this Memorandum in the event that Tenant, or Tenant's successor or assign, fails or refuses to terminate this Memorandum within thirty (30) days after the date the Term of the Lease expires or is terminated. The foregoing power of attorney is coupled with an interest and is irrevocable." Tenant acknowledges that damages to Landlord will be difficult to ascertain if Tenant fails to terminate this Memorandum of record within thirty (30) days after the date the Term of the Lease expires or is terminated, therefore, if Tenant fails to terminate this Memorandum of record within such thirty (30) day period, Tenant shall pay to Landlord the sum of One Hundred Thousand and No/100 Dollars ($100,000.00) (the "**Memorandum Liquidated Damages**") for each month or partial month falling after the expiration or termination of the Lease until this Memorandum is terminated of record by Tenant. The Memorandum Liquidated Damages amount shall be adjusted to reflect any increases in the "Consumer Price Index" (the "**CPI**" as hereinafter defined) between the Lease Date and the date the Lease expires or is terminated. In no event shall any adjustment made pursuant to this paragraph result in a reduction of the Memorandum Liquidated Damages amount.

The Consumer Price Index is hereby defined to be the "Consumer Price Index - Seasonally Adjusted, United States City Average, For All Items For All Urban Consumers (1982-1984 = 100)," published monthly in the "Monthly Labor Review" of the Bureau of Labor Statistics of the United States Department of Labor ("**CPI-U**"). If the CPI-U is discontinued, the "Consumer Price Index-Seasonally Adjusted, United States City Average, For All Items For Urban Wage Earners and Clerical Workers (1982-1984 = 100)," published monthly in the "Monthly Labor Review" by the Bureau of Labor Statistics of the United States Department of Labor ("**CPI-W**"), shall be used. If the CPI-W is discontinued, comparable statistics on the purchasing power of the consumer dollar published by the Bureau of Labor Statistics of the United States Department of Labor shall be used. If the Bureau of Labor Statistics shall no longer maintain statistics on the purchasing power of the consumer dollar, comparable statistics published by a responsible financial periodical or recognized authority selected by the Landlord shall be used. If the base year "(1982-1984 = 100)" or other base year used in computing the CPI is changed, the figures used shall be changed accordingly, so that all increases in the CPI are taken into account notwithstanding any such change in a base year."

47. ENTITY TENANTS. If Tenant is a corporation, partnership or limited liability company, the persons executing this Lease on behalf of Tenant hereby covenant and warrant that: Tenant is duly constituted as such entity and is qualified to do business in the state where the Premises are located; all Tenant's franchise and corporate taxes have been paid to date; all future forms, reports, fees and other documents necessary for Tenant to comply with applicable laws will be filed by Tenant when due; and such persons are duly authorized by the board of directors, partnership agreement or other applicable authority of such entity to execute and deliver this Lease on behalf of the Tenant. Attached hereto and made a part hereof is (a) a certificate of good standing, dated within sixty (60) days prior to the Lease Date, issued by the jurisdiction in which Tenant is organized, and (b) one or more of the following confirming the authorization and due execution of this Lease by Tenant: (i) a certificate of Tenant's Secretary if Tenant is a corporation; or (ii) a consent of the general partners if Tenant is a partnership, or (iii) a certified copy of the Articles of Organization, operating agreement or other evidence satisfactory to Landlord evidencing the authority of the members of a limited liability company executing this Lease on behalf thereof. If Tenant fails to deliver to Landlord any of the items described in clauses (a) or (b) above on or before the date submits this Lease to Landlord for execution, then Landlord may, at its option, elect (to the extent such documents or information is available from governmental or other sources) to obtain any such items which Tenant has failed to deliver, in which event Tenant shall reimburse Landlord for all costs and expenses incurred in obtaining such items plus an additional processing fee of three times the Landlord's actual cost of obtaining such items to compensate Landlord for the administrative work in performing Tenant's obligations under this Article 47.

48. SURVIVAL. Notwithstanding anything to the contrary contained in this Lease, the expiration of the Term of this Lease, whether by lapse of time or otherwise, shall not relieve a party from its obligations accruing prior to the expiration of the Term.

49. LANDLORD'S RIGHTS. In addition to Landlord's rights of self-help set forth elsewhere in this Lease or as provided by law or by equity, if Tenant at any time fails to perform any of its obligations under this Lease after any applicable notice and cure period, Landlord shall have the right, but not the obligation, to perform, or cause to be performed, such obligations on behalf and at the expense of Tenant and to take all such action Landlord deems appropriate to perform or cause to be performed such obligations on behalf and at the expense of Tenant and to take all such action which Landlord deems appropriate to perform such obligations. Landlord's costs and expenses incurred with respect to curing any default of Tenant, and any costs and expenses incurred by Landlord as a direct result of any default of Tenant (whether or not cured by Tenant) shall, upon demand, be paid for by Tenant as Additional Rent. In performing or causing the performance of any such obligations of Tenant, Landlord shall incur no liability for any loss or damage that may accrue to Tenant, the Premises or Tenant's Property by reason thereof. The performance by Landlord of any such obligations shall not constitute a release or waiver of any of Tenant's obligations under this Lease. Tenant shall reimburse Landlord upon demand for any costs or expenses, including attorney fees, incurred by Landlord in connection with the enforcement of Tenant's obligations hereunder or otherwise incurred by Landlord in connection with any judicial proceedings regarding the rights and obligations of Tenant under this Lease. Any and all costs or expenses incurred by Landlord pursuant to the provisions hereof shall be considered as Additional Rent hereunder.

50. OFAC CERTIFICATION. Tenant hereby certifies, warrants, represents and covenants to and for the benefit of Landlord as follows: (a) Tenant and each of its subsidiaries, predecessors, agents, direct and indirect owners and their respective affiliates ("**Tenant Parties**") have at all applicable times been, is now and will in the future be, in compliance with U.S. Executive Order 13224 and no action, proceeding, investigation, charge, claim, report or notice has been filed, commenced or threatened against any of the Tenant Parties alleging any failure to so comply; (b) neither the Tenant Parties nor any Guarantor or any of such Guarantor's agents, subsidiaries or other affiliates has, after due investigation and inquiry, knowledge or notice of any fact, event, circumstance, situation or condition which could reasonably be expected to result in any action, proceeding, investigation, charge, claim, report or notice being filed, commenced or threatened against any of them alleging any failure to comply with the Order, or the imposition of any civil or criminal penalty against any of them for any failure to so comply; (c) Tenant is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation, that is enforced or administered by the Office of Foreign Assets Control; (d) Tenant is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group or entity. Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certifications.

51. SPECIAL STIPULATIONS. The terms, covenants and conditions set forth in any Articles of this Lease numbered higher than this Article 51 ("**Special Stipulations**") are intended to supplement and, in certain events, modify or vary, the other provisions set forth in the foregoing provisions of this Lease. If any of the Special Stipulations conflict with any of the foregoing provisions of this Lease, the provisions set forth in the Special Stipulations shall control; provided, however, that to the extent the preceding portions of this Lease may be read in a manner which will not conflict with the provisions of the Special Stipulations, then such interpretation shall be deemed to be the correct interpretation of the provisions of this Lease and the Special Stipulations.

52. BROKER. Landlord shall pay the complete commission due in connection with this Lease to Scheer Partners, Inc. and Eagle Real Estate Group LLC (collectively, the "**Broker**") pursuant to a separate written agreement between Landlord and Broker. Except in regard to Broker, Landlord and Tenant represent to each other that they have not dealt with any broker(s) or finder(s) concerning this Lease. Landlord and Tenant mutually agree to defend and hold each other harmless against any claims of any person or entity involving a breach of the representation contained in this Article 52. In the event of such a claim by any person or entity, the party against whom the claim is made or the litigation is commenced shall give reasonable notice to the other party with opportunity to such other party to defend against any claim for which indemnity will be sought under this Article 52. The foregoing indemnity and disclosure provisions are for the sole benefit of the parties

to this Lease, and nothing contained herein shall be deemed to make Broker a third party beneficiary of this Lease, or entitle Broker, or any other person or entity other than Landlord and Tenant, to enforce this Lease.

53. LANDLORD'S CONTRIBUTION. Effective on the Lease Date, Landlord agrees to contribute an amount equal to the lesser of (i) the actual amount expended by Tenant to perform Tenant's Work, or (ii) the sum of Five Million Five Hundred Sixty-Four Thousand Two Hundred Fifty-Four and 50/100 ($5,564,254.50) (the "**Landlord's Contribution**"). Landlord's Contribution will be payable to Tenant as set forth below.

(a) Tenant shall be entitled to be reimbursed from Landlord for Tenant's Work after the Lease Date at any time during the undertaking of Tenant's Work. Landlord shall reimburse Tenant in amounts equal to one hundred percent (100%) of the amounts expended by Tenant (subject to the terms and conditions herein) within thirty (30) days of receipt of a fully completed "**Tenant Draw Request**", substantially in the form attached hereto as **Exhibit M-1**, along with the following documentation:

(i) executed and notarized partial lien releases, on Landlord's form attached hereto as **Exhibit M-2**, from all contractors and subcontractors performing work on the Premises confirming payment for all work performed prior to the date of the partial release of lien;

(ii) copies of paid invoices for all work performed in the Premises prior to the date of the request for payment; and

(iii) a certificate of Tenant's architect, confirming that the work for which payment is being sought has been completed and the amount Tenant has expended in performing of Tenant's Work prior to the date of the request for payment.

(b) the final installment of the Landlord's Contribution (which may be of any dollar amount remaining of Landlord's Contribution) will be payable to Tenant within thirty (30) days from the date Tenant opens for business to the public in the Premises and delivers to Landlord each of the following:

(i) executed and notarized final lien releases, on Landlord's form, as attached as **Exhibit M-2**, from all contractors and subcontractors performing work on the Premises;

(ii) copies of paid invoices for all work performed in the Premises;

(iii) a Certificate of Occupancy for the Premises, if applicable; and

(iv) a written certification from Tenant confirming that Tenant has completed all of Tenant's Work in the Premises.

At no time shall Tenant make a request for reimbursement when the known cost (representing total construction commitments of Tenant in place) of Tenant's Work expected to be incurred for six (6) months following the date Tenant makes its request for reimbursement exceeds Landlord's Contribution, unless Tenant pays such amount in excess before making the request. Furthermore, in no event shall Landlord be required to reimburse Tenant for the last ten percent (10%) of Landlord's Contribution before Tenant has completed all of Tenant's Work in the Premises.

If Tenant does not requisition all of Landlord's Contribution in accordance with this Article 53 by December 31, 2024 (the "**Draw Request End Date**"), any unused portion of Landlord's Contribution not so requisitioned shall be retained by Landlord.

54. OPTION TO RENEW. Tenant shall have the option to renew the Term of this Lease for two (2) additional periods

of five (5) years each (each, an "**Option Term**") following the expiration of the initial Term (August 31, 2031), provided that this Lease is in full force and effect, the Tenant shall be in possession and occupying the Premises, and Tenant shall not be in default in the performance or observance of any of the terms, conditions, provisions and/or covenants of the Lease (beyond any applicable grace period granted in the Lease for curing same). All such rights of a renewal shall be exercised by delivery to Landlord of written notice of Tenant's intention to renew the Term at least twelve (12) months but not more than fifteen (15) months prior to the expiration of the then applicable Term of this Lease. The Option Term shall be on the same terms, covenants and conditions as the original Lease except (i) as to the number of Option Terms (if any) remaining, and (ii) that Base Rent for the Option Term shall be payable during the Option Term at the then Prevailing Market Rent (as defined below) of comparable space within the market area of the Building and parking fees (if any are provided for the then-current Lease, as amended) for the Option Term shall also be payable at the prevailing market rate. The Prevailing Market Rent shall be established as follows:

(a) Within fifteen (15) business days after receipt of Tenant's notice exercising its option to extend the Term of this Lease, Landlord shall notify Tenant of Landlord's estimate of Prevailing Market Rent. If Tenant disagrees with Landlord's estimate of Prevailing Market Rent, Tenant shall, within fifteen (15) days after receipt of Landlord's estimate of Prevailing Market Rent, notify Landlord that it has elected to submit the determination of Prevailing Market Rent to arbitration, in which event the provisions of subparagraph (b) of this Article 54 shall govern the selection of arbitrators and the establishment of the Prevailing Market Rent payable for the first year of the then applicable Option Term; provided, however, that if Tenant does not elect to submit the determination of Prevailing Market Rent to arbitration during such fifteen (15) day period, then the Landlord's estimate of Prevailing Market Rent shall be deemed to be agreed to by Tenant, and shall be the Base Rent payable by Tenant to Landlord during the first year of the then applicable Option Term.

(b) As used herein, the term "**Prevailing Market Rent**" means the most probable rent (as determined pursuant to the appraisal procedure hereinafter set forth) at which the Premises would be leased in a comparable and open market, under all conditions requisite to a fair flex space lease, the Landlord and Tenant each acting prudently, knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the consummation of a lease beginning on the commencement date of the Option Term under conditions whereby:

(i) Landlord and Tenant are typically motivated (i.e., neither party is compelled to enter into a lease and both parties are willing to enter into a lease).

(ii) Both parties are well informed or well advised, and each acting in what it considers its own best interest.

(iii) A reasonable time is allowed for exposure in the open market.

(iv) The Prevailing Market Rent shall be computed as an amount equal to the then prevailing market rental rate of the Premises, as if vacant with the then existing improvements, and taking into account annual adjustments of Base Rent, Tenant's obligation to pay Tenant's pro-rata share of Annual Operating Expenses and all existing market factors.

(v) All of the terms, covenants and conditions of the Lease (except terms respecting the amount of Base Rent) remain in effect throughout the applicable Option Term.

(vi) If Landlord and Tenant fail to agree upon the Prevailing Market Rent as provided in this Article 54, within the time periods provided for herein, then Landlord and Tenant each shall give notice to the other setting forth both the name and address of a licensed real estate appraiser (hereinafter "**appraiser**") who shall be a M.A.I. Real Estate professional, not affiliated with Landlord or Tenant, with a minimum of ten (10) years' experience in commercial real estate appraisal in the Gaithersburg, Maryland commercial market, to make the determinations hereafter required. Each appraiser shall be instructed to calculate the Prevailing Market Rent as provided in each

of the foregoing sections which is the subject of the dispute and is in accordance with the criteria referenced therein. If either party shall fail to give notice of such designations within ten (10) days after failing to agree between themselves, then the appraisal made by the appraiser so designated shall be the Appraisal Prevailing Market Rent. If two appraisers have been designated, such two appraisers shall consult with each other and, within thirty (30) days thereafter, issue their determinations of Prevailing Market Rent in writing, and give notice thereof to each other and to Landlord and Tenant. If such two appraisers shall concur as to the determination of the Prevailing Market Rent and submit their decision in writing to Landlord and Tenant, such concurrence shall be final and binding upon Landlord and Tenant. If the two determinations of Prevailing Market Rent are within five percent (5%) (measured from the higher appraisal) of each other, the Prevailing Market Rent shall be deemed to be the average of the two appraisers' determinations. If such two appraisers' determinations do not so concur or coincide, then such two appraisers shall immediately (i) designate a third appraiser, (ii) prepare detailed written appraisals, and (iii) submit copies of such appraisal to Landlord, Tenant and such third appraiser. If the two appraisers shall fail to agree upon the designation of such third appraiser within five (5) days of the date on which the last determination was rendered, then either party may apply to the American Arbitration Association or any successor thereto having jurisdiction, for the designation of such appraiser. The third appraiser shall have qualifications consistent with those specified for the Landlord's and Tenant's appraisers in this Article 54. The third appraiser shall conduct such hearings and investigations as he may deem appropriate and shall, within twenty (20) days after the date of designation of the third appraiser, choose the determination of the two appraisers originally selected by the parties which is the nearest to the determination such third appraiser would have made acting alone and applying the standards set forth for establishment of Prevailing Market Rent in this Lease, and the choice of the third appraiser shall be binding upon Landlord and Tenant. Each party shall pay its own counsel fees and expenses, if any, in connection with any arbitration under this Article 54, including the expenses and fees of any appraiser selected by it in accordance with the provisions of this Article 54, and the parties shall share equally all other expenses and fees of any such arbitration, including the expenses of the third appraiser. The determination rendered in accordance with the provisions of this Article 54 shall be final and binding in fixing the Prevailing Market Rent.

55. RIGHT OF FIRST OFFER. Subject to the rights of existing tenants, and provided (i) Tenant is not then in default (beyond any applicable cure period) in any of its obligations under this Lease, and (ii) Landlord desires to lease the Option Space (hereinafter defined) to any party other than the party then occupying the Option Space, Landlord agrees that, during the Term of this Lease, including any Option Term, Tenant shall have the ongoing right of first offer to enter into a lease of certain other premises within 201 Perry Parkway, 203 Perry Parkway, and/or 207A Perry Parkway, as designated on **Exhibit A-1** as "Option Space" (the "**Option Space**") in accordance with the terms and conditions set forth in this Article 55, as follows:

(a) Landlord shall, prior to entering into a lease for the Option Space, send to Tenant a notice of the availability of such space and the terms and conditions under which Landlord proposes to lease the Option Space to Tenant (the "**Offer Notice**").

(b) Within ten (10) business days after Tenant's receipt of the Offer Notice, Tenant shall notify Landlord that Tenant either (i) agrees to lease the Option Space under the terms described in the Offer Notice, or (ii) does not desire to lease the Option Space under the terms described in the Offer Notice. A failure by Tenant to timely elect the option described in clauses (i) or (ii) above shall be deemed to be a waiver by Tenant of any further right to lease the Option Space under this Article 55.

(c) If Tenant exercises its option to lease the Option Space under this Article 55, then Tenant shall execute a lease amendment embodying the terms set forth in the Offer Notice, within ten (10) business days after Landlord submits any such lease amendment to Tenant. Said lease amendment shall provide that the following terms and conditions shall apply to the Option Space:

(i) Tenant agrees to accept the Option Space "as is" in its then existing condition and Landlord shall

have no construction obligations with respect thereto, unless an allowance for renovation of the Option Space was specified in the Offer Notice, in which event such provisions respecting such allowance shall be included in the lease amendment; and

(ii) The Base Rent for the Option Space shall be the Base Rent for the Option Space set forth in the Offer Notice.

(d) Landlord may, at its option, in lieu of a narrative description of the terms to be described in the Offer Notice, submit to Tenant a lease amendment document setting forth the terms of a proposed lease amendment, in which event Tenant's exercise of its option to lease the Option Space shall be made by Tenant's execution of such lease amendment document and its return to Landlord within the applicable time periods set forth in paragraph (b) or (c) of this Article 55. If Landlord does not submit a lease amendment document to Tenant at the time the Offer Notice is given, and Tenant exercises its option to lease the Option Space under such terms, then Tenant shall execute a lease embodying the terms set forth in the Offer Notice within ten (10) days after Landlord submits any such lease to Tenant, as provided in paragraph (c) above.

(e) Tenant shall have no further right to lease the Option Space under this Article 55 after Landlord enters into a lease of the Option Space with another tenant in accordance with this Article 55.

(f) Tenant's right to lease the Option Space shall be conditioned upon Tenant's full and complete compliance with all of the terms and conditions of this Lease prior to the date of any Offer Notice, and Tenant's option to lease the Option Space shall terminate when the Term of this Lease expires or terminates.

(g) Time shall be of the essence with respect to Tenant's right of first offer under this Article 55.

(h) Regardless of any election of Tenant to lease the Option Space, this Lease shall nonetheless remain in full force and effect until the expiration date provided herein.

(i) Notwithstanding anything in this Article 55 to the contrary, in no event will Tenant be obligated to have the Lease term for such Option Space extend beyond the initial Lease Term, nor shall Landlord be obligated to accept a Lease term having a duration of less than three (3) years, provided, however, that if such Option Space becomes available at any time after September 1, 2028, and Tenant desires to lease same, Tenant shall have the right to exercise its option to renew the Lease for the Premises earlier than permitted by Article 54 herein, so that it may lease the Option Space and the term for both the Premises and the Option Space shall be the same duration and expire on the same day, and in such event, all of the applicable terms of Article 54 of the Lease shall apply.

56. ENVIRONMENTAL/HAZARDOUS MATERIALS.

(a) Landlord represents that, to the best of Landlord's knowledge, the Premises, the Building, and the Property are in compliance with all environmental laws in existence on the Lease Date, and that no hazardous materials are located within the Premises, except those stored by Tenant. No hazardous materials shall be stored or used in the Premises except substances customarily used in a laboratory environment, consistent with Tenant's approved use, as required for the operation of Tenant's business, as permitted under this Lease and listed on **Exhibit I** attached hereto, and any such hazardous materials shall be in amounts reasonably required for the operation of Tenant's Business and shall be stored and handled in strict compliance with applicable laws.

(b) Landlord shall defend, indemnify, and hold Tenant harmless against and from any and all injuries, costs, expenses, liabilities, losses, damages, injunctions, suits, actions, fines, penalties, and demands of any kind or nature (including reasonable attorney fees) occasioned by or arising out of or relating to any environmental pollution, damage, condition or problem arising from the presence of any hazardous substances, asbestos or other toxic waste as defined in any federal, state, or municipal laws, rules, regulations, or ordinances in or about the Premises or the Building or the Property

in violation of law caused by the acts, omissions or negligence of Landlord, its agents, or employees and not caused by Tenant's acts, omissions or use of the Premises.

(c) Tenant shall defend, indemnify, and hold Landlord harmless against and from any and all injuries, costs, expenses, liabilities, losses, damages, injunctions, suits, actions, fines, penalties, and demands of any kind or nature (including reasonable attorney fees) occasioned by or arising out of or relating to any environmental pollution, damage, condition or problem arising from the presence of any hazardous substances, asbestos or other toxic waste as defined in any federal, state, or municipal laws, rules, regulations, or ordinances in or about the Premises or the Building or the Property in violation of law caused by the acts, omissions or negligence of Tenant, its agents, employees, subtenants or licensees and not caused by Landlord's acts, omissions or use of the Premises.

(d) Tenant represents that the list attached hereto as **Exhibit I** is a complete and accurate list of chemicals and hazardous materials, including estimated maximum quantities of each such material, which may be used and stored in or about the Premises. The amounts of chemicals and hazardous materials will be limited to quantities necessary for the Tenant's day-to-day operations. Tenant will, within two (2) business days after written request by the Landlord, provide the Landlord with an updated list of chemicals and a certification of all hazardous materials (including the quantities of all such chemicals and materials) located within the Premises. If Tenant's operations change and additional materials or chemicals and/or quantities significantly larger than those stipulated in **Exhibit I** are required for Tenant's operation, Tenant shall notify Landlord in writing not less than five (5) business days prior to bringing any such materials or chemicals to the Premises.

(e) After the expiration or earlier termination of the Lease, Landlord may engage its environmental consultant, Environmental Management Group, or another environmental consultant satisfactory to Landlord to perform a Phase I environmental assessment of the Premises and any surrounding areas of the Property designated by Landlord or the Environmental Consultant. The cost of the above described Phase I assessments shall be paid by Landlord unless the assessment indicates that Tenant did not comply with the provisions of this Article 56 and/or applicable Legal Requirements governing Tenant's use, storage, and disposal of chemicals and hazardous materials in which event Tenant shall reimburse Landlord as additional rent for the cost of the assessment and remediation.

(f) Landlord, at Landlord's sole cost and expense, shall have the right, on one (1) occasion during each Lease Year to have Landlord's environmental consultant inspect the Tenant's records and procedures regarding the Tenant's storage, use, and disposal of chemicals and hazardous materials within the Premises. In the event that the Landlord's environmental consultant finds that the Tenant is not in compliance with the provisions of this Article 56 and/or any applicable Legal Requirement regarding the storage, use, or disposal of chemicals or hazardous materials, such non-compliance shall constitute a non-monetary default under this Lease, and shall entitle Landlord to pursue any remedies available under this Lease, and/or at law or in equity, and/or otherwise available under applicable statutes related to hazardous substances or materials.

57. GENERATOR A. Subject to the provisions of this Lease and federal, state and local laws, ordinances and regulations, Tenant may place on a temporary basis one (1) portable emergency generator and associated fuel cell up to a 800kW and other necessary technology and switchgear as shown on **Exhibit J** attached hereto (the "**Generator A**") in a location in the rear of the Premises as shown on the drawing attached hereto as **Exhibit K** (hereinafter referred to as the "**Generator A Area**"). Tenant may only place Generator A in the Generator A Area when regular electric service is interrupted due to an emergency power failure. Tenant shall transport Generator A using the type of trailer (the "**Trailer**") referenced in **Exhibit J** and Generator A shall remain securely fastened to such Trailer during all times when Generator A is at the Premises. Tenant shall not unreasonably interfere with or impede the free flow of pedestrian and vehicular traffic on the common areas of the Building or any overhead doors of other tenants in the Building. During any time when Generator A is at the Premises, Tenant, at its sole cost and expense, shall maintain Generator A and the areas immediately adjacent to Generator A in conformance with all applicable laws and regulations and otherwise in a safe, clean and orderly manner. During times when Generator A is at the Premises, Generator A shall be deemed to be a part of the Premises for all purposes of the Lease.

Notwithstanding anything contained herein to the contrary, Generator A shall not be deemed to be a part of the Premises for the purposes of Article 3, Article 4, or Article 5. All local, state or federal permits necessary for the installation and use of Generator A shall be obtained by the Tenant at Tenant's sole cost and prior to the use herein contemplated. Tenant shall have its public liability and other insurance policies, including environmental pollution and gradual contamination coverage added, if not already obtained, and endorsed to include Generator A as a part of the Premises. During any time when Generator A is at the Premises, Tenant shall also keep Generator A and the areas immediately surrounding Generator A free and clear of trash and rubbish. Tenant shall indemnify and hold Landlord harmless from and against any and all claims, demands, actions, liabilities, costs or expenses, including reasonable attorney fees, arising out of the installation, maintenance, repair, use or operation or arising out of any accident, injury or damage to any person or property which shall or may happen in or upon Generator A.

(a) Generator A shall be installed at the sole cost and expense of Tenant. Generator A shall be used solely in connection with Tenant's business operation in the Premises when there is a power failure, and shall not be used by any other party or at any other time by Tenant. Generator A may be connected to the Building only by an electrical connection of Generator A to an approved electrical receptacle suitable for exterior use, while Generator A is in use for emergency power. Generator A, Trailer and associated equipment may not be attached or tethered to the Building or Property in any other manner. The Trailer may be secured against theft using the wheel locks provided by the manufacturer, only if Tenant has a key to such locks on the Premises at all times while the Trailer/Generator A is on the Property.

(b) Prior to the commencement of work, Tenant will submit appropriate plans, details, and specifications for approval by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. The installer will run all conduit inside the Building. Tenant acknowledges that conduit and switches already installed by Tenant were placed without Landlord's approval, and, notwithstanding anything to the contrary in the Lease, Tenant agrees to remove all exterior conduit and switch equipment from the Building exterior at the end of the Term. Notwithstanding anything to the contrary in the Lease, the Building exterior will be restored to the satisfaction of Landlord at Tenant's expense at the end of the Term.

(c) Tenant shall repair promptly, at its own expense, any damage to the Generator A Area or the Building, caused by the use, maintenance, installation, or removal of Generator A or by the negligence of Tenant or Tenant's employees, agents, contractors or subcontractors. Tenant agrees to assume all costs for the temporary relocation of Generator A if such relocation is required in connection with the repair or maintenance of the Building, Generator A Area or Generator A. Tenant shall use commercially reasonable efforts to surrender the Generator A Area and the immediately adjacent areas thereto to Landlord within forty-eight (48) hours of the restoration of power, and if applicable, at the expiration or earlier termination of the Term hereof, in at least as good condition as existed on the date hereof, excepting only depreciation caused by ordinary wear and tear. Prior to the expiration of the Term, Tenant agrees to remediate, in compliance with all applicable federal, state and local governmental laws, ordinances and regulations, any contaminated soil within the Generator A Area and Premises contaminated by any environmental pollution, damage, condition or problem, the presence of any petroleum product (or any fraction thereof), hazardous substances, asbestos or other toxic waste as defined in any federal, state or municipal governmental or quasi-governmental laws, rules, regulations, or ordinances resulting from Generator A. Upon the removal of Generator A in conjunction with soil remediation (if any) as required by the foregoing sentence, Tenant shall obtain from all applicable governmental agencies a "Closure Letter", "No Further Action" letter, or their equivalent (if any) together with any other clearances or approvals required by such governmental agencies and provide such documentation to Landlord.

(d) Landlord assumes no liability or responsibility for interference with Generator A.

(e) Tenant's selection of a contractor to perform such work shall be subject to Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed.

(f) The obligation of Tenant set forth in this Article 57 shall survive the expiration or other termination of this Lease.

(g) All contractors and subcontractors are to be licensed and bonded. Tenant will provide the Landlord with a copy of each contractor's and/or subcontractor's license and a certificate of insurance from each contractor and/or subcontractor which names Saul Holdings Limited Partnership, Saul Centers, Inc., and Windham Management Company as additional insured. This requirement applies to installing contractors, subcontractors and to any equipment rental vendors on an ongoing basis. Tenant will ensure that its contractors, subcontractors and vendors adhere to Building rules and regulations at all times. A work schedule for the installation will be provided to Landlord prior to work commencement.

(h) Landlord represents that, to the best of Landlord's knowledge, the Generator A Area was in compliance with all environmental laws in existence on November 24, 2015, and that no hazardous materials were located within the Generator A Area in violation of applicable environmental laws as of November 24, 2015.

58. GENERATORS. Subject to the provisions of this Lease and federal, state and local laws, ordinances and regulations, Tenant may install up to four (4) emergency generators and associated above ground fuel cell up to eight hundred (800) KW per generator and other necessary technology and switchgear (of which the parties acknowledge that two [2] of such generators are currently in place) (collectively, the "**Generators**") in a location approved by Landlord (hereinafter referred to as the "**Generator Area**") in the back court area of the Premises, provided that the location of such Generators will not impact drainage, parking, the removal of trash, or any other activity occurring in such area; and, subject to Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed, install any underground or above ground conduits and/or cables required to electrically connect the Generators to Tenant's facilities and equipment. During the initial installation or subsequent maintenance or repair of the Generators, Tenant shall not unreasonably interfere with or impede the free flow of pedestrian and vehicular traffic on the Common Areas of the Building, and the time and methods of performing all such work on the Common Areas of the Building shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed. Tenant, at its sole cost and expense, shall maintain the Generators and the areas immediately adjacent to the Generators (to the extent affected by the Generators) in conformance with all applicable laws and regulations and otherwise in a safe, clean and orderly manner. The Generators shall be deemed to be a part of the Premises for all purposes of the Lease. Notwithstanding anything contained herein to the contrary, the Generators shall not be deemed to be a part of the Premises for the purposes of Article 3, Article 4 or Article 5 of the Lease. All local, state or federal permits necessary for the installation and use of the Generators shall be obtained by the Tenant at Tenant's sole cost and prior to the use herein contemplated. Tenant shall have its public liability and other insurance policies, including environmental pollution and gradual contamination coverage added, if not already obtained, and endorsed to include the Generators as a part of the Premises. Tenant shall also keep the Generators and the areas immediately surrounding the Generators free and clear of trash and rubbish and shall not obstruct the common areas in connection with the use of the Generators. Tenant shall indemnify and hold Landlord harmless from and against any and all claims, demands, actions, liabilities, costs or expenses, including reasonable attorney fees, arising out of the construction, maintenance, repair, use or operation or arising out of any accident, injury or damage to any person or property which shall or may happen in or upon the Generators, except to the extent caused by the gross negligence of Landlord and/or Landlord's employees or agents.

(a) The Generators shall be installed at the sole cost and expense of Tenant. The exact location of the two (2) additional Generators that Tenant may install shall be reasonably determined by Landlord in consultation with Tenant, and all construction and improvements related thereto are subject to Landlord's approval, which approval shall not be unreasonably withheld, conditioned, or delayed. The Generators shall be used solely in connection with Tenant's business operation in the Premises, and shall not be used by any other entity, except permitted Transferees.

(b) Tenant agrees to screen the Generators so it is not visible from the adjoining public streets. Prior to the commencement of work, Tenant will submit architectural and engineering plans, details, and specifications for approval by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed.

(c) Tenant shall repair promptly, at its own expense, any damage to the Generator Area or the Building, caused by the use, maintenance, installation, or removal of the Generators, except to the extent caused by the gross negligence of

Landlord and/or Landlord's employees and agents. The Generator Area and the immediately adjacent areas thereto shall be surrendered to Landlord at the expiration or earlier termination of the term hereof, in at least as good condition as existed on the date hereof, excepting only ordinary wear and tear. In addition, at the expiration or earlier termination of the term hereof, unless Landlord confirms in writing that the Generators can remain and Tenant elects to leave it, prior to the expiration of the term, Tenant shall remove the Generators. Prior to the expiration of the term, Tenant agrees to remediate, in compliance with all applicable federal, state and local governmental laws, ordinances and regulations, any contaminated soil within the Generator Area and Premises contaminated by any environmental pollution, damage, condition or problem, the presence of any petroleum product (or any fraction thereof), hazardous substances, asbestos or other toxic waste as defined in any federal, state, or municipal governmental or quasi-governmental laws, rules, regulations, or ordinances resulting from the Generators. Upon the removal of the Generators in conjunction with soil remediation (if any) as required by the foregoing sentence, if required by applicable law, Tenant shall obtain from all applicable governmental agencies a "Closure Letter", "No Further Action" letter, or their equivalent (if any) together with any other clearances or approvals required by such governmental agencies and provide such documentation to Landlord.

(d) Landlord reserves the right to relocate the Generators and associated transmission conduits and cables, at Landlord's expense, at any time during the term of the Lease, to another location which will not unreasonably interfere with the satisfactory operation of the Generators, provided that such relocation does not result in deterioration of transmission of electricity or unreasonably interfere with Tenant's business (e.g., Landlord agrees to provide Tenant with a comparable back-up generator, at Landlord's expense, for Tenant's use during the period of any relocation of the Generators). Landlord shall give Tenant at least ninety (90) days prior notice to prepare for such relocation.

(e) Landlord assumes no liability or responsibility for interference with the Generators, except to the extent such interference is caused by the gross negligence of Landlord and/or Landlord's employees and agents.

(f) Tenant's selection of a contractor to perform such work shall be subject to Landlord's approval, which approval shall not be unreasonably withheld, conditioned or delayed.

(g) As long as the Generator Area is outside of the Building and located on the ground, Tenant shall be allowed to access the Generator Area and associated equipment, wiring, piping, and ducts for the purposes of maintenance and repair at all times.

(h) The obligation of Tenant set forth in this Article 58 shall survive the expiration or other termination of this Lease.

(i) In the event that Landlord determines in its reasonable discretion that the Generator Area is not being properly maintained as set forth in this Article 58, then Landlord shall notify Tenant to correct such deficiency within forty-eight (48) hours after such notice. In the event that such deficiency remains uncorrected after such forty-eight (48) hour cure period, then Landlord may immediately enter the Generator Area to correct such deficiency and Tenant shall pay Landlord, as Additional Rent, the costs incurred in correcting such deficiency.

(j) All contractors and subcontractors are to be licensed and bonded. Tenant will provide the Landlord with a copy of each contractor's and/or subcontractor's license and a certificate of insurance from each contractor and/or subcontractor which names Saul Holdings Limited Partnership, Saul Centers, Inc., and Windham Management Company as additional insured. This requirement applies to installing contractors, subcontractors, and to any equipment rental vendors on an ongoing basis. Tenant will ensure that its contractors, subcontractors, and vendors adhere to Building rules and regulations at all times. A work schedule for the installation will be provided to Landlord prior to work commencement.

59. LANDLORD'S WORK. Landlord, at Landlord's sole cost and expense (including, but not limited to, all sales taxes, permit fees, and approval costs incurred in Landlord's Work [as hereinafter defined]), shall (i) install a new EPDM roof on each building of the Premises with an R-Value of R-30 and a twenty (20) year NDL manufacturer's warranty

("**Landlord's Roof Work**"), (ii) add two (2) additional handicap access spaces and other related work in front of Tenant's main entrance in the location provided on **Exhibit E**, and (iii) upon direction from Tenant received within thirty (30) days of the Lease Date, undertake repairs, as necessary, to insure the Premises windows shall be weather-tight (collectively "**Landlord's Work**"). Landlord's Work shall be completed with new materials in a good and workmanlike manner, free from all faults and defects, and in compliance with all applicable laws, regulations, codes, and ordinances. Landlord's Roof Work for each building of the Premises will commence within thirty (30) days after Tenant completes its HVAC work on the roof of the applicable building of the Premises and Tenant notifies Landlord of same ("**Tenant's Notice**"), weather permitting, subject to force majeure. Landlord's Roof Work for each applicable building shall be completed within one hundred eighty (180) days of the date of Tenant's Notice, weather permitting, subject to force majeure. The parties shall meet to coordinate the completion of Tenant's HVAC work and the installation of the new roof by Landlord. After Landlord installs the new roof, Tenant shall be responsible for any repairs pertaining to Tenant's HVAC work that is needed that is not caused by Landlord's installation of the roof, and Tenant shall use Landlord's roofing contractor. Once Landlord notifies Tenant that Landlord's Work has been completed, Landlord and Tenant shall set up a walk-through to review such work and Landlord shall complete any punch list items requested by Tenant within thirty (30) days from such walk-through.

If Tenant shall be delayed in completing Tenant's Work due to the action or inaction of Landlord (such action or inaction of Landlord, including, but not limited to, any delays caused by Landlord in connection with the undertaking of Landlord's Work) or force majeure, then the Draw Request End Date (as defined in Article 53) shall be extended day-to-day for the duration of the delay to Tenant's Work. Tenant shall notify Landlord within five (5) days of an event of delay by Landlord or force majeure.

60. GAS LINE/ADDITIONAL POWER. Landlord shall assist, at no out-of-pocket cost to Landlord, Tenant in seeking the (i) installation of a natural gas line, if possible, that services the Premises, and/or (ii) additional power from the applicable utilities companies serving the building located at 207 Perry Parkway, and such assistance shall include, but not be limited to, providing consents (written and otherwise) needed to effectuate such service without requiring a fee from Tenant.

61. INTENTIONALLY DELETED.

62. COMMUNICATIONS EQUIPMENT. Tenant may install its communications equipment and related wiring and facilities (the "**Communications Equipment**") on the roof of the Premises in an area approved by Landlord, upon the following terms and conditions:

(a) The Communications Equipment shall be installed at the sole cost and expense of Tenant. The exact location of the Communications Equipment and all construction and improvements related thereto are subject to Landlord's approval, which shall not be unreasonably withheld, conditioned, or delayed.

(b) Tenant agrees to paint the Communications Equipment, as applicable, a color approved by Landlord and to screen the Communications Equipment so that it is not visible from adjoining properties or adjoining public streets.

(c) Tenant shall repair promptly, at its own expense, any damage to the Premises, the Building or the roof caused by the use, maintenance, installation, or removal of the Communications Equipment or by the negligence of Tenant or Tenant's employees, agents, contractors or subcontractors. The Communications Equipment shall be removed from the roof of the Premises, and the roof and adjacent areas shall be surrendered to Landlord at the expiration or sooner termination of the Term hereof, in as at least as good condition as existed on the Lease Date, excepting only depreciation caused by ordinary wear and tear. The Communications Equipment shall be used solely in connection with Tenant's business operation in the Premises, and shall not be used by any other party.

(d) Landlord reserves the right to relocate the Communications Equipment, at Landlord's expense, at any time during the term of this Lease, to another location which, in Landlord's and Tenant's reasonable judgment, will not

unreasonably interfere with the satisfactory operation of the Communications Equipment; provided, however, that if the Communications Equipment must be temporarily relocated to allow repairs to the Building or repairs or replacement of the roof, then the cost of such temporary relocation shall be paid by Tenant to Landlord as Additional Rent; it being agreed that Landlord shall provide reasonable advance notice of any such repairs and that Tenant may require that Landlord's repair personnel be supervised by Tenant's security personnel during any such repairs.

(e) Landlord assumes no liability or responsibility for interference with the Communications Equipment caused by the construction of additional buildings on the Property or at Avenel Business Park. Tenant agrees to assume all costs for relocation of the Communications Equipment if such relocation is required as a result of the construction of additional buildings on the Property or at Avenel Business Park.

(f) The Communications Equipment and areas of the roof used by Tenant in connection therewith shall be deemed to be a part of the Premises for purposes of Articles 7, 8, 9, 13, 17, 18, 19, and 27 of this Lease and Tenant shall include the Communications Equipment within the coverage of all insurance policies required to be maintained by Tenant under this Lease.

(g) As of the Lease Date, Tenant's existing Communications Equipment on the roof of the Premises is hereby approved by Landlord.

63. TENANT'S DOCUMENTS OR PLANS. Landlord acknowledges that Tenant may need Landlord to review and execute certain documents related to Tenant's Work at the Premises. Landlord's failure to approve, comment, or refuse approval of Tenants plans and specifications, or sign, comment, or refuse to sign any documents submitted by Tenant within thirty (30) days after receipt of Tenant's plans and specifications, or documents, as applicable, shall be deemed to be Landlord's approval only if Tenant's notice requesting Landlord's approval contains the following provision in large, contrasting type: **"LANDLORD'S FAILURE TO APPROVE, COMMENT, OR REFUSE APPROVAL OF THE ATTACHED PLANS AND SPECIFICATIONS, OR DOCUMENTS, AS APPLICABLE, WITHIN THIRTY (30) DAYS AFTER LANDLORD'S RECEIPT OF THIS NOTICE SHALL BE DEEMED TO BE LANDLORD'S APPROVAL OF THE ATTACHED PLANS AND SPECIFICATIONS, OR DOCUMENTS, AS APPLICABLE."**

64. LANDLORD DEFAULT.

(a) If Landlord defaults in its obligations to maintain and repair the Premises in accordance with the provisions of this Lease, and such failure of Landlord will (x) have a material adverse effect on Tenant's ability to operate its business in the Premises, or (y) result in the imposition of a lien upon the Premises or the Building which will interfere with Tenant's rights under this Lease, or (z) cause Landlord to be in default of the covenant of quiet enjoyment provided for in this Lease, and any such failure continues for a period in excess of thirty (30) days after Landlord receives Tenant's written notice of such default, then Tenant may, at its option and at its risk, perform any such maintenance or repairs or pay on Landlord's behalf any sums reasonably required to cure any such default of Landlord; provided, however, that if any such default of Landlord cannot with due diligence and commercially reasonable efforts be cured by Landlord within the thirty (30) day period after receipt of Tenant's notice, the period for cure by Landlord shall be extended if, within such thirty (30) day period Landlord commences and thereafter diligently pursues the cure of any such default.

(b) The reasonable costs incurred by Tenant in curing any default of Landlord in accordance with paragraph (a) above shall be reimbursed to Tenant by Landlord within thirty (30) days after Landlord's receipt of (i) Tenant's invoice for such costs, and (ii) copies of paid invoices for all such work or expenses incurred, and (iii) if applicable, lien waivers from all contractors, subcontractors, material suppliers or other parties having lien rights involved in the performance of such work on the form attached as **Exhibit M-2**. Tenant shall defend, indemnify and save Landlord harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to or interference with property or the premises of other tenants arising from or out of any exercise of any rights granted to Tenant under this Article 64.

65. ACCESS. Landlord shall provide Tenant with full access to the roof, all utility areas in the Building, and all electrical cabinets in the Building at all times, which shall include providing Tenant the relevant access keys and/or codes relating to same. Tenant may access the roof, all utility areas in the Building, and all electrical cabinets in the Building at any time in its sole discretion and at its sole risk. Tenant shall make all repairs to the roof, all utility areas in the Building and all electrical cabinets in the Building caused by Tenant, its employees, agents, contactors, subcontractors or other invitees. Tenant shall notify Landlord of any damage caused by Tenant or caused on its behalf before performing any repairs. Tenant shall indemnify Landlord and hold it harmless against any and all expenses, liens, claims or damages to either property or person which may or might arise by reason of Tenant having access to the roof, all utility areas in the Building, and all electrical cabinets in the Building. Tenant shall not make any alterations or store anything on the roof, in any utility area in the Building or in the electrical cabinets in the Building except in accordance with plans reasonably approved by Landlord. Except for Landlord's obligation to replace the roof as provided in Article 59 above, Tenant accepts the roof, all utility areas in the Building and all electrical cabinets in the Building in their "as is" condition. To the best of Landlord's knowledge, the utility areas and electrical cabinets comply with applicable laws and codes. Notwithstanding anything herein to the contrary, Tenant shall provide Landlord with prior notice via email or telephone call to the property manager before Tenant accesses any of these locations.

66. OUTDOOR AREA. Subject to federal, state, and local laws, ordinances, and regulations, Tenant may utilize as a seating area only the exterior areas approved by Landlord (hereinafter referred to as the "**Outdoor Area**"), which shall be located in the general areas outlined on **Exhibit N** attached hereto and made a part hereof. The Outdoor Area shall be used solely for the purpose of an outdoor seating area (which shall include the consumption of food and having gatherings) and for no other purposes whatsoever. Tenant may use tables, chairs, and table umbrellas in the Outdoor Area. Tenant shall not impede the free flow of pedestrian traffic or egress from doors near the Outdoor Area. Tenant, at its sole expense, shall maintain the Outdoor Area daily in a clean and orderly manner. All work in the Outdoor Area by Tenant shall be performed in accordance with plans approved by Landlord as provided in Article 9. The Outdoor Area shall be deemed to be a part of the Premises for all purposes of the Lease. The Outdoor Area shall not be deemed to be a part of the Premises for purposes of Article 3, 4, 5, or 6, or for calculating Tenant's Gross Area, Base Rent, or Additional Rent. Tenant shall use diligent efforts to ensure that Tenant's employees and invitees do not deposit trash and debris in the parking areas or other Common Areas of the Property. In the event Landlord reasonably determines, that the Outdoor Area is not being maintained in a clean and orderly manner, then Landlord may notify Tenant to clean the Outdoor Area within twenty-four (24) hours after notice. In the event the Outdoor Area remains unclean or disorderly, Landlord may immediately enter upon the Outdoor Area and correct any deficiencies that may exist and charge Tenant the cost of Landlord's work plus an additional fifteen percent (15%) supervisory fee.

All local, state or federal permits necessary for the use of the Outdoor Area shall be obtained by Tenant at Tenant's sole cost and expense and prior to the use herein contemplated. Tenant shall have its public liability and other insurance policies endorsed to include the Outdoor Area as a part of the Premises.

[REMAINDER OF PAGE INTENTIONALLY BLANK]
[SIGNATURE APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and year first above written.

ATTEST/WITNESS

Amy E. Spencer
Assistant Secretary

LANDLORD: Saul Holdings Limited Partnership
By: Saul Centers, Inc., General Partner

By: _____

Printed Name: B. Francis Saul II

Title: Chairman & Chief Executive Officer

ATTEST/WITNESS:

TENANT: GeneDX, Inc.

By: _____

Printed Name: Adam Logal

Title: Vice President

EXHIBIT B

RULES & REGULATIONS

1. No advertisement, or other notice, shall be inscribed, painted or affixed on any part of the outside or inside of said Building, except of such order, size and style, and at such places as shall be designated by Landlord. All signs will be supplied for tenants by Landlord, the cost of the signs to be charged to and paid for tenants.

2. The sidewalks and entry passages shall not be obstructed by tenants, or used by them for any purpose other than for ingress and egress. The floors, and skylights and windows that reflect or admit light into any place in said Building, shall not be covered or obstructed by tenants. The water closets and other water apparatus, shall not be used for any other purpose than those for which they were constructed and no sweepings, rubbish, or other obstructing substances shall be thrown therein. Any damage resulting to them, or to associated systems, from misuse, shall be repaired by tenant who, or whose clerks, agents, invitees, or servants shall cause it.

3. No tenant shall do or permit to be done in said Premises, or bring or keep anything therein, which shall in any way obstruct or interfere with the rights of other tenants or in any way injure or annoy them. Tenants, their clerks and servants, shall maintain order in the Building, shall not make or permit any improper noise in the Building or interfere in any way with other tenants or those having business with them. Nothing shall be thrown by Tenants, their clerks or servants, out of the windows, doors or skylights of the Building. No rooms shall be occupied or used as sleeping or lodging apartments at any time. No part of the Building shall be used or in any way appropriated for gambling, immoral or other unlawful practices, and no intoxicating liquor or liquors shall be sold in said Building.

4. It is understood and agreed that the Landlord shall not be responsible to any tenant for any loss of property from rented premises, however occurring, except to the extent otherwise set forth in the Lease.

5. No animals shall be allowed in the office, halls, corridors, or elsewhere in the Building.

6. All tenants and occupants shall observe strict care not to leave their doors open when it rains or snows, and for any fault or carelessness in this respect shall make good any injury sustained by other tenants, and to Landlord for damage to paint, plastering or other parts of the Building, resulting from such default or carelessness. No alterations shall be made to any part of the Building by putting up or changing any partitions, doors or windows, nor shall there be any connection made to the electric wires or electric fixtures, or plumbing lines nor shall there be any penetrations through the walls, floor or roof without the consent in writing on each occasion of Landlord or its Agent. All glass, locks and trimmings in or upon the doors and windows of the Building shall be kept whole and, when any part thereof shall be broken, the same shall be immediately replaced or repaired and put in order under the direction and to the satisfaction of Landlord, or its Agent, and shall be left whole and in good repair. Tenant shall not injure, overload or deface the Building, the woodwork or the walls of the Premises, nor carry on upon the Premises any noisesome, noxious, noisy, or offensive business.

7. Not more than two keys for each office will be furnished without charge; the charge for additional keys shall be Five Dollars ($5.00) each. No additional locks or latches shall be put upon any door without written consent of Landlord. Tenants, at termination of their lease of the premises, shall return to Landlord, all keys to doors in the Building.

8. Landlord in all cases retains the power to prescribe the weight and position of iron safes or other heavy articles.

9. The tenant shall not (without the Landlord's prior written consent) install or operate any electric heating device, steam engine, boiler, machinery or stove upon the Premises (other than microwave ovens), or carry on any mechanical business thereon, or do any cooking thereon, or use or allow to be used upon the Demised Premises oil, burning fluids,

camphene, gasoline or kerosene for heating, warming or lighting. No article deemed extra hazardous on account of fire and no explosives shall be brought into said Premises. No offensive gases or liquids will be permitted.

10. If tenants desire blinds or window covering, other than those provided by Landlord, if any, they must be of such shape, color and material as may be prescribed by Landlord, and shall be erected with Landlord's prior consent and at the expense of said tenants. No awnings shall be placed on said Building.

11. Landlord reserves all vending rights. Request for such service will be made to Landlord.

12. Except for the storage of trash or rubbish in dumpsters provided by Landlord, Tenant shall not permit storage of any kind outside of the Premises.

13. Tenants and occupants shall observe and obey all parking and traffic regulations as imposed by Landlord on the Property. Landlord in all cases retains the power to designate "No Parking" zones, traffic right of ways, and general parking area procedures.

14. Tenant shall instruct all delivery companies that any vehicles making deliveries to the Demised Premises shall use the truck access road provided for such use and park only in designated loading areas.

15. Unless otherwise agreed upon, in writing, Landlord will arrange and contract for all heating, ventilating and air conditioning maintenance and repairs.

16. Unless otherwise approved by Landlord, in writing, neither Tenant, nor Tenant's agents, invitees, or contractors shall be permitted access to the roof of the Building.

17. The Landlord reserves the right to make such other rules and regulations as in its judgment may from time to time be needed for the safety, care and cleanliness of the Premises, and for the preservation of order therein.

18. Violation of these rules, or any amendments thereof or additions thereto, shall constitute a default under the Lease, unless timely cured in accordance with the provisions thereof.

In the event of any conflict between the provisions of these Rules and Regulations and the provisions of the Lease to which these Rules and Regulations are attached, the provisions of the Lease shall control.

EXHIBIT F

LANDLORD'S FEE SCHEDULE

Landlord Waiver:	$1,000.00
Non-Disturbance:	$1,000.00
Other Documents:	$1,000.00
Assignment/Sublease:	$1,000.00
Licenses/Permits:	$250.00 (if provided to Landlord more than 10 days before due); $500.00 (if provided to Landlord less than 10 days before due)

The above fee schedule is based on using Landlord's approved form. Any agreement not on Landlord's approved form shall be subject to a higher fee.

EXHIBIT G

CONSTRUCTION RULES AND REGULATIONS

AVENEL BUSINESS PARK
CONSTRUCTION REGULATIONS

1. Tenant, Tenant's contractors and subcontractors shall perform the Tenant's Work in accordance with the Construction Regulations herein described. Exhibit B, Rules and Regulations, are attached and incorporated herein.

2. The following tasks must be completed prior to the commencement of any work:

(a) Tenant will submit complete architectural plans and specifications to the Landlord for its review and reasonable approval as per the lease agreement.

(b) A copy of the City of Gaithersburg construction permit(s) will be delivered to the Landlord.

(c) Tenant's Contractor will review all existing conditions, including exterior conditions, and will submit a written report of any defects to the Landlord prior to commencing work.

(d) All contractors will submit a copy of a valid contractor's license to the Landlord.

(e) Tenant's Contractor will submit a written work schedule to the Landlord for its review and reasonable approval. Tenant will coordinate access to its premises directly with its contractors. Access to roof or utilities will be handled in accordance with Article 65 of the lease agreement.

(f) All contractors will provide an original Certificate of Insurance naming the Landlord as additional insured, as follows:

Landlord: Saul Holdings Limited Partnership
Address: Windham Management Company
7501 Wisconsin Avenue, Suite 1500E
Bethesda, Maryland 20814-6522

Location: Tenant Corporate Name
(Building Number) Perry Parkway, Suite Number
Gaithersburg, Maryland 20877

3. Intentionally Deleted.

4. The Tenant's Contractor may be charged a fee of $65.00 per hour for the Landlord to staff the building during after-hours work. When a request for after-hours work is made, the Landlord will determine if Landlord staff is required and then advise the Tenant's Contractor accordingly. If Landlord must staff the building for after-hours work, a minimum deposit of $500.00 must be paid to Landlord at least (1) business day prior to scheduled work.

5. A Landlord-approved roofing contractor must perform all alterations to the building roof. Any other contractors needing access to the roof will be handled in accordance with Article 65 of the lease agreement. The Landlord will inspect the roof after all such work and Contractor will be responsible for any repairs, debris or damage caused by its entry onto the

roof.

6. The work site shall be kept in an orderly manner at all times. All materials are to be stored within the premises. All rubbish and debris will be removed from the site and legally disposed. Use of Landlord's trash containers is prohibited. No outdoor rubbish containers may be installed without Landlord's prior approval.

7. All areas adjacent to work site shall be protected during construction, and if damaged during construction, shall be replaced to the original condition to include all associated costs of permit and design fees at Contractor's sole expense.

8. **A competent, full-time superintendent will be on site at all times to supervise the work. Subcontractors may not work without Contractor supervision.**

9. Violation of these rules, or any amendments thereof or additions thereto, shall be sufficient cause for termination of the Lease at the option of Landlord.

ACKNOWLEDGED AND ACCEPTED:

Tenant:	**Contractor:**
By:	By:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:

CORPORATE GUARANTY

FOR VALUE RECEIVED, and in consideration for, and as an inducement to Landlord to enter into the foregoing Lease with GeneDX, Inc., a New Jersey corporation, dated DECEMBER 16, 2019, ~~2019~~, the undersigned hereby guarantees to Landlord, its legal representatives, successors and assigns, the payment of the rent, tax rent, additional rent and all other payments to be made by Tenant under said Lease and the full performance and observance by Tenant of all the other terms, covenants, conditions and agreements (including the Rules and Regulations) therein provided to be performed and observed by Tenant for which the undersigned shall be jointly and severally liable with the Tenant, without requiring any notice of non-payment, non-performance or non-observance, or proof of notice or demand, whereby to charge the undersigned, all of which the undersigned hereby expressly waives, and the undersigned expressly agrees that Landlord may proceed against the undersigned separately or jointly before or after or simultaneously with proceeding against Tenant for default and that this guaranty shall not be terminated, affected or impaired in any way or manner whatsoever by reason of the assertion by Landlord against Tenant of any of the rights or remedies reserved to Landlord pursuant to the provisions of the said Lease, or by reason by summary or other proceedings against Tenant, or by the omission of Landlord to enforce any of its rights against Tenant, or by reason of any extension of time or indulgence granted by Landlord to Tenant. The undersigned further covenants and agrees (i) that it will be bound by all the provisions, terms, conditions, restrictions and limitations contained in said Lease, the same as though Guarantor was named therein as Tenant; and (ii) that this guaranty shall be absolute and unconditional and shall remain and continue in full force and effect as to any renewal, extension, option, amendment, additions, assignment, sublease, transfer, or other modification of said Lease, whether or not the undersigned shall have knowledge or have been notified of or agreed or consented to any such renewal, extension, option, amendment, addition, assignment, sublease, transfer, or other modifications of said Lease. Each signatory hereto shall be individually bound by the terms of this guaranty whether or not any other party or person has executed the same. If Landlord at any time is compelled to take any action or proceeding in court or otherwise to enforce or compel compliance with the terms of this guaranty, the undersigned shall, in addition to any other rights or remedies to which Landlord may be entitled hereunder or as a matter of law or in equity, be obligated to pay all costs, including attorneys' fees, incurred or expended by Landlord in connection therewith. All obligations and liabilities of Guarantor pursuant to this Guaranty shall be binding upon the successors and assigns of the undersigned signatory. Guarantor further agrees, at any time and from time to time, within five (5) days' after written notice by Landlord, to deliver to Landlord its most recent financial statement, which shall not, in any event, be more than ninety (90) days old. If Guarantor files quarterly and annual statements with the Securities and Exchange Commission, then Guarantor's most recent "10-Q" (or, if applicable, "10-K") statement shall be supplied to Landlord. If Guarantor has its financial statements audited on an annual basis, then Guarantor shall supply Landlord with its most recent audited statement and with its most recent unaudited financial statement, certified to be true and correct by Guarantor's chief financial officer. If Guarantor does not regularly have its financial statements audited, then Guarantor shall supply Landlord with its most recent unaudited financial information, certified to be true and correct by Guarantor's chief financial officer, which information shall not, in any event, be more than ninety (90) days old. If Guarantor does not regularly have financial statements prepared, then Guarantor shall supply Landlord with such financial information respecting the financial condition of Guarantor as Landlord may reasonable require including, without limitation, copies of Guarantor's state and federal quarterly and annual income tax reports and statements, certified to be true and correct by Guarantor or Guarantor's chief financial officer.

As further inducement to Landlord to make and enter into said Lease, and in consideration thereof, the Landlord and the undersigned covenant and agree that in any action or proceeding brought on, under or by virtue of this guaranty, the Guarantor shall and hereby does waive trial by jury. This guaranty shall be governed by and construed in accordance with the laws of the state in which the property demised under the said Lease is located.

If two or more individuals, corporations, partnerships, or other business associations (or any combination of two or more thereof) sign this Guarantor, the liability of each such individual, corporation, partnership or other business association to perform all obligations hereunder shall be deemed to be joint and several.

The undersigned Guarantor hereby certifies, warrants, represents and covenants to and for the benefit of Landlord

as follows: (a) The Guarantor and each of its subsidiaries, predecessors, agents, direct and indirect owners and their respective affiliates ("**Guarantor Parties**") have at all applicable times been, is now and will in the future be, in compliance with U.S. Executive Order 13224 and no action, proceeding, investigation, charge, claim, report or notice has been filed, commenced or threatened against any of the Guarantor Parties alleging any failure to so comply; (b) neither the Guarantor Parties or any of such Guarantor Parties' agents, subsidiaries or other affiliates has, after due investigation and inquiry, knowledge or notice of any fact, event, circumstance, situation or condition which could reasonably be expected to result in any action, proceeding, investigation, charge, claim, report or notice being filed, commenced or threatened against any of them alleging any failure to comply with the Order, or the imposition of any civil or criminal penalty against any of them for any failure to so comply; (c) The undersigned Guarantor is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation, that is enforced or administered by the Office of Foreign Assets Control; (d) The undersigned Guarantor is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group or entity. The undersigned Guarantor hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certifications.

WITNESS the following signatures this 2 day of December, 2019.

WITNESS:

Diane Smith

ADDRESS:

Bio-Reference Laboratories, Inc.
Attention: Legal Department
481 Edward H. Ross Drive
Elwood Park, New Jersey (NJ) 07407
Main Phone: (201) 791-2600

GUARANTOR: **Bio-Reference Laboratories, Inc., a New Jersey corporation**

By: _____

Printed Name: Adam Logal

Title: Vice President

Tax Identification Number: 22-2405059

Exhibit 10.16

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE ("**First Amendment**") is made and entered into this 5TH day of JANUARY 2022, ~~2021~~ ("**First Amendment Date**") by and between Saul Holdings Limited Partnership, a Maryland limited partnership (hereinafter referred to as "**Landlord**") and GeneDX, Inc., a New Jersey corporation (hereinafter referred to as "**Tenant**").

WHEREAS, Landlord and Tenant have entered into that certain Lease dated December 16, 2019 (the "**Lease**") for approximately eighty-three thousand six hundred seventy-three (83,673) rentable square feet of space (the "**Premises**") comprised of (i) approximately forty-seven thousand six hundred eighty-eight (47,688) rentable square feet known as Suite 1 in the building located at 205 Perry Parkway, Gaithersburg, Maryland 20877, and (ii) approximately thirty-five thousand nine hundred eighty-five (35,985) rentable square feet known as Suite 2 in the building located at 207 Perry Parkway, Gaithersburg, Maryland 20877 (collectively, the "**Building**"), situated on Phase I of the Avenel Business Park (the "**Property**").

WHEREAS, the parties hereto desire to enter into this First Amendment for the purposes hereinafter set out.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. HVAC MAINTENANCE. Tenant shall maintain the heating, ventilation and air conditioning equipment ("**HVAC**") installed as part of Tenant's Work (as set forth in Article 26 of the Lease) which serves the Premises and which is located on the roof or in another location in or around the Premises. Tenant shall keep the HVAC system in operating condition and shall procure the services of a licensed HVAC contractor, approved by Landlord (which approval shall not be unreasonably withheld, conditioned, or delayed), and have a minimum of four (4) maintenance visits per year occurring calendar quarterly after the completion of the HVAC installation. The parties hereto agree and acknowledge that Tenant's HVAC contractor, Fidelity Mechanical Services, is hereby approved by Landlord. Tenant shall, upon written request by Landlord to Tenant, (i) provide Landlord with a copy of the executed HVAC contract within thirty (30) days after request by Landlord, and (ii) provide Landlord with a copy of all maintenance service receipts actually in Tenant's possession, for services to the HVAC system within ten (10) business days after Landlord requests such receipts in writing.

2. MISCELLANEOUS. Except as specifically modified hereby, the Lease shall remain in full force and effect in accordance with the terms contained therein and is hereby ratified, approved and confirmed in all respects. Any agreement, obligation or liability made, entered into or incurred by or on behalf of Landlord binds only its property and no shareholder, trustee, officer, director, employee, partner or agent of Landlord assumes or shall be held to any liability therefor. The provisions of this First Amendment shall be binding upon the parties hereto, their successors, and to the extent permitted under the Lease, their assigns. If drafts of this First Amendment or other communications between the parties were sent (or are hereafter sent) by e-mail or other electronic methods, then the following additional provisions shall also apply: (i) any typewritten signature included with any e-mail or any document attached to any e-mail is not an electronic signature within the meaning of Electronic Signatures in Global and National Commerce Act or any other law of similar import, including without limitation, the Uniform Electronic Transactions Act ("**UETA**"), as the same may be enacted in any State, and (ii) any transmission of this First Amendment is not intended as an "electronic signature" to a "record" of such transaction (as those terms are defined under UETA); instead, a record of such transaction shall be created only upon either (A) manually-affixed original signatures on an original First Amendment document, or (B) electronic signatures as provided below in this paragraph. The parties agree that this First Amendment or any other document necessary for the consummation of the transaction contemplated by this First Amendment may be accepted, executed, or agreed to through the use of an electronic signature in accordance with the Electronic Signatures in Global and National Commerce Act, the UETA, or any applicable state or local jurisdictional laws. Any document (including, but not limited to, this First Amendment) accepted, executed, delivered, or agreed to in conformity with such laws will be deemed an original and will be binding on the parties in the same manner and shall have the same legal validity and enforceability as if it were physically or manually accepted,

executed, delivered, or agreed (including, but not limited to, "wet-ink" signatures), Tenant hereby consents to the use of any third-party electronic signature capture service providers as may be chosen by Landlord on and after the date of this First Amendment. If Tenant is a corporation, partnership, or limited liability company, the persons executing this First Amendment on behalf of Tenant hereby covenant and warrant that Tenant is duly constituted as such entity and is qualified to do business in the state where the Premises are located and such persons are duly authorized by the applicable authority of such entity to execute and deliver this First Amendment on behalf of Tenant. If Landlord is a corporation, partnership, or limited liability company, the persons executing this First Amendment on behalf of Landlord hereby covenant and warrant that Landlord is duly constituted as such entity and is qualified to do business in the state where the Premises are located, and such persons are duly authorized by the applicable authority of such entity to execute and deliver this First Amendment on behalf of Landlord.

3. INTERPRETATION. The submission of this First Amendment for examination does not constitute an agreement, an option or an offer, and this First Amendment becomes effective only upon execution and delivery thereof by Landlord and Tenant. Neither party shall have any legal obligation to the other in the event that the First Amendment contemplated herein is not consummated for any reason. Discussions between the parties respecting the proposed First Amendment described herein, shall not serve as a basis for a claim against either party or any officer, director or agent of either party. Captions and headings are for convenience and reference only and shall not in any way define, limit or describe the scope or content of any provision of this First Amendment. Except as otherwise provided herein, capitalized terms shall have the same meaning as set forth in the Lease. Whenever in this First Amendment (i) any printed portion, or any part thereof, has been stricken out, or (ii) any portion of the Lease (as the same may have been previously amended) or any part thereof, has been modified or stricken out, then, in either of such events, whether or not any replacement provision has been added, this First Amendment and the Lease shall hereafter be read and construed as if the material so stricken out were not included, and no implication shall be drawn from the text of the material so stricken out which would be inconsistent in any way with the construction or interpretation which would be appropriate if such material had never been contained herein or in the Lease. The Exhibits referred to in this First Amendment and attached hereto are a substantive part of this First Amendment and are incorporated herein by reference.

WITNESS the following signatures and seals.

ATTEST/WITNESS:

_____

TENANT: **GeneDX, Inc.**

DocuSigned by:
By: Kevin Feeley
B6DE7A38C2D142B...

Printed Name: Kevin Feeley

Title: CFO

ATTEST:

Amy E. Spencer
Assistant Secretary

LANDLORD: **Saul Holdings Limited Partnership**
By: Saul Centers, Inc., General Partner

By: _____

Printed Name: D. Todd Pearson

Title: President & Chief Operating Officer

GENEDX HOLDINGS CORP.
NOTICE OF INDUCEMENT RESTRICTED STOCK UNIT GRANT

As a material inducement to the employment of the Participant named below, the Participant has been granted an award of restricted stock units (the "**RSUs**") by GeneDx Holdings Corp. (the "***Company***") pursuant to the Company's 2023 Equity Inducement Plan (the "**Plan**"). The RSUs are also subject to the terms and conditions of this Notice of Restricted Stock Unit Grant (this "**Notice**"), and the Inducement Restricted Stock Unit Agreement attached as Annex A hereto (the "**RSU Agreement**").

Capitalized terms not expressly defined herein but defined in the Plan or the RSU Agreement will have the same definitions as in the Plan or the RSU Agreement.

Participant Name:
Number of RSUs:
Date of Grant:
Vesting Commencement Date:

Vesting Schedule: Subject to the limitations set forth in this Notice, the Plan, and the RSU Agreement, 25% of the RSUs will vest in accordance with the following schedule: [insert applicable vesting schedule].

Settlement: RSUs that vest will be settled no later than March 15 of the calendar year following the calendar year in which the vesting occurs. Settlement means the delivery of the Shares underlying the vested portion of the RSU. Such settlement will occur whether or not Participant remains in continuous Service at the time of settlement, but there will be no settlement of unvested RSUs. No fractional RSUs or rights for fractional Shares will be created pursuant to this Notice or the RSU Agreement.

By accepting (whether in writing, electronically, or otherwise) the RSUs, Participant acknowledges and agrees to the following:

(1) Participant understands that Participant's Service with the Company is for an unspecified duration, can be terminated at any time (i.e., is "at-will") and that nothing in this Notice or the RSU Agreement changes the at-will nature of that relationship (provided that this sentence does not alter the terms of any written employment agreement Participant may have with the Company). Participant acknowledges that the vesting of the RSUs pursuant to this Notice is subject to Participant's continuing Service. Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's Service status changes between full- and part-time and/or in the event Participant is on a leave of absence, in accordance with Company policies relating to work schedules and vesting of Awards or as determined by the Committee

(2) The RSUs are subject to the terms and conditions of the Plan, the RSU Agreement, and this Notice, and this Notice is subject to the terms and conditions of the RSU Agreement and the Plan, both of which are incorporated herein by reference. Participant has read this Notice, the RSU Agreement and the Plan.

(3) Participant has read the Company's Insider Trading Policy, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities.

(4) In lieu of receiving documents in paper format, Participant accepts the electronic delivery of any documents the Company, or any third party involved in administering the RSUs which the Company may designate, may deliver in connection with this grant (including the Notice, the RSU Agreement, account statements or other communications or information) whether via the Company's intranet or the internet site of another third party or via email, or other means of electronic delivery specified by the Company.

PARTICIPANT

Signature:

Print Name:

GENEDX HOLDINGS CORP.

By:

Its:

ANNEX A

GENEDX HOLDINGS CORP.
INDUCEMENT RESTRICTED STOCK UNIT AGREEMENT

Unless otherwise defined in this Inducement Restricted Stock Unit Agreement (this "**Agreement**"), any capitalized terms used and not otherwise defined in the Notice of Restricted Stock Unit Grant (the "**Notice**") or herein will have the meanings ascribed to them in the GeneDx Holdings Corp. (the "**Company**") 2023 Equity Inducement Plan (the "**Plan**").

In the event of any conflict between the terms and conditions of the Plan and the terms and conditions of the Notice or this Agreement, the terms and conditions of the Notice and this Agreement will prevail.

The RSUs are intended to constitute an employment inducement award pursuant to Nasdaq Stock Market Listing Rule 5635(c)(4), and consequently are intended to be exempt from the Nasdaq listing rules regarding stockholder approval of equity compensation plans. This Agreement and the terms and conditions of the RSUs shall be interpreted in accordance and consistent with such exemption.

1. **No Stockholder Rights.** Unless and until such time as Shares are issued in settlement of vested RSUs, Participant will have no ownership of the Shares underlying the RSUs and will have no right to dividends or to vote such Shares.

2. **Dividend Equivalents.** Dividend equivalents, if any (whether in cash or Shares), will not be credited to Participant in respect of Participant's RSUs.

3. **No Transfer.** The RSUs and any interest therein will not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of in any manner, other than by will or by the laws of descent and distribution or court order or unless otherwise permitted by the Committee on a case-by-case basis. By signing this Agreement, Participant agrees not to sell any Shares acquired pursuant to this Agreement at a time when applicable laws, regulations or Company or underwriter trading policies prohibit sale. This restriction will apply so long as Participant remains in Service.

4. **Termination.** If Participant's Service terminates for any reason, all unvested RSUs will be forfeited, and all of Participant's rights to such RSUs will immediately terminate without payment of any consideration to Participant. In case of any dispute as to whether and when a termination of Service has occurred, the Committee will have sole discretion to determine whether such termination of Service has occurred and the effective date of such termination (including whether Participant may still be considered to be actively providing Services while on a leave of absence).

5. **Taxes**

(a) Tax Consequences. PARTICIPANT SHOULD CONSULT A TAX ADVISER BEFORE ACQUIRING THE SHARES IN THE JURISDICTION IN WHICH PARTICIPANT IS SUBJECT TO TAX. Shares will not be issued under this Agreement unless Participant makes arrangements acceptable to the Company to pay any withholding taxes that may be due as a result of the acquisition or vesting of Shares.

(b) Responsibility for Taxes. Regardless of any action the Company or, if different, Participant's employer (the "**Employer**") takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account and other tax-related items related to Participant's RSUs and legally applicable to Participant ("**Tax-Related Items**"), Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including the grant of the RSUs, the issuance of the Shares subject to the RSUs,

the vesting of such Shares, the subsequent sale of such Shares and the receipt of any dividends; and (b) do not commit to and are under no obligation to structure the terms of the RSUs to reduce or eliminate Participant's liability for Tax-Related Items or to achieve any particular tax result. Participant acknowledges that if Participant is subject to Tax-Related Items in more than one jurisdiction, the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

6. The Company will only recognize Participant as a record holder of the Shares subject to the RSUs if Participant has paid or made, prior to any relevant taxable or tax withholding event, as applicable, adequate arrangements satisfactory to the Company and/or the Employer to satisfy any withholding obligation the Company and/or the Employer may have for Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, and their respective agents, at their discretion, to withhold all applicable Tax-Related Items from Participant's wages or other cash compensation paid to Participant by the Company and/or the Employer or by withholding from proceeds of the sale of the Shares subject to the RSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf and Participant hereby authorizes such sale pursuant to this authorization). The Committee may also authorize one or a combination of the following methods to satisfy Tax-Related Items: (a) payment by Participant to the Company or the Employer of an amount equal to the Tax-Related Items in cash, (b) having the Company withhold Shares subject to the RSUs that would otherwise be issued to Participant when they vest having a value equal to the Tax-Related Items to be withheld, (c) delivering to the Company already-owned Shares having a value equal to the Tax-Related Items to be withheld, or (d) any other arrangement approved by the Company and permissible under applicable law; in all cases, under such rules as may be established by the Committee and in compliance with the Company's insider trading policy and 10b5-1 trading plan policy, if applicable; *provided*, *however*, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the method of withholding will be a mandatory sale (unless the Committee will establish an alternate method prior to the taxable or withholding event). Participant will pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold as a result of Participant's participation in the Plan or the issuance of Shares subject to the RSUs or vesting thereof that cannot be satisfied by the means previously described.

7. Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to the maximum applicable rate in which case Participant may receive a refund of any over-withheld amount in cash and will have no entitlement to the Shares subject to the RSU that would otherwise be released when they vest. If the obligation for Tax-Related Items is satisfied by withholding in Shares that would otherwise be subject to release when they vest, for tax purposes, Participant is deemed to have been issued the full number of such Shares, notwithstanding that a number of the such Shares are held back solely for the purpose of paying the Tax-Related Items. Finally, Participant acknowledges that the Company has no obligation to deliver Shares subject to the RSUs to Participant until Participant has satisfied the obligations in connection with the Tax-Related Items as described in this Section.

(a) Section 409A. For purposes of this Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Code and the regulations thereunder ("***Section 409A***"). Notwithstanding anything else provided herein, to the extent any payments provided under this Agreement in connection with Participant's termination of employment constitute deferred compensation subject to Section 409A, and Participant is deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then the payment will not be made or commence until the earlier of (i) the expiration of the six-month period measured from Participant's separation from service from the Company or (ii) the date of Participant's death following a separation from service; *provided*, *however*, that such deferral will only be effected to the extent required to avoid adverse tax treatment to Participant including, without limitation, the additional tax for which

Participant would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. The first payment thereof will include a catch-up payment covering the amount that would have otherwise been paid during the period between Participant's termination of employment and the first payment date but for the application of this provision, and the balance of the installments (if any) will be payable in accordance with their original schedule. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A, the provision will be read in such a manner so that all payments hereunder comply with Section 409A. To the extent any payment under this Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment will be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this section are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

8. **Acknowledgement.** The Company and Participant agree that the RSUs are granted under and governed by the Notice and this Agreement, and are governed by terms and conditions identical to those of the Plan, which is incorporated herein by reference. Participant (i) acknowledges receipt of a copy of each of the foregoing documents, (ii) represents that Participant has carefully read and is familiar with their provisions and (iii) hereby accepts the RSUs subject to all of the terms and conditions set forth herein and those set forth in the Plan and the Notice.

9. **Entire Agreement; Enforcement of Rights; Severability**. This Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement will not be construed as a waiver of any rights of such party. If any provision of this Agreement is determined by a court of law to be illegal or unenforceable, then such provision will be enforced to the maximum extent possible and the other provisions will remain fully effective and enforceable.

10. **Stop Transfer Orders**.

(a) Stop-Transfer Notices. Participant agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" restrictions to its transfer agent, if any, and that if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(b) Refusal to Transfer. The Company will not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as the owner or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares will have been so transferred.

11. **Compliance with Laws and Regulations.** The issuance of Shares will be subject to and conditioned upon compliance by the Company and Participant (including any written representations, warranties and agreements as the Committee may request of Participant for compliance with applicable laws) with all applicable foreign and US state and federal laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Shares may be listed or quoted at the time of the issuance or transfer. Participant may not be issued any Shares if the issuance would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any Shares will relieve the Company of any liability in respect of the failure to issue or sell the Shares.

12. **No Rights as Employee, Director or Consultant.** Nothing in this Agreement will affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Participant's Service, for any reason, with or without cause.

13. **Choice of Law.** This Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to such state's conflict of laws rules.

14. **Delivery of Documents and Notices.** Any document relating to participating in the Plan and/or notice required or permitted hereunder will be given in writing and will be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery or deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, with postage and fees prepaid, addressed to the other party at the e-mail address, if any, provided for Participant by the Company or at such other address as such party may designate in writing from time to time to the other party.

15. **Award Subject to Company Clawback or Recoupment**. To the extent permitted by applicable law, RSUs will be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or the Committee or required by law during the term of Participant's Service that is applicable to Participant. In addition to any other remedies available under such policy, applicable law may require the cancellation of Participant's RSUs (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's RSUs.

BY ACCEPTING THIS AWARD OF RSUS, PARTICIPANT AGREES TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

* * * * * * * * * *

Exhibit 21.1

SUBSIDIARIES OF GENEDX HOLDINGS CORP. *

Subsidiary name	Jurisdiction of incorporation or organization
Sema4 OpCo, Inc.	Delaware, United States
GeneDx, LLC	Delaware, United States

* Pursuant to Item 601(b)(21)(ii) of Regulation S-K, the names of other subsidiaries of GeneDx Holdings Corp. are omitted because, considered in the aggregate, they would not constitute a significant subsidiary as of the end of the year covered by this report.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 No. 333-277339) pertaining to the GeneDx Holdings Corp. Amended and Restated 2021 Equity Incentive Plan and 2021 Employee Stock Purchase Plan,

(2) Registration Statement (Form S-8 No. 333-273797) pertaining to the GeneDx Holdings Corp. 2023 Equity Inducement Plan,

(3) Registration Statement (Form S-8 No. 333-271432) pertaining to the GeneDx Holdings Corp. Amended and Restated 2021 Equity Incentive Plan,

(4) Registration Statement (Form S-8 No. 333-269165) pertaining to the GeneDx Holdings Corp. 2021 Equity Incentive Plan and GeneDx Holdings Corp. 2021 Employee Stock Purchase Plan,

(5) Registration Statement (Form S-3 No. 333-291110) of GeneDx Holdings Corp.,

(6) Registration Statement (Form S-3 No. 333-267108) of GeneDx Holdings Corp,

(7) Registration Statement (Form S-8 No. 333-264627) pertaining to the Sema4 Holdings Corp. Non-Plan Inducement Awards,

(8) Registration Statement (Form S-8 No. 333-262338) pertaining to the Sema4 Holdings Corp. 2021 Equity Incentive Plan and Sema4 Holdings Corp. 2021 Employee Stock Purchase Plan,

(9) Registration Statement (Form S-8 No. 333-260481) pertaining to the Sema4 Holdings Corp. Earn-out RSU Awards, and

(10) Registration Statement (Form S-8 No. 333-259815) pertaining to the Sema4 Holdings Corp. 2021 Equity Incentive Plan, Sema4 Holdings Corp. 2021 Employee Stock Purchase Plan, the outstanding stock options under the Mount Sinai Genomics, Inc. d/b/a Sema4 2017 Equity Incentive Plan and Sema4 Holdings Corp. Earn-out RSU Awards

of our reports dated February 23, 2026, with respect to the consolidated financial statements of GeneDx Holdings Corp. and the effectiveness of internal control over financial reporting of GeneDx Holdings Corp. included in this Annual Report (Form 10-K) for the year ended December 31, 2025.

/s/ ERNST & YOUNG LLP

New York, New York

February 23, 2026

CERTIFICATIONS
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Katherine Stueland, certify that:

1. I have reviewed this annual report on Form 10-K of GeneDx Holdings Corp. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

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

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

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

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

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

Date: February 23, 2026

By: /s/ Katherine Stueland
Katherine Stueland
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Kevin Feeley, certify that:

1. I have reviewed this annual report on Form 10-K of GeneDx Holdings Corp. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

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

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

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

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

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

Date: February 23, 2026

By: /s/ Kevin Feeley
Kevin Feeley
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Annual Report of GeneDx Holdings Corp. (the "registrant") on Form 10-K for the fiscal year ended December 31, 2025, as filed with the Securities and Exchange Commission (the "Report"), I, Katherine Stueland, Chief Executive Officer of the registrant, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant as of and for the period covered by the Report.

Date: February 23, 2026

By: /s/ Katherine Stueland
Katherine Stueland
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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

In connection with the Annual Report of GeneDx Holdings Corp. (the "registrant") on Form 10-K for the fiscal year ended December 31, 2025, as filed with the Securities and Exchange Commission (the "Report"), I, Kevin Feeley, Chief Financial Officer of the registrant, certify, pursuant to 18 U.S.C. §1350, as added by §906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. To my knowledge, the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant as of and for the period covered by the Report.

Date: February 23, 2026

By: /s/ Kevin Feeley
Kevin Feeley
Chief Financial Officer
(Principal Financial Officer)