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

FORM 10-Q

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

For the quarterly period ended **September 30, 2026**

OR

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

For the transition period from _____ to _____

Commission File Number: 001-37648

Insight Molecular Diagnostics Inc.
(Exact name of registrant as specified in its charter)

California	**27-1041563**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2 International Plaza Dr., Suite 510
Nashville, Tennessee 37217
(Address of principal executive offices) (Zip Code)

(615) 255-8880
(Registrant's telephone number, including area code)

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

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, no par value	IMDX	The Nasdaq Stock Market LLC

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

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

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

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

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

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

The number of shares of issuer's common stock, no par value, outstanding as of November 9, 2026 was 32,757,434.

INSIGHT MOLECULAR DIAGNOSTICS INC.
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For the quarterly period ended September 30, 2026

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 (this "Report") are forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements pertaining to future financial and/or operating results, future growth in research, technology, clinical development, and potential opportunities for Insight Molecular Diagnostics Inc., or iMDx (f/k/a Oncocyte Corporation), along with other statements about the future expectations, beliefs, goals, plans, or prospects expressed by management. Any statements that are not historical fact (including, but not limited to statements that contain words such as "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "plan," "project," "seek," "should," "strategy," "target," "will," "would" or similar expressions or the negative of such terms) should also be considered to be forward-looking statements. Forward-looking statements involve risks and uncertainties, including, without limitation, risks inherent in the development and/or commercialization of potential products, uncertainty in the results of clinical trials or regulatory approvals, need and ability to obtain future capital, and maintenance of intellectual property rights. Actual results may differ materially from the results anticipated in these forward-looking statements and as such should be evaluated together with the many uncertainties that affect the businesses of iMDx, particularly those mentioned in this Report under "Risk Factors" and those Risk Factors in Part I, Item 1A. of our most recent Annual Report on Form 10-K for the year ended December 31, 2025 as filed with the Securities and Exchange Commission ("SEC"). Except as required by law, iMDx undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

The forward-looking statements include, among other things, statements about:

- the timing and potential achievement of future milestones;
- the timing and our ability to obtain and maintain coverage and reimbursements from the Centers for Medicare and Medicaid Services and other third-party payers, including within the U.S. and outside of the U.S.;
- our plans to pursue research and development of diagnostic test candidates;
- the potential commercialization of diagnostic tests currently in development;
- the timing and success of future clinical research and the period during which the results of the clinical research will become available;
- the potential receipt of revenue from current sales of our diagnostic tests and/or diagnostic tests in development;
- our assumptions regarding obtaining reimbursement and reimbursement rates of our current diagnostic tests and/or diagnostic tests in development;
- our estimates regarding future orders of tests and our ability to perform a projected number of tests;
- our estimates and assumptions around the patient populations, market size and price points for reimbursement for our diagnostic tests;
- our estimates regarding future revenues, operating expenses, and future capital requirements;
- our intellectual property position;
- our ability to continue as a going concern;
- our dependency on our collaboration with Bio-Rad Laboratories, Inc. for the development and commercialization of products;
- the impact of government laws and regulations, including the impact of a prolonged government shutdown; and
- our competitive position.

Unless the context otherwise requires, all references to "iMDx," "we," "us," "our," "the Company" or similar words refer to Insight Molecular Diagnostics Inc., together with our consolidated subsidiaries.

The description or discussion, in this Report, of any contract or agreement is a summary only and is qualified in all respects by reference to the full text of the applicable contract or agreement.

iMDx™, DetermaIO™, DetermaCNI™, GraftAssureCore™, GraftAssureIQ™ and GraftAssureDx™ are trademarks of iMDx, regardless of whether the "TM" symbol accompanies the use of or reference to the applicable trademark in this Report.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

INSIGHT MOLECULAR DIAGNOSTICS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	September 30, 2026 (Unaudited)	December 31, 2025
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 11,024	$ 11,583
Accounts receivable, net of allowance for credit losses of $5 and $11, respectively	520	1,128
Inventories	372	446
Restricted cash, current	729	729
Prepaid expenses and other current assets	1,235	1,420
Total current assets	13,880	15,306
NONCURRENT ASSETS		
Right-of-use operating and financing lease assets, net	1,745	2,815
Machinery and equipment, net, and construction in progress	5,549	6,435
Restricted cash, noncurrent	61	607
Other noncurrent assets	507	593
TOTAL ASSETS	$ 21,742	$ 25,756
LIABILITIES AND SHAREHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	$ 1,287	$ 2,544
Due to related party (Note 9)	1,184	2,780
Accrued compensation	2,673	2,461
Accrued royalties	1,116	1,116
Accrued expenses and other current liabilities	727	939
Equipment financing, current	82	—
Operating and financing lease liabilities, current	1,617	1,807
Contingent consideration liabilities, current	827	428
Total current liabilities	9,513	12,075
NONCURRENT LIABILITIES		
Equipment financing, noncurrent	497	—
Operating and financing lease liabilities, noncurrent	579	1,690
Contingent consideration liabilities, noncurrent	35,329	43,455
TOTAL LIABILITIES	45,918	57,220
Commitments and contingencies (Note 6)		
SHAREHOLDERS' DEFICIT		
Preferred stock, no par value, 5,000 shares authorized; no shares issued and outstanding	—	—
Common stock, no par value, 230,000 shares authorized; 32,755 and 28,683 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	395,651	369,211
Accumulated other comprehensive income	63	86
Accumulated deficit	(419,890)	(400,761)
Total shareholders' deficit	(24,176)	(31,464)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT	$ 21,742	$ 25,756

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

INSIGHT MOLECULAR DIAGNOSTICS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net revenue	$ 559	$ 260	$ 830	$ 2,916
Cost of revenues	139	121	238	1,114
Gross profit	420	139	592	1,802
Operating expenses:				
Research and development	3,793	3,878	13,232	10,071
Sales and marketing	1,607	1,386	5,925	4,052
General and administrative	2,785	2,545	8,649	8,307
Change in fair value of contingent consideration	(4,089)	3,378	(7,723)	7,061
Total operating expenses	4,096	11,187	20,083	29,491
Loss from operations	(3,676)	(11,048)	(19,491)	(27,689)
Other (expenses) income:				
Interest expense	(17)	(29)	(60)	(83)
Other income, net	114	223	422	505
Total other income, net	97	194	362	422
Loss before income taxes	(3,579)	(10,854)	(19,129)	(27,267)
Income taxes	—	—	—	—
Net loss	$ (3,579)	$ (10,854)	$ (19,129)	$ (27,267)
Net loss per share:				
Net loss per share - basic and diluted	$ (0.10)	$ (0.34)	$ (0.53)	$ (0.91)
Weighted average shares outstanding - basic and diluted	36,863	32,033	36,052	29,940

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

INSIGHT MOLECULAR DIAGNOSTICS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (3,579)	$ (10,854)	$ (19,129)	$ (27,267)
Foreign currency translation adjustments	(4)	1	(23)	65
Comprehensive loss	$ (3,583)	$ (10,853)	$ (19,152)	$ (27,202)

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

INSIGHT MOLECULAR DIAGNOSTICS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' (DEFICIT) EQUITY
(In thousands)

	Three Months Ended September 30, 2026				
	Common Stock		Accumulated Other Comprehensive Income	Accumulated Deficit	Total Shareholders' Deficit
	Shares	Amount			
Balance at June 30, 2026	**32,623**	**$ 394,945**	**$ 67**	**$ (416,311)**	**$ (21,299)**
Net Loss	—	—	—	(3,579)	(3,579)
Foreign currency translation adjustment	—	—	(4)	—	(4)
Stock-based compensation	—	820	—	—	820
Stock options exercised	20	57	—	—	57
Shares issued upon vesting of RSUs	143	—	—	—	—
Shares withheld related to net share settlement of stock-based awards	(31)	(171)	—	—	(171)
Balance at September 30, 2026	**32,755**	**$ 395,651**	**$ 63**	**$ (419,890)**	**$ (24,176)**

	Three Months Ended September 30, 2025				
	Common Stock		Accumulated Other Comprehensive Income	Accumulated Deficit	Total Shareholders' Equity (Deficit)
	Shares	Amount			
Balance at June 30, 2025	**28,617**	**$ 367,965**	**$ 85**	**$ (366,952)**	**$ 1,098**
Net Loss	—	—	—	(10,854)	(10,854)
Foreign currency translation adjustment	—	—	1	—	1
Stock-based compensation	—	521	—	—	521
Vesting of bonus awards	—	14	—	—	14
Shares issued for consultant services	8	24	—	—	24
Balance at September 30, 2025	**28,625**	**$ 368,524**	**$ 86**	**$ (377,806)**	**$ (9,196)**

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

INSIGHT MOLECULAR DIAGNOSTICS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' (DEFICIT) EQUITY
(In thousands)

	Nine Months Ended September 30, 2026				
	Common Stock		Accumulated Other Comprehensive Income	Accumulated Deficit	Total Shareholders' Deficit
	Shares	Amount			
Balance at December 31, 2025	**28,683**	**$ 369,211**	**$ 86**	**$ (400,761)**	**$ (31,464)**
Net Loss	—	—	—	(19,129)	(19,129)
Foreign currency translation adjustment	—	—	(23)	—	(23)
Stock-based compensation	—	2,096	—	—	2,096
Vesting of bonus awards	—	8	—	—	8
Sale of common shares, net of financing costs	3,482	24,645	—	—	24,645
Stock options exercised	24	67	—	—	67
Shares issued upon vesting of RSUs	323	—	—	—	—
Shares issued for consultant services	7	32	—	—	32
Shares withheld related to net share settlement of stock-based awards	(87)	(408)	—	—	(408)
Issuance of common stock upon exercise of pre-funded warrants	323	—	—	—	—
Balance at September 30, 2026	**32,755**	**$ 395,651**	**$ 63**	**$ (419,890)**	**$ (24,176)**

	Nine Months Ended September 30, 2025				
	Common Stock		Accumulated Other Comprehensive Income	Accumulated Deficit	Total Shareholders' Deficit
	Shares	Amount			
Balance at December 31, 2024	**17,453**	**$ 338,244**	**$ 21**	**$ (350,539)**	**$ (12,274)**
Net loss	—	—	—	(27,267)	(27,267)
Foreign currency translation adjustment	—	—	65	—	65
Stock-based compensation	—	1,498	—	—	1,498
Vesting of bonus awards	—	42	—	—	42
Sale of common shares, net of financing costs	11,146	28,656	—	—	28,656
Shares issued for consultant services	26	84	—	—	84
Balance at September 30, 2025	**28,625**	**$ 368,524**	**$ 86**	**$ (377,806)**	**$ (9,196)**

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

INSIGHT MOLECULAR DIAGNOSTICS INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Nine Months Ended September 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (19,129)	$ (27,267)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization expense	1,938	1,627
Amortization of intangible assets	—	7
Stock-based compensation	2,096	1,498
Equity compensation for bonus awards and consulting services	40	126
Change in fair value of contingent consideration	(7,723)	7,061
Unrealized foreign currency losses	13	170
Changes in operating assets and liabilities:		
Accounts receivable	608	1,355
Inventories	74	(61)
Prepaid expenses and other assets	347	(124)
Accounts payable and accrued liabilities	(1,351)	(909)
Operating lease assets and liabilities	(253)	(122)
Net cash used in operating activities	(23,340)	(16,639)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Machinery and equipment purchases, and construction in progress	(2,233)	(1,706)
Net cash used in investing activities	(2,233)	(1,706)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of common shares	26,024	29,143
Financing costs to issue common shares	(1,379)	(487)
Proceeds from exercise of stock options	67	—
Taxes paid related to net share settlement of stock-based awards	(395)	—
Equipment financing proceeds	609	—
Repayment of financing lease obligations	(422)	(332)
Net cash provided by financing activities	24,504	28,324
Effect of exchange rate changes on cash and cash equivalents	(36)	(105)
NET CHANGE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(1,105)	9,874
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING	12,919	10,336
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, ENDING	$ 11,814	$ 20,210
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ 46	$ 69
Cash paid for income taxes	$ —	$ —
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Machinery and equipment purchases, and construction in progress included in accounts payable and accrued liabilities	$ 392	$ 163
Accrued contingent consideration liability payments due	$ 4	$ —
Taxes accrued related to net share settlement of stock-based awards	$ 13	$ —
Accrued equipment financing payments in accounts payable	$ 30	$ —
Lease assets obtained in exchange for lease liabilities	$ —	$ 373

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

INSIGHT MOLECULAR DIAGNOSTICS INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Description of the Business

Insight Molecular Diagnostics Inc. (f/k/a Oncocyte Corporation) ("iMDx," the "Company," "we," "our" or "us"), incorporated in 2009 in California, is a pioneering diagnostics technology company. Our mission is to expand access to novel molecular diagnostic testing, most immediately in the transplanted organ rejection testing category. Our current intellectual property portfolio comprises three general areas: 1) organ transplant testing, 2) oncology therapy selection, and 3) oncology therapy monitoring. Within these categories, we have developed or are in the process of developing laboratory developed tests ("LDTs") that can be run at our Franklin, Tennessee laboratory, kitted research use only ("RUO") tests, and in vitro diagnostic ("IVD") kitted clinical tests that can be run by local labs.

In June 2025, we changed our name from "Oncocyte Corporation" to "Insight Molecular Diagnostics Inc." Our new trading symbol "IMDX" became effective on the Nasdaq Stock Market, LLC ("Nasdaq") on June 18, 2025. In addition, in June 2025, we moved our headquarters from Irvine, California, to Nashville, Tennessee. Tennessee is home to our Clinical Laboratory Improvements Amendment ("CLIA") certified lab and a growing hub for healthcare innovation.

Business Risks

Tariff policies and potential countermeasures could increase our costs and disrupt our global supply chain, which could negatively impact the results of our operations as well as our asset valuations and other fair value measurements. In addition, our business could be adversely impacted by other inflationary factors. The Company will continue to monitor these risks. Refer to Item 1A. "Risk Factors" included elsewhere in this Report, and in our Annual Report on Form 10-K for the year ended December 31, 2025, for additional information about the risks that may impact our business.

Liquidity

iMDx has incurred operating losses and negative operating cash flows since its inception and had an accumulated deficit of $419.9 million as of September 30, 2026. iMDx expects to continue to incur operating losses and negative operating cash flows for the foreseeable future. Since its formation, iMDx has financed its operations primarily through the sale of shares of its common stock, convertible preferred stock and warrants to acquire common stock. As of September 30, 2026, iMDx had $11.0 million of cash and cash equivalents and $790,000 in remaining restricted cash that is being released monthly and will be fully reduced by October 2027 (see Note 6, "Office and Facilities Leases – Irvine Office Lease," for additional information).

On April 5, 2024, the Company entered into a 10-year global strategic partnership agreement with Bio-Rad Laboratories, Inc. ("Bio-Rad") to collaborate in the development and the commercialization of RUO and IVD kitted transplant products for clinical use. On October 29, 2026, the Company and Bio-Rad entered into a first amendment to such collaboration agreement to modify certain terms in such collaboration agreement. See Note 10, "Collaborative Arrangements," for additional information.

On February 12, 2026, the Company consummated a registered direct offering of its securities to certain institutional investors (the "February 2026 Offering"). The gross proceeds from the February 2026 Offering were approximately $26.0 million. After deducting placement agent fees and offering expenses of $1.4 million, the resulting net proceeds were approximately $24.6 million. These net proceeds were inclusive of an investment from Bio-Rad (see Note 9), our aforementioned global strategic partner. The Company is using the net proceeds primarily for general corporate purposes and working capital, including research and development in the transplantation category. See Note 7, "Common Stock – February 2026 Offering," for additional information.

In addition to general economic and capital market trends and conditions, iMDx's ability to raise sufficient additional capital to finance its operations from time to time will depend on a number of factors specific to iMDx's operations such as operating revenues and expenses, progress in our collaborative arrangement for the development and the commercialization of RUO and IVD kitted transplant products, progress in obtaining regulatory approval to distribute our products for clinical use, and progress in the development of, or in obtaining reimbursement coverage from Medicare for future laboratory tests that iMDx may develop or acquire.

The unavailability or inadequacy of financing or revenues to meet future capital needs could force iMDx to modify, curtail, delay, or suspend some or all aspects of planned operations. Sales of additional equity securities could result in the dilution of the interests of iMDx's current shareholders. iMDx cannot assure that adequate long-term financing will be available on favorable terms, if at all.

INSIGHT MOLECULAR DIAGNOSTICS INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standards Codification ("ASC") 205-40, *Going Concern*, we evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about our ability to continue as a going concern within one year after the date that the consolidated financial statements included in this Report are issued. This evaluation initially does not take into consideration the potential mitigating effect of our plans that have not been fully implemented as of the date the consolidated financial statements included in this Report are issued. When substantial doubt exists under this methodology, we evaluate whether the mitigating effect of our plans sufficiently alleviates substantial doubt about our ability to continue as a going concern. The mitigating effect of our plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that such financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about our ability to continue as a going concern within one year after the date that such financial statements are issued. In performing this analysis, we excluded certain elements of our operating plan that cannot be considered probable.

Our expectation to generate operating losses and negative operating cash flows in the future and the need for additional funding to support our planned operations raise substantial doubt regarding our ability to continue as a going concern for a period of one year after the date that the consolidated financial statements are issued. As future revenues and certain variable costs are inherently uncertain, management plans to continue reducing certain cash outflows. Many development costs incurred during the nine months ended September 30, 2026 are not expected to re-occur at the same level in future periods. Efforts to improve our cash flows include, but are not limited to, the following: (i) execute capital financings as needed, which may include registered offerings under our effective shelf registration statement on Form S-3, private placements, or other financing arrangements, (ii) continue to re-evaluate investments in our fixed capital and infrastructure, (iii) reduce the use of external consultants and contract resources, (iv) re-evaluate scope and timing of the development of our products, and (v) continue to optimize operating cash burn by materially deferring or limiting the Company's spending. Management will continue to evaluate liquidity and cash flow forecasts on a quarterly basis and adjust operating plans as needed to maintain sufficient liquidity. Management has concluded that it is probable that our plans will be effectively implemented and that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about our ability to continue as a going concern within one year after the date of issuance of these consolidated financial statements.

Although it is difficult to predict the Company's liquidity requirements, based on the going concern evaluation discussed above, management believes that it will have sufficient cash to meet its projected operating requirements for at least the next twelve months following the issuance of these consolidated financial statements. Accordingly, management has concluded that substantial doubt does not exist about the Company's ability to continue as a going concern for a period of at least one year from the date of issuance of these consolidated financial statements. However, the Company anticipates that it will continue to generate operating losses and negative operating cash flows for the foreseeable future as it continues the development of its various programs and incurs additional costs associated with being a public company.

2. Summary of Significant Accounting Policies

Accounting Principles

The consolidated financial statements and accompanying notes are prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("GAAP").

Principles of Consolidation and Basis of Presentation

The unaudited condensed consolidated interim financial statements presented herein have been prepared in accordance with GAAP for financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. In accordance with those rules and regulations, certain information and footnote disclosures normally included in comprehensive audited consolidated financial statements may have been condensed or omitted. The consolidated balance sheet as of December 31, 2025 was derived from the audited consolidated financial statements at that date. These unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto included in iMDx's Annual Report on Form 10-K for the year ended December 31, 2025. The accompanying unaudited condensed consolidated financial statements, in the opinion of management, include all adjustments of a normal recurring nature necessary for a fair presentation of iMDx's financial condition and results of operations. The consolidated results of operations are not necessarily indicative of the results to be expected for any other interim period or for the entire year.

INSIGHT MOLECULAR DIAGNOSTICS INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On January 31, 2020, with the acquisition of Insight Genetics, Inc. ("IGI") through a merger with a newly incorporated wholly-owned subsidiary of iMDx (the "IGI Merger") under the terms of an Agreement and Plan of Merger (the "IGI Merger Agreement"), IGI became a wholly-owned subsidiary of iMDx, and on that date iMDx began consolidating IGI's operations and results with iMDx's operations and results. See Note 3, "Business Combinations and Contingent Consideration Liabilities – Acquisition of IGI."

On April 15, 2021, with the acquisition of Chronix Biomedical, Inc. ("Chronix") pursuant to an Agreement and Plan of Merger dated February 2, 2021, amended February 23, 2021, and amended and restated as of April 15, 2021 (as amended and restated, the "Chronix Merger Agreement"), by and among iMDx and CNI Monitor Sub, Inc., a Delaware corporation and wholly-owned subsidiary of iMDx, Chronix became a wholly-owned subsidiary of iMDx (the "Chronix Merger"), and on that date iMDx began consolidating Chronix's operations and results with iMDx's operations and results. See Note 3, "Business Combinations and Contingent Consideration Liabilities – Acquisition of Chronix."

All material intercompany accounts and transactions have been eliminated in consolidation.

Reclassifications

Certain prior period amounts in the notes to the consolidated financial statements have been reclassified to conform to the current period presentation. These changes had no impact on the previously reported consolidated financial condition, results of operations or total cash flows.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and contingent assets and liabilities, at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates estimates which are subject to significant judgment, including, but not limited to, valuation methods used, assumptions requiring the use of judgment to prepare financial projections and forecasted financial information, timing of potential commercialization of acquired in-process intangible assets, applicable discount rates, probabilities of the likelihood of multiple outcomes of certain events related to contingent consideration, comparable companies or transactions, determination of fair value of the assets acquired and liabilities assumed (including those relating to contingent consideration), the carrying value of any goodwill and other intangibles and related impairments, assumptions related to going concern assessments, revenue recognition, allowances for credit losses, allocation of direct and indirect expenses, useful lives associated with long-lived intangible and other assets, key assumptions in operating and financing leases including incremental borrowing rates, loss contingencies, valuation allowances related to deferred income taxes, and assumptions used to value stock-based awards and other equity instruments. These assessments are made in the context of information reasonably available to iMDx. Actual results may differ materially from those estimates.

Segment Reporting

In accordance with ASC 280, *Segment Reporting*, iMDx's management views its operations as one reportable segment that includes the research, development and commercialization of diagnostic tests, including molecular diagnostic testing products and services. See Note 11 for additional information.

Fair Value Measurements, Business Combinations and Contingent Consideration Liabilities

iMDx accounts for business combinations in accordance with ASC 805, which requires the purchase consideration transferred to be measured at fair value on the acquisition date in accordance with ASC 820, *Fair Value Measurement*. ASC 820 establishes a single authoritative definition of fair value, sets out a framework for measuring fair value and expands on required disclosures about fair value measurement. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. ASC 820 describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value, which are the following:

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- *Level 1* – Quoted prices in active markets for identical assets and liabilities.
- *Level 2* – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted market prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- *Level 3* – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Such inputs reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model. Management estimates include certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs, including the entity's own assumptions in determining fair value.

When a part of the purchase consideration consists of shares of iMDx common stock, iMDx calculates the purchase price attributable to those shares, a Level 1 security, by determining the fair value of those shares as of the acquisition date based on prices quoted on the principal national securities exchange on which the shares traded. iMDx recognizes estimated fair values of the tangible assets and identifiable intangible assets acquired, including any in-process research and development ("IPR&D"), and liabilities assumed, including any contingent consideration, as of the acquisition date. Goodwill is recognized as any amount of excess consideration transferred over the fair value of the tangible and identifiable intangible assets acquired net of the liabilities assumed. ASC 805 precludes the recognition of an assembled workforce as an asset, effectively subsuming any assembled workforce value into goodwill.

In determining fair value, iMDx utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, and also considers counterparty credit risk in its assessment of fair value. As of September 30, 2026 and December 31, 2025, iMDx had no financial assets recorded at fair value on a recurring basis, except for money market funds. These assets are reported as cash equivalents and are measured at fair value using the period-end quoted market prices as a Level 1 input. iMDx's financial liabilities recorded at fair value on a recurring basis include contingent consideration, and are discussed below.

The carrying amounts of cash and cash equivalents, restricted cash, net accounts receivable, prepaid expenses and other current assets, accounts payable, accrued expenses and other current liabilities approximate fair values because of the short-term nature of these items.

In accordance with GAAP, from time to time, iMDx measures certain assets at fair value on a nonrecurring basis. iMDx reviews the carrying value of intangibles and other long-lived assets for indications of impairment at least annually. Refer to related discussions of impairments below.

Contingent Consideration Liabilities

Certain of iMDx's asset and business acquisitions involved the potential for future payment of consideration to third-parties and former selling shareholders in amounts determined as a percentage of future net revenues generated, or upon attainment of revenue milestones, from laboratory services or tests, as applicable, or annual minimum royalties to certain licensors, as provided in the applicable agreements. The fair value of such liabilities is determined using unobservable inputs. These inputs include the estimated amount and timing of projected cash flows and the risk-adjusted discount rate used to present value the cash flows. These obligations are referred to as contingent consideration, which are carried at fair value based on Level 3 inputs on a recurring basis.

ASC 805 requires that contingent consideration be estimated and recorded at fair value as of the acquisition date as part of the total consideration transferred. Contingent consideration is an obligation of the acquirer to transfer additional assets or equity interests to the selling shareholders in the future if certain future events occur or conditions are met, such as the attainment of product development milestones. Contingent consideration also includes additional future payments to selling shareholders based on achievement of components of earnings, such as "earn-out" provisions or percentage of future revenues, including royalties paid to the selling shareholders based on a percentage of certain revenues generated.

The fair value of contingent consideration after the acquisition date is reassessed by iMDx as changes in circumstances and conditions occur, with the subsequent change in fair value recorded in the consolidated statements of operations. Changes in key assumptions can materially affect the estimated fair value of contingent consideration liabilities and, accordingly, the resulting gain or loss that iMDx records in its consolidated financial statements. See Note 3 for a full discussion of these liabilities and additional Level 3 fair value disclosures.

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Cash, Cash Equivalents and Restricted Cash

iMDx considers all highly liquid securities with original maturities of three months or less when purchased to be cash equivalents. For the periods presented, iMDx's cash equivalents are comprised of investments in AAA rated money market funds that invest in first-tier only securities, which primarily include domestic commercial paper and securities issued or guaranteed by the U.S. government or its agencies. Restricted cash balances, as reported in the consolidated balance sheets, relate to a bank letter of credit required under an office lease arrangement, see Note 6, "Office and Facilities Leases – Irvine Office Lease," for additional information.

For cash flow reporting purposes, the Company combines the reported balance sheet amounts from cash and cash equivalents with restricted cash (current and noncurrent). Accordingly, as of September 30, 2026 and 2025, the aggregate amount of such ending balances were $11.8 million and $20.2 million, respectively, as presented in the consolidated statements of cash flows.

Investments in Privately Held Companies

iMDx evaluates whether investments held in common stock of other companies require consolidation of the company under, first, the variable interest entity ("VIE") model, and then under the voting interest model in accordance with accounting guidance for consolidations under ASC 810-10. If consolidation of the entity is not required under either the VIE model or the voting interest model, iMDx determines whether the equity method of accounting should be applied in accordance with ASC 323, *Investments – Equity Method and Joint Ventures*. The equity method applies to investments in common stock or in-substance common stock if iMDx exercises significant influence over, but does not control, the entity, where significant influence is typically represented by ownership of 20% or more, but less than majority ownership, of the voting interests of a company. iMDx initially records equity method investments at fair value on the date of the acquisition with subsequent adjustments to the investment balance based on iMDx's pro rata share of earnings or losses from the investment.

iMDx's first product for commercial release was a proprietary treatment stratification test called DetermaRx that identified which patients with early-stage non-small cell lung cancer may benefit from chemotherapy, resulting in a significantly higher, five-year survival rate. Beginning in September 2019 through February 23, 2021, iMDx held a 25% equity interest in Razor Genomics, Inc. ("Razor"), a privately held company, that had developed and licensed to iMDx the lung cancer treatment stratification laboratory test that iMDx was commercializing as DetermaRx. On February 24, 2021, iMDx completed the purchase of all the remaining issued and outstanding shares of common stock of Razor. As a result of the purchase of the Razor common stock, iMDx became the sole shareholder of Razor. On December 15, 2022, the Company entered into a Stock Purchase Agreement (the "Razor Stock Purchase Agreement") with Dragon Scientific, LLC, a Delaware limited liability company ("Dragon"), and Razor. Pursuant to the Razor Stock Purchase Agreement, iMDx agreed to sell to Dragon, 3,188,181 shares of common stock of Razor, which constituted approximately 70% of the issued and outstanding equity interests of Razor on a fully-diluted basis, and transfer to Razor all of the assets and liabilities related to DetermaRx (the "Razor Sale Transaction"). On February 16, 2023, iMDx completed the Razor Sale Transaction (the "Razor Closing"). In connection with the Razor Closing, iMDx transferred to Razor all of the assets and liabilities related to DetermaRx. While no monetary consideration was received for the sale of 70% of the equity interests of Razor, the transaction allowed the Company to eliminate all development and commercialization costs with respect to DetermaRx. Following the Razor Closing, iMDx continues to own 1,366,364 shares of common stock of Razor, which constitutes approximately 30% of the issued and outstanding equity interests of Razor on a fully-diluted basis, however, the remaining common stock held is accounted for at historical cost less impairment, which is currently zero.

Inventories

Inventories may include raw materials, work-in-process and finished goods and are valued at the lower of cost or net realizable value. The Company capitalizes certain RUO inventory costs in connection with its collaboration arrangement with Bio-Rad to develop and commercialize its GraftAssureIQ RUO kitted tests and eventual GraftAssureDx IVD kitted transplant testing products. See Note 10, "Collaborative Arrangements," for additional information. The Company analyzes its inventories to determine whether the composition is obsolete or slow-moving. A write-off of specifically identified unusable or obsolete inventory in the period is recognized by considering product expiration dates and scrapped items. During the nine months ended September 30, 2026, the Company recorded raw material inventory write-offs in the amount of $123,000. During the year ended December 31, 2025, the Company recorded raw material inventory write-offs in the amount of $22,000. As of September 30, 2026, inventories were comprised of RUO raw materials of $262,000 and RUO finished goods of $110,000. As of December 31, 2025, inventories were comprised of RUO raw materials of $368,000 and finished goods of $78,000.

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Assets Held for Sale

In accordance with ASC subtopic 360-10, *Property, Plant, and Equipment*, assets and liabilities are classified as held for sale when all of the following criteria for a plan of sale have been met: (1) management, having the authority to approve the action, commits to a plan to sell the assets; (2) the assets are available for immediate sale, in their present condition, subject only to terms that are usual and customary for sales of such assets; (3) an active program to locate a buyer and other actions required to complete the plan to sell the assets have been initiated; (4) the sale of the assets is probable and is expected to be completed within one year; (5) the assets are being actively marketed for a price that is reasonable in relation to their current fair value; and (6) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or the plan will be withdrawn. When all of these criteria have been met, the assets and liabilities are classified as held for sale in the consolidated balance sheet. Assets classified as held for sale are reported at the lower of their carrying value or fair value less costs to sell. Depreciation and amortization of assets ceases upon designation as held for sale.

Historically, the Company has entered into agreements to sell certain laboratory equipment. As a result, the Company classified the equipment as held for sale current assets in the consolidated balance sheet, when all the criteria of ASC 360-10 had been met. As of September 30, 2026 and December 31, 2025, the Company had no assets held for sale.

Property and Equipment

Machinery and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization is computed using the straight-line method over the estimated useful lives of the assets, generally over a period of 3 to 10 years. For equipment purchased under financing leases, iMDx amortizes the equipment based on the shorter of the useful life of the equipment or the term of the lease, ranging from 3 to 5 years, depending on the nature and classification of the financing lease (see Note 6). Maintenance and repairs are expensed as incurred whereas significant renewals and betterments are capitalized. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation or amortization are removed from the respective accounts and any resulting gain or loss is reflected in the results of operations.

Construction in progress, comprised primarily of leasehold improvements under construction, is not depreciated or amortized until the underlying asset is placed into service.

Intangible Assets

In accordance with ASC 350, *Intangibles – Goodwill and Other*, IPR&D projects acquired in a business combination that are not complete as of the acquisition date are capitalized and accounted for as indefinite-lived intangible assets until completion or abandonment of the related research and development efforts. Upon successful completion of the project, the capitalized amount is amortized over its estimated useful life. If a project is abandoned, all remaining capitalized amounts are written off immediately. iMDx considers various factors and risks for potential impairment of IPR&D assets, including the current legal and regulatory environment and the competitive landscape. Adverse clinical trial results, significant delays or inability to obtain local coverage determination ("LCD") from the Centers for Medicare and Medicaid Services ("CMS") for Medicare reimbursement for a diagnostic test, the inability to bring a diagnostic test to market and the introduction or advancement of competitors' diagnostic tests could result in partial or full impairment of the related intangible assets. Consequently, the eventual realized value of the IPR&D project may vary from its fair value at the date of acquisition, and IPR&D impairment charges may occur in future periods. During the period between completion or abandonment, the IPR&D assets will not be amortized but will be tested for impairment on an annual basis and between annual tests if iMDx becomes aware of any events occurring or changes in circumstances that would indicate a reduction in the fair value of the IPR&D projects below their respective carrying amounts.

iMDx does not have intangible assets with indefinite useful lives reported in the consolidated balance sheets. The previously acquired IPR&D intangible assets were fully impaired as of December 31, 2025. See Note 5 for additional information.

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In accordance with ASC 350, we review and evaluate our intangible assets for impairment whenever events or changes in circumstances indicate that we may not recover their net book value. When applicable, we test for impairment on an annual basis in the fourth quarter of each year, and between annual tests, if indicators of potential impairment exist, using a fair-value approach. We typically use an income method to estimate the fair value of these assets, which is based on forecasts of the expected future cash flows attributable to the respective assets. Significant estimates and assumptions inherent in the valuations reflect a consideration of other marketplace participants and include the amount and timing of future cash flows (including expected growth rates). Estimates utilized in the projected cash flows include consideration of macroeconomic conditions, overall category growth rates, competitive activities, cost containment and margin expansion, Company business plans, the underlying product or technology life cycles, economic barriers to entry, and the discount rate applied to the cash flows. Unanticipated market or macroeconomic events and circumstances may occur, which could affect the accuracy or validity of the estimates and assumptions.

When applicable, goodwill represents the excess of the purchase price over the fair value of net identifiable assets and liabilities. Goodwill, similar to IPR&D, is not amortized but is tested for impairment at least annually, or if circumstances indicate that it is more-likely-than-not that the carrying value of the associated reporting unit exceeds its fair value. Qualitative factors considered in this assessment include industry and market conditions, overall financial performance, and other relevant events and factors affecting iMDx's business. Based on the qualitative assessment, if it is determined that the fair value of goodwill is more-likely-than-not to be less than its carrying amount, the fair value of a reporting unit will be calculated and compared with its carrying amount and an impairment charge will be recognized for the amount that the carrying value exceeds the fair value. iMDx continues to operate in one segment (see Note 11) and is considered to be the sole reporting unit and, therefore, goodwill will be tested for impairment at the enterprise level, when applicable.

Long-Lived Intangible Assets

Long-lived intangible assets subject to amortization are stated at acquired cost, less accumulated amortization. iMDx amortizes intangible assets not considered to have an indefinite useful life using the straight-line method over their estimated period of benefit, which generally ranges from 1 to 9 years. Each reporting period, we evaluate the estimated remaining useful life of intangible assets and assess whether events or changes in circumstances warrant a revision to the remaining period of amortization or indicate that impairment exists. iMDx's long-lived intangible assets consisted of acquired customer relationships, which were fully amortized in 2025. See Note 5 for additional information.

Impairment of Long-Lived Assets

iMDx's long-lived assets consist primarily of right-of-use assets for operating and financing leases, and machinery and equipment. If events or changes in circumstances indicate that the carrying amount of a long-lived asset may not be recoverable and the expected undiscounted future cash flows attributable to the asset are less than the carrying amount of the asset, an impairment loss, equal to the excess of the carrying value of the asset over its fair value, is recorded.

Leases

iMDx accounts for leases in accordance with ASC 842, *Leases*. iMDx determines if an arrangement is a lease at inception. Leases are classified as either financing or operating, with classification affecting the pattern of expense recognition in the consolidated statements of operations. iMDx accounts for the lease and non-lease components as a single lease component. iMDx recognizes right-of-use ("ROU") assets and lease liabilities for leases with terms greater than twelve months in the consolidated balance sheets. ROU assets represent the right to use an underlying asset during the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most leases do not provide an implicit rate, iMDx uses an incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. iMDx uses the implicit rate when it is readily determinable. The ROU asset also includes any lease payments made and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that iMDx will exercise that option. Operating lease expense and financing lease amortization expense are recognized on a straight-line basis over the lease term. Operating leases include ROU office lease assets and related lease liabilities, current and long-term, in the consolidated balance sheets. Financing leases include ROU machinery and equipment and related financing lease liabilities, current and long-term, in the consolidated balance sheets (see "Property and Equipment" above for more information). iMDx discloses the amortization of operating lease ROU assets and the related repayments of lease obligations as a net amount in the consolidated statements of cash flows. iMDx has entered into various operating and financing leases in accordance with ASC 842 as further discussed in Note 6.

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Accounting for Warrants

iMDx determines the accounting classification of warrants it issues, as either liability or equity classified, by first assessing whether the warrants meet liability classification in accordance with ASC 480-10, *Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity*, then in accordance with ASC 815-40, *Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock*. Under ASC 480, warrants are considered liability classified if the warrants are mandatorily redeemable, obligate iMDx to settle the warrants or the underlying shares by paying cash or other assets, or for warrants that must or may require settlement by issuing a variable number of shares. If warrants do not meet liability classification under ASC 480, iMDx assesses the requirements under ASC 815-40, which states that contracts that require or may require the issuer to settle the contract for cash are liabilities recorded at fair value, irrespective of the likelihood of the transaction occurring that triggers the net cash settlement feature. This liability classification guidance also applies to financial instruments that may require cash or other form of settlement for transactions outside of the company's control and, in which the form of consideration to the warrant holder may not be the same as to all other shareholders in connection with the transaction. However, if a transaction is not within the company's control but the holder of the financial instrument can solely receive the same type or form of consideration as is being offered to all the shareholders in the transaction, then equity classification of the financial instrument is not precluded, if all other applicable equity classification criteria are met.

After all relevant assessments, iMDx concludes whether the warrants are classified as liability or equity. Liability classified warrants require fair value accounting at issuance and subsequent to initial issuance with all changes in fair value after the issuance date recorded in the consolidated statements of operations. Equity classified warrants only require fair value accounting at issuance with no changes recognized subsequent to the issuance date. Based on the above guidance and, among other factors, the fact that our warrants cannot be cash settled under any circumstance but require share settlement, all of our outstanding warrants meet the equity classification criteria and have been classified as equity. See Note 7 for details about our outstanding warrants.

Revenue Recognition

Pursuant to ASC 606, *Revenue from Contracts with Customers*, revenues are recognized when control of goods or services is transferred to customers, in an amount that reflects the consideration iMDx expects to be entitled to in exchange for those goods or services. ASC 606 provides for a five-step model that includes:

(i) identifying the contract with a customer,

(ii) identifying the performance obligations in the contract,

(iii) determining the transaction price,

(iv) allocating the transaction price to the performance obligations, and

(v) recognizing revenue when, or as, an entity satisfies a performance obligation.

iMDx determines transaction prices based on the amount of consideration we expect to receive for transferring the promised goods or services in the contract. Consideration may be fixed, variable, or a combination of both. The Company considers any constraints on the variable consideration and includes in the transaction price variable consideration to the extent it is deemed probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The following table presents consolidated revenues by type:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Laboratory Services	$ 538	$ 260	$ 788	$ 2,892
Kitted Products	21	—	42	24
Total	$ 559	$ 260	$ 830	$ 2,916

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Laboratory Services

Revenues recognized include Laboratory Services performed by iMDx for life sciences customers, including testing for biomarker discovery, assay design and development, clinical trial support, and a broad spectrum of biomarker tests. These Laboratory Services are generally performed under individual scope of work ("SOW") arrangements with specific deliverables defined by the customer. Laboratory Services are performed on a (i) time and materials basis or (ii) per test completed basis. Upon completion of the service to the customer in accordance with the SOW, iMDx has the right to bill the customer for the agreed upon price (either on a per test or per deliverable basis) and recognizes Laboratory Service revenue at that time. Depending on the SOW, iMDx may identify the services offered as a single performance obligation, or identify the processing of test samples as a separate performance obligation (considered a series) within license agreements.

Completion of the service and satisfaction of the performance obligation is typically evidenced by delivery or acknowledgment of completed services with access to the report or test made available to the customer or any other form or applicable manner of delivery defined in the SOW. However, for certain SOWs under which work is performed pursuant to the customer's highly customized specifications, iMDx has the enforceable right to bill on a defined fee schedule and work completed, rather than upon completion of specific deliverables defined in the SOW. Amounts recorded in contract assets are reclassified to accounts receivable in iMDx's consolidated balance sheets when the customer is invoiced according to the billing schedule in the contract.

As of September 30, 2026, and December 31, 2025 and 2024, iMDx had gross accounts receivable from Laboratory Services customers of $489,000, $1.1 million and $1.6 million, respectively.

Allowance for Credit Losses

iMDx establishes an allowance for credit losses based on the evaluation of the collectability of its Laboratory Services accounts receivables after considering a variety of factors, including the length of time receivables are past due, significant events that may impair the customer's ability to pay, such as a bankruptcy filing or deterioration in the customer's operating results or financial condition, reasonable and supportable forecasts that affect the collectability of the reported amount, and historical experience. If circumstances related to customers change, estimates of the recoverability of receivables would be further adjusted. iMDx continuously monitors collections and payments from customers and maintains a provision for estimated credit losses and uncollectible accounts, if any, based upon its historical experience and any specific customer collection issues that have been identified. Amounts determined to be uncollectible are written off against the credit loss reserve accounts. As of September 30, 2026, and December 31, 2025 and 2024, iMDx had an allowance for credit losses of $5,000, $11,000 and $16,000, respectively, related to Laboratory Services.

Kitted Products

Revenues recognized include our GraftAssureIQ RUO kitted tests, which are clearly labeled and intended for research purposes. GraftAssureIQ is a transplant monitoring assay to measure the donor-derived cell-free DNA ("dd-cfDNA") molecular biomarker. iMDx recognizes revenue to depict the transfer of goods to a customer at an amount that reflects the consideration which it expects to receive for providing those goods. As of September 30, 2026, and December 31, 2025 and 2024, iMDx had gross accounts receivable from Kitted Products customers of $36,000, zero and zero, respectively. As of September 30, 2026, and December 31, 2025 and 2024, iMDx had an allowance for credit losses of zero in all periods, related to Kitted Products. See Note 10, "Collaborative Arrangements," for additional Kitted Products information.

Licensing

Revenues that may be recognized include licensing revenue derived from agreements with customers for exclusive rights to market iMDx's proprietary testing technology. Under the agreements, iMDx has granted exclusive rights to certain trademarks and technology of iMDx for the purpose of marketing iMDx's tests within a defined geographic territory. A license agreement may specify milestone deliverables or performance obligations, for which iMDx recognizes revenue when its licensee confirms the completion of iMDx's performance obligation. A licensing agreement may also include ongoing sales support from iMDx and typically includes non-refundable licensing fees and per-test Laboratory Services revenues discussed above, for which iMDx treats the licensing of the technology, trademarks, and ongoing support as a single performance obligation satisfied by the passage of time over the term of the agreement.

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Disaggregation of Revenues and Concentrations of Credit Risk

The following table presents the percentage of consolidated revenues by type:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Laboratory Services	96%	100%	95%	99%
Kitted Products	4%	0%	5%	1%
Total	100%	100%	100%	100%

The following table presents the percentage of consolidated revenues generated by unaffiliated customers, based on the respective periods presented, that individually represented greater than ten percent of consolidated revenues:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Company A	96%	100%	95%	99%
Company B	*	*	*	*

* Less than 10%

The following table presents the percentage of consolidated revenues attributable to geographical locations, based on country of domicile:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
United States	96%	100%	95%	99%
Outside of the United States	4%	0%	5%	1%
Total	100%	100%	100%	100%

See Note 11, “Segment Reporting,” for additional information about geographical revenues and long-lived assets.

Financial instruments that potentially subject the Company to concentrations of credit risk are cash and cash equivalents and accounts receivable. The Company places its cash equivalents primarily in highly rated money market funds. Cash and cash equivalents are also invested in deposits with certain financial institutions and may, at times, exceed federally insured limits. The Company has not experienced any significant losses on its deposits of cash and cash equivalents.

One customer individually represented approximately 93% of accounts receivable as of September 30, 2026. One customer individually represented approximately 100% of accounts receivable as of December 31, 2025. No other customers individually represented greater than ten percent of total accounts receivable.

One vendor individually represented approximately 50% of accounts payable as of September 30, 2026. Two vendors individually represented approximately 50% and 10% of accounts payable as of December 31, 2025. No other vendors individually represented greater than ten percent of total accounts payable.

One vendor individually accounted for approximately 11% of purchases for the nine months ended September 30, 2026. One vendor individually accounted for approximately 10% of purchases for the nine months ended September 30, 2025. No other vendors individually represented greater than ten percent of total purchases.

The Company has a concentration in the volume of business transacted with Bio-Rad, its global strategic partner. In 2024, the Company entered into an agreement with Bio-Rad to collaborate in the development and the commercialization of RUO and IVD kitted transplant products using Bio-Rad’s ddPCR instruments and reagents, pursuant to which it is dependent on Bio-Rad with respect to many of its ongoing operations and future target performance. In addition, Bio-Rad is a significant investor in the Company's common stock. See Note 9, “Related Party Transactions” and Note 10, “Collaborative Arrangements,” for additional information.

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Cost of Revenues

Cost of revenues generally consists of cost of materials, direct labor including benefits, bonus and stock-based compensation, equipment and infrastructure expenses, clinical sample related costs associated with performing Laboratory Services, providing deliverables according to our licensing agreements, license fees due to third-parties, and Kitted Products inventory costs (see "Inventories" above) and royalties based on net product sales. Infrastructure expenses include depreciation and amortization of laboratory equipment, allocated rent costs, leasehold improvements, and allocated information technology costs for operations at iMDx's CLIA-certified laboratory in Tennessee. Costs associated with generating service revenue are recorded as the tests or services are performed regardless of whether revenue was recognized. Royalties or revenue share payments for licensed technology calculated as a percentage of revenues generated using the associated technology, or from product sales, are recorded as expenses at the time the related revenues are recognized. Certain cost of revenues are attributed to our global strategic collaboration arrangement with Bio-Rad for commercializing our kitted test products. See Note 10, "Collaborative Arrangements," for additional information.

Research and Development Expenses

Research and development expenses are comprised of costs incurred to develop technology, which include salaries and benefits, stock-based compensation, laboratory expenses (including reagents and supplies used in research and development laboratory work), consumed kitted products, clinical trial expenses, infrastructure expenses (including depreciation and amortization expenses, and allocated facility occupancy costs), and contract services and other outside costs. Indirect research and development expenses are allocated primarily based on headcount, as applicable, and include rent and utilities, common area maintenance, telecommunications, property taxes and insurance. Research and development costs are expensed as incurred. Certain research and development expenses are attributed to our global strategic collaboration arrangement with Bio-Rad for commercializing our kitted test products. See Note 10, "Collaborative Arrangements," for additional information.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of personnel costs and related benefits, including stock-based compensation, trade show expenses, branding and positioning expenses, free kitted products, travel expenses, and consulting fees. Sales and marketing expenses also include indirect expenses for applicable overhead allocated based on headcount, and include allocated costs for rent and utilities, common area maintenance, depreciation and amortization expenses, telecommunications, property taxes and insurance. During the three months ended September 30, 2026 and 2025, iMDx's total advertising expenses were $51,000 and $98,000, respectively. During the nine months ended September 30, 2026 and 2025, iMDx's total advertising expenses were $449,000 and $355,000, respectively. Certain sales and marketing expenses are attributed to our global strategic collaboration arrangement with Bio-Rad for commercializing our kitted test products. See Note 10, "Collaborative Arrangements," for additional information.

General and Administrative Expenses

General and administrative expenses consist primarily of compensation and related benefits, including stock-based compensation, for executive and corporate personnel, professional and consulting fees, travel expenses, rent and utilities, common area maintenance, depreciation and amortization expenses, telecommunications, property taxes and insurance. Certain general and administrative expenses are attributed to our global strategic collaboration arrangement with Bio-Rad for commercializing our kitted test products. See Note 10, "Collaborative Arrangements," for additional information.

Stock-Based Compensation

iMDx recognizes compensation expense related to employee, Board of Director and other non-employee option grants and restricted stock grants in accordance with ASC 718, *Compensation – Stock Compensation.*

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iMDx estimates the fair value of stock-based payment awards on the grant date and recognizes the resulting fair value over the requisite service period, which is generally a three or four-year vesting period. For stock-based awards that vest only upon the attainment of one or more performance goals set by iMDx at the time of the grant (sometimes referred to as milestone vesting), compensation cost is recognized if and when iMDx determines that it is probable that the performance condition or conditions will be, or have been, achieved. iMDx uses the Black-Scholes option pricing model for estimating the fair value of time-based options granted under iMDx's equity plan. The fair value of each restricted stock unit ("RSU") or award ("RSA") is determined by the product of the number of units or shares granted and the grant date market price of the underlying common stock. iMDx has elected to treat stock-based payment awards with graded vesting schedules and time-based service conditions as a single award and recognizes stock-based compensation ratably on a straight-line basis over the requisite service period. Options have a maximum contractual term of ten years. Forfeitures are accounted for as they occur. See Note 8 for additional information.

The Black-Scholes option pricing model requires iMDx to make certain assumptions including the expected option term, the expected volatility, the risk-free interest rate and the dividend yield. The expected term of employee stock options represents the weighted average period that the stock options are expected to remain outstanding. iMDx estimates the expected term of options granted based on its own experience. iMDx estimates the expected volatility using its own stock price volatility for a period equal to the expected term of the options. The risk-free interest rate assumption is based upon observed interest rates on the United States government securities appropriate for the expected term of iMDx's stock options. The dividend yield assumption is based on iMDx's history and expectation of dividend payouts. iMDx has never declared or paid any cash dividends on its common stock, and iMDx does not anticipate paying any cash dividends in the foreseeable future.

All excess tax benefits and tax deficiencies from stock-based compensation awards accounted for under ASC 718 are recognized as income tax benefit or expense, respectively, in the consolidated statements of operations. An excess income tax benefit arises when the tax deduction of a stock-based award for income tax purposes exceeds the compensation cost recognized for financial reporting purposes and, a tax deficiency arises when the compensation cost exceeds the tax deduction. Because iMDx has a full valuation allowance for all periods presented (see "Income Taxes" below), there was no impact to iMDx's consolidated statements of operations for any excess tax benefits or deficiencies, as any excess benefit or deficiency would be offset by the change in the valuation allowance. iMDx does not recognize deferred income taxes for incentive stock option compensation expense and records a tax deduction only when a disqualified disposition has occurred.

Retirement Plan

iMDx has an employee savings and retirement plan under Section 401(k) of the Internal Revenue Code. The plan is a defined contribution plan in which eligible employees may elect to have a percentage of their compensation contributed to the plan, subject to certain guidelines issued by the Internal Revenue Service. During the three months ended September 30, 2026 and 2025, iMDx's total contributions to the plan were $42,000 and $87,000, respectively. During the nine months ended September 30, 2026 and 2025, iMDx's total contributions to the plan were $263,000 and $248,000, respectively.

Collaborative Arrangements

The Company analyzes its collaboration arrangements to assess whether they are within the scope of ASC 808, *Collaborative Arrangements*, which includes determining whether such arrangements involve joint operating activities performed by parties that are both active participants in the activities and exposed to significant risks and rewards dependent on the commercial success of such activities. To the extent that the arrangement falls within the scope of ASC 808, the Company assesses whether the payments between the Company and its collaboration partner fall within the scope of other accounting literature. If the Company concludes that payments from the collaboration partner to the Company would represent consideration from a customer, the Company accounts for those payments within the scope of ASC 606. However, if the Company concludes that its collaboration partner is not a customer for certain activities and associated payments, the Company presents such payments as a reduction of the related expense, based on where the Company presents the underlying expense. See Note 10 for additional information.

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Foreign Currency Gains and Losses

Foreign currency gains and losses primarily relate to our Chronix subsidiary in Germany, where the local currency is the functional currency. Assets and liabilities are translated from the foreign currency into U.S. dollars at the exchange rates in effect at the balance sheet date, while income and expenses are translated at the weighted average exchange rates for the period. The net effects of translating the foreign currency financial statements are included in the consolidated shareholders' (deficit) equity as a component of accumulated other comprehensive income or loss. Gains and losses for all transactions denominated in a currency other than the U.S. dollar are recognized in the period incurred and included in the consolidated statements of operations as a component of other income or expense. During the three months ended September 30, 2026 and 2025, iMDx recognized a $7,000 foreign currency loss in both periods in the consolidated statements of operations. During the nine months ended September 30, 2026 and 2025, iMDx recognized an $18,000 foreign currency loss and a $194,000 foreign currency loss, respectively, in the consolidated statements of operations.

Other Income and Expenses

Other income and expenses are primarily comprised of interest income, interest expense, and foreign currency gains and losses. Interest income is earned from money market funds we hold for capital preservation. Interest expense is primarily incurred from our financing lease obligations (see Note 6).

Income Taxes

iMDx and its subsidiaries will file a consolidated U.S. federal income tax return and combined California state return for the year ending December 31, 2026. iMDx accounts for income taxes in accordance with ASC 740, *Income Taxes*, which prescribes the use of the asset and liability method, whereby deferred tax asset or liability account balances are calculated at the balance sheet date using current tax laws and rates in effect. The provision for income taxes for interim periods is determined using an estimated annual effective tax rate in accordance with ASC 740-270, *Income Taxes, Interim Reporting*. The effective tax rate may be subject to fluctuations during the year as new information is obtained, which may affect the assumptions used to estimate the annual effective tax rate, including factors such as valuation allowances against deferred tax assets, the recognition or de-recognition of tax benefits related to uncertain tax positions, if any, and changes in or the interpretation of tax laws in jurisdictions where iMDx conducts business.

iMDx did not record any provision or benefit for income taxes for the three and nine months ended September 30, 2026 and 2025, as iMDx had a full valuation allowance for the periods presented.

Valuation allowances are established when necessary to reduce deferred tax assets when it is more-likely-than-not that a portion or all of the deferred tax assets will not be realized. iMDx's judgments regarding future taxable income may change over time due to changes in market conditions, changes in tax laws, tax planning strategies or other factors. If iMDx's assumptions and consequently its estimates change in the future, the valuation allowance may be increased or decreased, which may have a material impact on iMDx's consolidated statements of operations. iMDx established a full valuation allowance for all periods presented due to the uncertainty of realizing future tax benefits from its net operating loss carry-forwards and other deferred tax assets.

The guidance also prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not sustainable upon examination by taxing authorities. iMDx will recognize accrued interest and penalties related to unrecognized tax benefits as income tax expense. No amounts were accrued for the payment of interest and penalties as of September 30, 2026 and December 31, 2025. iMDx is not aware of any uncertain tax positions that could result in significant additional payments, accruals, or other material deviation as of September 30, 2026. iMDx is currently unaware of any tax issues under review. As of September 30, 2026 and December 31, 2025, iMDx had unrecognized tax benefits totaling $1.6 million.

On July 4, 2025, the U.S. enacted H.R. 1, "A bill to provide for reconciliation pursuant to Title II of H. Con. Res. 14," commonly referred to as the One Big Beautiful Bill. Changes in tax laws may affect recorded deferred tax assets and deferred tax liabilities and iMDx's effective tax rate in the future. As a result of the enactment of H.R. 1, iMDx has reflected the impact to the deferred tax asset related to the full expensing of domestic research and experimental expenditures in 2025 and 2026. iMDx does not expect this change to result in any material impact to its income tax expense.

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The American Rescue Plan Act ("ARPA") was signed on March 11, 2021. One of the provisions of the ARPA included a modification to the provision limiting the deductibility of executive compensation expense, expanding the definition of covered employees to include the top five highest compensated employees beyond the CEO, CFO and three highest paid officers. The provision was further modified by H.R. 1, which made the provision applicable to publicly traded companies and all members of their controlled group (as opposed to members of the affiliated group, as prescribed under prior law). All changes are effective for tax years beginning after December 31, 2026. While iMDx does not believe that these modifications will have a material impact on its income tax provision currently, iMDx will continue to monitor this provision.

Net Loss Per Common Share

Basic loss per share is computed by dividing the net loss applicable to common shareholders by the weighted average number of shares of common stock outstanding during the period. Basic weighted average shares outstanding includes the effects of pre-funded warrants that were issued in April 2024, February 2025 and February 2026 (see Note 7, "Pre-Funded Warrants," for additional information). Diluted loss per share is computed by dividing the net loss applicable to common shareholders by the weighted average number of common shares outstanding plus the number of additional common shares that would have been outstanding if all dilutive potential common shares had been issued, using the treasury stock method or the if-converted method, as applicable. Potential common shares are excluded from the computation if their effect is antidilutive.

For the three and nine months ended September 30, 2026 and 2025, all common stock equivalents are antidilutive because iMDx reported a net loss. The following table presents the antidilutive potential common shares:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Antidilutive potential common shares excluded from the computation of diluted net loss per common share:				
Stock options	2,257	2,359	2,257	2,359
RSUs	765	917	765	917
Warrants	573	761	573	761
Total	3,595	4,037	3,595	4,037

Recent Accounting Pronouncements

Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, to address investor requests for more detailed information about certain types of reported costs and expenses. The amendments in this Update require disclosure, in the notes to financial statements, at each interim and annual reporting period an entity: 1) disclose the amounts of (a) purchases of inventory, (b) employee compensation, (c) depreciation, and (d) intangible asset amortization included in each expense caption presented on the face of the income statement within continuing operations; 2) include certain amounts that are already required to be disclosed under current GAAP in the same disclosure as the other disaggregation requirements; 3) disclose a qualitative description of the amounts remaining that are not separately disaggregated quantitatively; and 4) disclose the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. The amendments in this Update should be applied either prospectively or retrospectively, and are effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. Management is currently evaluating the impact that the amendments in this Update will have on the Company's financial statement disclosures. The adoption of this new standard will not have an impact on the Company's consolidated balance sheets and consolidated statements of operations, comprehensive loss, shareholders' (deficit) equity and cash flows.

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In September 2025, the FASB issued ASU No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, to modernize the accounting for internal-use software costs. The amendments in this Update remove all references to prescriptive and sequential software development stages (referred to as "project stages"). Therefore, an entity is required to start capitalizing software costs when both of the following occur: 1) management has authorized and committed to funding the software project, and 2) it is probable that the project will be completed and the software will be used to perform the function intended (the "probable-to-complete recognition threshold"). In evaluating the probable-to-complete recognition threshold, an entity is required to consider whether there is significant uncertainty associated with the development activities of the software. In addition, the amendments supersede the website development costs guidance and incorporate the recognition requirements for website-specific development costs from Subtopic 350-50 into Subtopic 350-40. The Company will adopt this new standard on January 1, 2028. Management has determined that the adoption of this new standard will not have a material impact on the Company's consolidated balance sheets and consolidated statements of operations, comprehensive loss, shareholders' (deficit) equity and cash flows, and related disclosures.

3. Business Combinations and Contingent Consideration Liabilities

Acquisition of IGI

On January 31, 2020 (the "IGI Merger Date"), iMDx completed its acquisition of IGI pursuant to the IGI Merger Agreement. iMDx determined there were two types of contingent consideration in connection with the IGI Merger, the Milestone Contingent Consideration and the Royalty Contingent Consideration. There were three milestones comprising the Milestone Contingent Consideration, in connection with the IGI Merger which iMDx valued and recorded as part of the contingent consideration as of the IGI Merger Date (see table below), which consisted of (i) a payment for clinical trial completion and related data publication ("Milestone 1"), (ii) a payment for an affirmative final LCD from CMS for a specified lung cancer test ("Milestone 2"), and (iii) a payment for achieving specified CMS reimbursement milestones ("Milestone 3"). If achieved, any respective Milestone will be paid at the contractual value shown below, with the payment made either in cash or in shares of iMDx's common stock as determined by iMDx. There can be no assurance that any of the Milestones will be achieved.

The following table shows the IGI Merger Date contractual payment amounts, as applicable, and the corresponding fair value of each respective contingent consideration liability:

	Contractual Value	Fair Value on the Merger Date
	(In thousands)	
Milestone 1 [(a) (c)]	$ 1,500	$ 1,340
Milestone 2 [(a)]	3,000	1,830
Milestone 3 [(a)]	1,500	770
Royalty 1 [(b) (c)]	See(b)	5,980
Royalty 2 [(b) (c)]	See(b)	1,210
Total	$ 6,000	$ 11,130

(a) Indicates the maximum amount payable if the Milestone is achieved.

(b) As defined, Royalty Payments are based on a percentage of future revenues of DetermaIO and Laboratory Services over their respective useful life, accordingly there is no fixed contractual value for the Royalty Contingent Consideration.

(c) Contingent consideration is currently not expected to be paid out.

The fair value of the contingent consideration after the IGI Merger Date is reassessed by iMDx as changes in circumstances and conditions occur, with the subsequent change in fair value recorded in iMDx's consolidated statements of operations. Since December 2023, Milestone 1 and Royalty 2 (Laboratory Services) are not expected to be paid and are excluded from the current fair value. Since December 2025, Royalty 1 (DetermaIO) is not expected to be paid and is excluded from the current fair value. During 2026, based on iMDx's reassessment of significant assumptions, there was a decrease of approximately $179,000 to the fair value of the contingent consideration primarily attributable to revised estimates of the possible future payouts and, accordingly, this amount was recorded as a change in fair value of contingent consideration in the consolidated statement of operations for the nine months ended September 30, 2026.

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iMDx uses a discounted cash flow valuation technique to determine the fair value of its Level 3 contingent consideration liabilities. The significant unobservable inputs used in IGI's contingent consideration valuation on September 30, 2026, included: (i) a discount period, based on the expected Milestone payment dates, ranging from 1.9 years to 2.2 years, (ii) a discount rate of 16.6% to 16.7%, and (iii) a management probability estimate of 25% to 50%. The significant unobservable inputs used in IGI's contingent consideration valuation on September 30, 2025, included: (i) a discount period, based on the expected Milestone payment dates, ranging from 1.7 years to 7.0 years, (ii) a discount rate of 11.7% to 12.0%, and (iii) a management probability estimate of 25% to 50%. Changes to significant unobservable inputs to different amounts could result in a significantly higher or lower fair value measurement at the reporting date.

The following tables reflect the activity for the IGI contingent consideration measured at fair value using Level 3 inputs:

	Fair Value (In thousands)
Balance at December 31, 2024	$ 2,593
Change in estimated fair value	15
Balance at September 30, 2025	$ 2,608
Balance at December 31, 2025	$ 1,807
Change in estimated fair value	(179)
Balance at September 30, 2026	$ 1,628

Acquisition of Chronix

On April 15, 2021 (the "Chronix Merger Date"), iMDx completed its acquisition of Chronix pursuant to the Chronix Merger Agreement. As additional consideration for holders of certain classes and series of Chronix capital stock, the Chronix Merger Agreement required iMDx to pay certain contingent consideration. On September 15, 2026, the Company and the equity holder representative named in the Chronix Merger Agreement entered into Amendment No. 2 to the Chronix Merger Agreement, pursuant to which the parties agreed that (i) Chronix's equity holders will be paid earnout consideration of 10% of net collections for sales of specified tests and products (including those that use Chronix's patented technology involving copy number instability to sensitively quantify the cell-free DNA from the primary solid tumor in a patient's blood ("CNI Monitor")), until the expiration of intellectual property related to such tests and products, (ii) Chronix's equity holders will be paid 5% of the gross proceeds received from any sale of all or substantially all of the rights, titles, and interests in and to Chronix's patents for use in transplantation medicine to such third-party, and (iii) Chronix's equity holders will be paid a final payment of 10% of the gross proceeds received from any sale of all or substantially all of the rights, titles, and interests in and to Chronix's CNI Monitor to such third-party, and in no event shall the obligation to pay 10% of net collected sales of CNI Monitor be assumed by such third-party acquirer.

The fair value of the Chronix contingent consideration after the Chronix Merger Date is reassessed by iMDx as changes in circumstances and conditions occur, with the subsequent change in fair value recorded in iMDx's consolidated statements of operations. During 2026, based on iMDx's reassessment of significant assumptions, there was a decrease of approximately $7.5 million to the fair value of the contingent consideration primarily attributable to revised estimates of the possible future payouts and, accordingly, this amount was recorded as a change in fair value of contingent consideration in the consolidated statement of operations for the nine months ended September 30, 2026.

iMDx uses a discounted cash flow valuation technique to determine the fair value of its Level 3 contingent consideration liabilities. The significant unobservable inputs used in Chronix's contingent consideration valuation on September 30, 2026, included: (i) a discount period, based on the related patent expiration dates, ranging from 8.1 years to 9.0 years, (ii) a discount rate of 16.1% to 17.0%, and (iii) a payout percentage of 10% based on the earnout provision. The significant unobservable inputs used in Chronix's contingent consideration valuation on September 30, 2025, included: (i) a discount period, based on the related patent expiration dates, ranging from 9.1 years to 10.0 years, (ii) a discount rate of 11.7% to 12.2%, and (iii) a payout percentage of 10% based on the earnout provision. Changes to significant unobservable inputs to different amounts could result in a significantly higher or lower fair value measurement at the reporting date.

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The following tables reflect the activity for the Chronix contingent consideration measured at fair value using Level 3 inputs:

	Fair Value (In thousands)
Balance at December 31, 2024	$ 35,346
Earnout payments/accruals	—
Change in estimated fair value	7,046
Balance at September 30, 2025	$ 42,392
Balance at December 31, 2025	$ 42,076
Earnout payments/accruals	(4)
Change in estimated fair value	(7,544)
Balance at September 30, 2026	$ 34,528

The accompanying consolidated balance sheets separately present the IGI and Chronix total contingent consideration liabilities as current and noncurrent based on our expectations of the timing of product commercialization and subsequent revenues that trigger the payouts. Contingent consideration is not deductible for tax purposes, even if paid; therefore, no deferred tax assets related to the contingent consideration were recorded.

4. Property and Equipment, Net

Right-of-use ("ROU") operating and financing lease assets, net, machinery and equipment, net, and construction in progress were as follows:

	September 30, 2026	December 31, 2025
	(In thousands)	
ROU operating and financing lease assets	$ 5,623	$ 5,623
Accumulated amortization	(3,878)	(2,808)
Total, net (Note 6)	$ 1,745	$ 2,815
Machinery, equipment and leasehold improvements	$ 13,569	$ 12,516
Accumulated depreciation and amortization	(8,333)	(6,846)
Subtotal, net	5,236	5,670
Construction in progress	313	765
Total, net	$ 5,549	$ 6,435

ROU financing lease assets, machinery, equipment and leasehold improvements total depreciation and amortization expense amounted to $642,000 and $584,000 for the three months ended September 30, 2026 and 2025, respectively, and $1.9 million and $1.6 million for the nine months ended September 30, 2026 and 2025, respectively. Additionally, ROU operating lease cost expense, based on the capitalized lease cost as presented in the table above, was approximately $619,000 and $457,000 for the nine months ended September 30, 2026 and 2025, respectively (see Note 6, "Commitments and Contingencies – Operating and Financing Leases," for additional disclosure information).

5. Intangible Assets, Net

As part of the IGI and Chronix acquisitions completed on January 31, 2020 and April 15, 2021, respectively, the Company acquired IPR&D and customer relationships (see Note 3). In 2023 and 2024, the Company recorded partial impairments related to its DetermaIO and DetermaCNI IPR&D intangible assets.

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As of December 31, 2025, due to growing competitive pressure in the oncology market, although not abandoned, management did not foresee substantial near term investment in, or revenue generating opportunities from, DetermaIO and DetermaCNI. Due to this current market condition, the Company's long range plan forecasts were updated, resulting in a significant reduction to anticipated future benefits derived from the Company's IPR&D assets. The IPR&D balances were reassessed based on the updated long range plan using the multi-period excess earnings method approach and the results of the valuations noted that the carrying values of the DetermaIO and DetermaCNI IPR&D intangible assets were greater than the fair market values, resulting in the full impairment of both assets. Accordingly, the Company recorded impairments of $2.9 million and $11.7 million related to DetermaIO and DetermaCNI, respectively, as of December 31, 2025.

The significant unobservable inputs used related to DetermaIO and DetermaCNI as of December 31, 2025, included: (i) a discount period of 15.0 years, based on the long range plan forecast, and (ii) a discount rate of 29.0%, as well as certain assumptions about future cash flows in the related long range plan forecast. This valuation approach yielded a fair value of zero for both DetermaIO and DetermaCNI as of December 31, 2025. See Note 2, "Intangible Assets," for additional IPR&D information.

Intangible assets subject to amortization included a customer relationship, at the acquired value of $440,000, which was fully amortized as of March 31, 2025. Intangible asset amortization expense amounted to $7,000 during 2025. Amortization of intangible assets was included in cost of revenues in the consolidated statement of operations because the intangible assets pertained directly to the revenues generated from the acquired intangibles.

6. Commitments and Contingencies

Office and Facilities Leases

Irvine Office Lease

On December 23, 2019, iMDx and Cushing Ventures, LLC ("Landlord") entered into an Office Lease Agreement (the "Irvine Lease") of a building containing approximately 26,800 square feet of rentable space located at 15 Cushing in Irvine, California (the "Premises") that served as iMDx's principal executive and administrative offices until June 2025 (see "Nashville Area Office and Facilities Leases" below). The Irvine Lease has a term of 89 calendar months (the "Term"), which commenced on June 1, 2020 (the "Commencement Date") and will end on October 31, 2027. iMDx agreed to pay base monthly rent in the amount of $61,640 during the first 12 months of the Term. Base monthly rent increases annually, over the base monthly rent then in effect, by 3.5%. In June 2025, in connection with the Subtenant's (as defined below under the caption "Irvine Office Sublease") full usage of, and iMDx's exit of, the Premises, iMDx performed a recoverability test of the remaining lease related assets. Such lease asset group carrying amount was compared to the total undiscounted future expected cash flows from the sublease income, which resulted in no impairment.

Effective as of January 2, 2025, iMDx, Landlord and Subtenant (defined below) entered into an amendment to the Irvine Lease, dated December 26, 2024 (the "Amendment"). Pursuant to the terms of the Amendment, among other things: (a) iMDx and Subtenant agreed that all rights to extend the Term of the Irvine Lease for a period of five years were terminated, and (b) Landlord and iMDx agreed that, provided iMDx is not in default under any of the terms and conditions of the Irvine Lease that is continuing beyond any and all applicable notice and cure periods, then, commencing on July 1, 2025 and continuing on the first day of each calendar month thereafter, the provided letter of credit (as further discussed below) in the amount of $1.7 million (the "Letter of Credit Amount") shall be reduced by an amount equal to $60,714.29 on each such date, until the Letter of Credit Amount is fully reduced, after which the letter of credit shall be deemed to have been terminated and iMDx shall have no further obligation to maintain or deliver the letter of credit under the Irvine Lease. The new Letter of Credit Amount will correspond to the Company's restricted cash on the accompanying consolidated balance sheet and the reductions in the Letter of Credit Amount would correspondingly reduce the associated amount of such restricted cash.

In addition to base monthly rent, iMDx agreed to pay in monthly installments (a) all costs and expenses, other than certain excluded expenses, incurred by the lessor in each calendar year in connection with operating, maintaining, repairing (including replacements if repairs are not feasible or would not be effective) and managing the Premises and the building in which the Premises are located ("Expenses"), and (b) all real estate taxes and assessments on the Premises and the building in which the Premises are located, all personal property taxes for property that is owned by lessor and used in connection with the operation, maintenance and repair of the Premises, and costs and fees incurred in connection with seeking reductions in such tax liabilities ("Taxes"). Subject to certain exceptions, Expenses shall not be increased by more than 4% annually on a cumulative, compounded basis.

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iMDx was entitled to an abatement of its obligations to pay Expenses and Taxes while constructing improvements to the Premises constituting "Tenant's Work" under the Irvine Lease prior to the Commencement Date, except that iMDx was obligated to pay 43.7% of Expenses and Taxes during the period prior to the Commencement Date for its use of the second floor of the Premises, which was already built out as office space. The lessor provided iMDx with a "Tenant Improvement Allowance" in the amount of $1.3 million to pay for the plan, design, permitting, and construction of the improvements constituting Tenant's Work. The lessor retained 1.5% of the Tenant Improvement Allowance as an administrative fee as provided in the Irvine Lease. As of June 2021, the lessor had provided $1.3 million of the total Tenant Improvement Allowance, which is being amortized over the Term.

iMDx provided the lessor with a security deposit in the amount of $150,000 and a letter of credit in the initial amount of $1.7 million. The lessor may apply the security deposit, in whole or in part, for the payment of rent and any other amount that iMDx is or becomes obligated to pay under the Irvine Lease but fails to pay when due and beyond any cure period. The lessor may draw on the letter of credit from time to time to pay any amount that is unpaid and due, or if the original issuing bank notifies the lessor that the letter of credit will not be renewed or extended for the period required under the Irvine Lease and iMDx fails to timely provide a replacement letter of credit, or an "event of default" under the Irvine Lease occurs and continues beyond the applicable cure period, or if certain instances of insolvency or bankruptcy with respect to iMDx occur. iMDx is required to restore any portion of the security deposit that is applied by the lessor to payments due under the Irvine Lease, and iMDx is required to restore the amount available under the letter of credit to the required amount if any portion of the letter of credit is drawn by the lessor. The Letter of Credit Amount shall be reduced as described in the Amendment above.

To obtain the letter of credit, iMDx has provided the issuing bank with a restricted cash deposit that the bank will hold to cover its obligation to pay any draws on the letter of credit by the lessor. The restricted cash may not be used for any other purpose. Corresponding to the Letter of Credit Amount, iMDx has reflected $790,000 as the total remaining current and noncurrent restricted cash balances in the accompanying consolidated balance sheet as of September 30, 2026. The total restricted cash balance in the accompanying consolidated balance sheet as of December 31, 2025 was $1.3 million.

Irvine Office Sublease

On August 8, 2023, iMDx and Induce Biologics USA, Inc. ("Subtenant") entered into a Sublease Agreement (the "Sublease Agreement"), which subsequently became effective as of September 14, 2023, upon the execution and delivery by the Company, Subtenant, and Landlord, of that certain Landlord's Consent to Sublease dated September 12, 2023 (the "Consent Agreement"), under which Landlord consented to the Sublease Agreement, on the terms and subject to the conditions set forth therein. The Sublease Agreement is subject and subordinate to the Irvine Lease.

Under the Sublease Agreement, the Company agreed to initially sublet to Subtenant a portion of the Premises consisting of approximately 13,400 square feet of rentable space for a term (the "Initial Period") commencing on the date that is 120 days after the effective date of the Consent Agreement (the "Sublease Commencement Date") and ending on the date that is 18 months following the Sublease Commencement Date (June 30, 2025, the date on which the Initial Period ends, and the "Expansion Date"). On the Expansion Date, the portion of the Premises that is subleased to Subtenant under the Sublease Agreement automatically increased to include the remaining portion of the Premises, which consists of approximately 13,400 square feet of additional rentable space for a term (the "Expansion Period") beginning on the Expansion Date through the expiration of the Irvine Lease on October 31, 2027, unless earlier terminated.

The Sublease Agreement provides that, from and after the Sublease Commencement Date, Subtenant will pay to the Company monthly base rent in the following amounts: (i) $36,850 for rental periods beginning on the Sublease Commencement Date and ending on or before December 31, 2024; (ii) $37,955 for rental periods beginning on or after January 1, 2025 and ending on or before June 30, 2025; (iii) $75,844 for rental periods beginning on or after July 1, 2025 and ending on or before December 31, 2025; (iv) $78,188 for rental periods beginning on or after January 1, 2026 and ending on or before December 31, 2026; and (v) $80,534 for rental periods beginning on or after January 1, 2027 and ending on or before October 31, 2027.

Following the Sublease Commencement Date, Subtenant is responsible for the payment of Additional Rent, including Expenses and Taxes (as each such term is defined in the Irvine Lease), provided that, with respect to the Initial Period, Subtenant was responsible for only 50% of the Expenses and Taxes due. In addition, Subtenant paid the Company a security deposit in the amount of $101,987 in connection with the transactions contemplated by the Sublease Agreement.

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The Sublease Agreement contains customary provisions with respect to, among other things, Subtenant's obligation to comply with the Irvine Lease and applicable laws, the payment of utilities and similar services utilized by Subtenant with respect its use of the Premises, the indemnification of the Company by Subtenant, and the right of the Company to terminate the Sublease Agreement in its entirety and retake the Premises if Subtenant fails to remedy certain defaults of its obligations under the Sublease Agreement within specified time periods.

Nashville Area Office and Facilities Leases

iMDx operates a CLIA-certified laboratory and office space located in the Nashville, Tennessee area under multiple lease arrangements. Since June 2025, iMDx's Nashville location also serves as our principal executive and administrative offices. iMDx maintains an aggregate of 12,881 square feet of rentable space in the Nashville area. Lab space represents approximately 6,586 square feet of the total rentable space in the Nashville area.

In January 2024, iMDx renewed its existing leases and added a new lease agreement to expand its Nashville area office space. The new lease agreements each have an initial term of 36 months, which commenced on January 1, 2024 and will end in January 2027. iMDx has the option to renew the term of each lease for four additional one year periods. iMDx agreed to pay an aggregate base monthly rent in the amount of $22,252 during the first 12 months of the term. Base monthly rent increases annually, over the base monthly rent then in effect, by approximately 3.0%.

In September 2025, iMDx added a new lease agreement to expand its Nashville area laboratory and office space. The new lease agreement has an initial term of 36 months, which commenced on October 1, 2025 and will end in September 2028. iMDx has the option to renew or extend the term upon request. iMDx agreed to pay a base monthly rent in the amount of $6,200 during the first 24 months of the term, and $6,700 per month thereafter.

Germany Office and Facilities Leases

iMDx operates a research and development laboratory and office space located in Göttingen, Germany. In August 2025, iMDx added a new lease agreement to expand our Germany laboratory and office space. With the new lease, iMDx maintains an aggregate of 3,455 square feet of rentable space in Germany. Lab space represents approximately 2,077 square feet of the total rentable space in Germany. The new lease agreement has an initial term of 60 months, which commenced on October 1, 2025 and will end in September 2030. iMDx has the option to renew the term for two additional three year periods. iMDx agreed to pay an aggregate base monthly rent in the approximate amount of $7,158 over the full 60 month term. Base rent may increase or decrease based on the German consumer price index annual rate of change. Any adjustments to the base rent in subsequent years will be recognized in operations as variable lease payments.

The office and facilities leases discussed above are operating leases under ASC 842. The tables below provide the amounts recorded in connection with the application of ASC 842 for iMDx's operating leases (see Note 2, "Leases," for additional policy information).

Financing Leases

iMDx has various financing leases for certain laboratory and other equipment. iMDx's financing lease obligations are collateralized by the equipment financed under the lease schedules. The tables below provide the amounts recorded in connection with the application of ASC 842 for iMDx's financing leases (see Note 2, "Leases," for additional policy information).

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Operating and Financing Leases

The following table presents supplemental balance sheet information related to operating and financing leases:

	September 30, 2026	December 31, 2025
	(In thousands)	
Operating leases		
ROU assets, net	$ 1,082	$ 1,707
Lease liabilities, current	$ 1,072	$ 1,180
Lease liabilities, noncurrent	305	1,079
Total operating lease liabilities	$ 1,377	$ 2,259
Financing leases		
ROU machinery and equipment	$ 1,980	$ 1,980
ROU accumulated amortization	(1,317)	(872)
ROU machinery and equipment, net	$ 663	$ 1,108
Lease liabilities, current	$ 467	$ 551
Lease liabilities, noncurrent	172	509
Total financing lease liabilities	$ 639	$ 1,060
Weighted average remaining lease term:		
Operating lease	1.7 years	2.2 years
Financing lease	1.4 years	2.0 years
Weighted average discount rate:		
Operating lease	9.51%	9.59%
Financing lease	7.23%	7.97%

Future minimum lease commitments are as follows:

	Operating Leases	Financing Leases
	(In thousands)	
Year Ending December 31,		
2026	$ 338	$ 139
2027	854	404
2028	143	116
2029	83	5
2030	62	—
Total minimum lease payments	1,480	664
Less amounts representing interest	(103)	(25)
Present value of net minimum lease payments	$ 1,377	$ 639

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The following table presents supplemental cash flow information related to operating and financing leases:

	Nine Months Ended September 30,	
	2026	2025
	(In thousands)	
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 1,002	$ 855
Operating cash flows from financing leases	$ 46	$ 69
Financing cash flows from financing leases	$ 422	$ 332

The Company incurred total operating lease cost, including short-term lease expense, of $38,000 and $23,000, which was net of sublease income of $235,000 and $227,000, for the three months ended September 30, 2026 and 2025, respectively. The Company incurred total operating lease cost, including short-term lease expense, of $179,000 and $292,000, which was net of sublease income of $704,000 and $455,000, for the nine months ended September 30, 2026 and 2025, respectively.

Financing lease amortization expense amounted to $136,000 and $132,000 for the three months ended September 30, 2026 and 2025, respectively, and $445,000 and $352,000 for the nine months ended September 30, 2026 and 2025, respectively.

Equipment Financing Arrangement

In September 2026, the Company entered into a Sale Leaseback Purchase Agreement, involving certain laboratory equipment, pursuant to which the Company received cash proceeds of approximately $609,000. The Company paid a security deposit of approximately $110,000, of which $44,000 is expected to be returned to the Company in the next twelve months provided that certain financial conditions are met. The related lease arrangement provides for the continued use of the equipment by the Company for a term of five years and requires aggregate monthly payments of $22,058, which include a monthly service fee of $7,116 based on standalone selling price, over the lease term ending in August 2031. The Company evaluated the sale and leaseback transaction under ASC 842 and concluded it did not qualify as a sale. Accordingly, the transaction is accounted for as an equipment financing arrangement, and proceeds received were recorded as a financial liability in the accompanying consolidated balance sheet. The related equipment remains recognized as machinery and equipment in the consolidated balance sheet and continues to be depreciated over the remaining useful lives (see Notes 2 and 4, “Property and Equipment,” for additional information).

Litigation – General

iMDx may be subject to various claims and contingencies in the ordinary course of its business, including those related to litigation, business transactions, employee-related matters, and other matters. When iMDx is aware of a claim or potential claim, it assesses the likelihood of any loss or exposure. If it is probable that a loss will result and the amount of the loss can be reasonably estimated, iMDx will record a liability for the loss. If the loss is not probable or the amount of the loss cannot be reasonably estimated, iMDx discloses the claim if the likelihood of a potential loss is reasonably possible and the amount involved could be material.

Tax Filings

iMDx tax filings are subject to audit by taxing authorities in jurisdictions where it conducts business. These audits may result in assessments of additional taxes that are subsequently resolved with the authorities or potentially through the courts. Management believes iMDx has adequately provided for any ultimate amounts that are likely to result from these audits; however, final assessments, if any, could be significantly different than the amounts recorded in the consolidated financial statements. See Note 2, “Income Taxes,” for additional information.

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Employment Contracts

iMDx has entered into employment and severance benefit contracts with certain executive officers. Under the provisions of the contracts, iMDx may be required to incur severance obligations for matters relating to changes in control, as defined in the respective contracts, and certain terminations of executives. As of September 30, 2026 and December 31, 2025, iMDx accrued approximately $2.3 million in severance obligations for certain executive officers, in accordance with the severance benefit provisions of their respective employment and severance benefit agreements, primarily related to iMDx's acquisition of Chronix in 2021. For the periods presented, management has included $2.3 million of the accrued severance obligations related to the Chronix acquisition as contingent consideration in the consolidated balance sheets under contingent consideration liabilities, current and noncurrent. See Note 3, "Business Combinations and Contingent Consideration – Acquisition of Chronix," for additional information.

Indemnification

In the normal course of business, iMDx may provide indemnification of varying scope under iMDx's agreements with other companies or consultants, typically iMDx's clinical research organizations, investigators, clinical sites, suppliers and others. Pursuant to these agreements, iMDx will generally agree to indemnify, hold harmless, and reimburse the indemnified parties for losses and expenses suffered or incurred by the indemnified parties arising from claims of third parties in connection with the use or testing of iMDx's diagnostic tests. Indemnification provisions could also cover third party infringement claims with respect to patent rights, copyrights, or other intellectual property pertaining to iMDx's diagnostic tests. iMDx's office and laboratory facility leases also will generally contain indemnification obligations, including obligations for indemnification of the lessor for environmental law matters and injuries to persons or property of others, arising from iMDx's use or occupancy of the leased property. The term of these indemnification agreements will generally continue in effect after the termination or expiration of the particular research, development, services, lease, or license agreement to which they relate. iMDx periodically enters into underwriting and securities sales agreements with broker-dealers in connection with the offer and sale of iMDx securities. The terms of those underwriting and securities sales agreements include indemnification provisions pursuant to which iMDx agrees to indemnify the broker-dealers from certain liabilities, including liabilities arising under the Securities Act of 1933, as amended (the "Securities Act"), in connection with the offer and sale of iMDx securities. The potential future payments iMDx could be required to make under these indemnification agreements will generally not be subject to any specified maximum amounts. Historically, iMDx has not been subject to any claims or demands for indemnification. iMDx also maintains various liability insurance policies that limit iMDx's financial exposure. As a result, iMDx management believes that the fair value of these indemnification agreements is minimal. Accordingly, iMDx has not recorded any liabilities for these agreements as of September 30, 2026 and December 31, 2025.

The Razor Stock Purchase Agreement (see Note 2, "Investments in Privately Held Companies") also contains provisions under which iMDx has agreed to indemnify Razor and Encore Clinical, Inc., a former stockholder of Razor, from losses and expenses resulting from breaches or inaccuracy of iMDx's representations and warranties and breaches or nonfulfillment of iMDx's covenants, agreements, and obligations under the Razor Stock Purchase Agreement.

7. Shareholders' (Deficit) Equity

Preferred Stock

As of September 30, 2026 and December 31, 2025, iMDx had 5,000,000 shares of preferred stock, no-par value, authorized. As of September 30, 2026 and December 31, 2025, iMDx had no shares of preferred stock issued and outstanding.

Common Stock

As of September 30, 2026 and December 31, 2025, iMDx had 230,000,000 shares of common stock, no-par value, authorized. As of September 30, 2026 and December 31, 2025, iMDx had 32,755,490 and 28,682,844 shares of common stock issued and outstanding, respectively.

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February 2025 Offering

On February 10, 2025, the Company consummated a private placement of its securities to certain institutional investors for the issuance and sale of 7,536,706 shares of the Company's common stock and pre-funded warrants to purchase 3,069,926 shares of the Company's common stock, with an exercise price of $0.0001 per share (the "February 2025 Offering"). The purchase price for one common share was $2.05, and the purchase price for one pre-funded warrant was $2.05. Certain officers of the Company subscribed for 109,756 of the shares of common stock sold in the private placement, at a purchase price of $2.05 per share (see Note 9). The related securities purchase agreement contains customary representations, warranties and agreements by the Company, indemnification obligations of the Company and the investors, including for liabilities under the Securities Act, other obligations of the parties and termination provisions.

A holder of the pre-funded warrants may not exercise any portion of such holder's pre-funded warrants to the extent that the holder, together with its affiliates, would beneficially own more than 4.99% (or, at the election of the holder, 9.99%) of the Company's outstanding shares of common stock immediately after exercise, except that upon at least 61 days' prior notice from the holder to the Company, the holder may increase the beneficial ownership limitation to up to 9.99% of the number of shares of common stock outstanding immediately after giving effect to the exercise. As of September 30, 2026, none of the February 2025 Offering pre-funded warrants have been exercised.

Further, on February 10, 2025, the Company consummated a registered direct offering of its securities to certain investors for the issuance and sale of 3,609,755 shares of the Company's common stock, priced at-the-market under the rules of The Nasdaq Stock Market. The purchase price for one common share was $2.05. The related securities purchase agreement contains customary representations, warranties and agreements by the Company, indemnification obligations of the Company and the investors, including for liabilities under the Securities Act, other obligations of the parties and termination provisions.

The registered shares of common stock were offered by the Company pursuant to its shelf registration statement on Form S-3 (File No. 333-281159), which was filed with the SEC on August 1, 2024, and declared effective by the SEC on August 7, 2024, including the base prospectus contained therein, and a related prospectus supplement, dated February 7, 2025, filed with the SEC on February 10, 2025.

The aggregate gross proceeds from the February 2025 Offering were approximately $29.1 million. After deducting offering expenses of $487,000, the resulting net proceeds were approximately $28.7 million. These net proceeds were inclusive of an investment from Bio-Rad (see Note 9), our global strategic partner. The Company used the net proceeds received for general corporate purposes and working capital.

February 2026 Offering

On February 12, 2026, the Company consummated a registered direct offering of its securities to certain institutional investors for the issuance and sale of (i) 3,482,498 shares of the Company's common stock, and (ii) pre-funded warrants to purchase up to 1,043,478 shares of common stock, pursuant to an effective shelf registration statement on Form S-3 (File No. 333-281159), a base prospectus and a related prospectus supplement, in each case filed with the SEC. The offering price was (i) $5.75 per share and (ii) $5.7499 per pre-funded warrant, which is the price of each share sold, minus the $0.0001 exercise price per pre-funded warrant.

The pre-funded warrants may be exercised at any time until exercised in full, except that a holder (together with its affiliates) will not be entitled to exercise any portion of any pre-funded warrant, which, upon giving effect to such exercise would cause the aggregate number of shares of the Company's common stock beneficially owned by the holder (together with its affiliates) to exceed 4.99% (or, upon election of the holder, 9.99%) of the number of shares of common stock outstanding immediately prior to or after giving effect to the exercise, subject to such holder's rights under the pre-funded warrants to increase or decrease such percentage to another percentage not in excess of 9.99% of the number of shares of common stock outstanding immediately after giving effect to the exercise, as such percentage ownership is determined in accordance with the terms of the pre-funded warrants upon at least 61 days' prior notice from such holder to the Company. As of September 30, 2026, 323,058 of the February 2026 Offering pre-funded warrants have been exercised, while 720,420 remain unexercised.

The gross proceeds from the February 2026 Offering were approximately $26.0 million. After deducting placement agent fees and offering expenses of $1.4 million, the resulting net proceeds were approximately $24.6 million. These net proceeds were inclusive of an investment from Bio-Rad (see Note 9), our global strategic partner. The Company is using the net proceeds received primarily for general corporate purposes and working capital, including research and development in the transplantation category.

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Unregistered Restricted Stock Issuance

During the nine months ended September 30, 2026 and 2025, the Company issued 6,764 shares and 5,656 shares, respectively, of restricted common stock for a total fair value of $32,000 and $16,000, respectively, in connection with an ongoing investor relations consulting service arrangement. During 2025, the Company issued an additional 20,464 RSUs to this and another consulting firm under the Company's amended and restated 2018 incentive plan, refer to Note 8, "Stock-Based Compensation – Plan Activity – RSU Awards" for additional information.

Common Stock Purchase Warrants

As of September 30, 2026 and December 31, 2025, iMDx had common stock purchase warrants issued and outstanding of 573,249 and 760,866, respectively. During the nine months ended September 30, 2026, no warrants were exercised or expired. During the nine months ended September 30, 2026, the Company repurchased 187,617 warrants from certain investors for $1,000, accordingly, such repurchased warrants were cancelled, terminated in full and rendered null and void and provide no further rights to acquire common stock of the Company (see Note 9, "Financing Transactions," for additional information). As of September 30, 2026, the outstanding warrants had exercise prices ranging from $30.60 to $109.20 per share, are set to expire on various dates ranging from February 2027 to October 2029 and have a weighted average remaining life of 0.57 years. Certain warrants have "cashless exercise" provisions meaning that the value of a portion of warrant shares may be used to pay the exercise price rather than payment in cash, which may be exercised under any circumstances in the case of the Bank Warrants discussed below or, in the case of certain other warrants, only if a registration statement for the warrants and underlying shares of common stock is not effective under the Securities Act or a prospectus in the registration statement is not available for the issuance of shares upon the exercise of the warrants. All of the outstanding warrants meet the equity classification criteria and have been classified as equity, see Note 2, "Accounting for Warrants," for additional information. The common stock purchase warrants described hereunder do not include pre-funded warrants (see "Pre-Funded Warrants" below).

Bank Warrants

In connection with a loan that matured in September 2022 from Silicon Valley Bank (the "Bank"), in February 2017, iMDx issued common stock purchase warrants to the Bank (the "2017 Bank Warrants"). The Bank was issued warrants to purchase 412 shares of iMDx common stock at an exercise price of $97.00 per share, through February 21, 2027. In March 2017, the Bank was issued warrants to purchase an additional 366 shares at an exercise price of $109.20 per share, through March 23, 2027. In October 2019, iMDx issued a common stock purchase warrant to the Bank (the "2019 Bank Warrant") entitling the Bank to purchase 4,928 shares of iMDx common stock at an exercise price of $33.80 per share, through October 17, 2029. The Bank may elect to exercise the 2017 Bank Warrants and the 2019 Bank Warrant on a "cashless exercise" basis and receive a number of shares determined by multiplying the number of shares for which the Bank Warrant is being exercised by (A) the excess of the fair market value of the common stock over the applicable Warrant Price, divided by (B) the fair market value of the common stock. The fair market value of the common stock will be the last closing or sale price on a national securities exchange, interdealer quotation system, or over-the-counter market. These warrants meet the equity classification criteria and have been classified as equity. As of September 30, 2026, no Bank Warrants have been exercised.

Pre-Funded Warrants

In connection with an April 2024 offering (see Note 9, "Related Party Transactions – Financing Transactions"), the Company issued pre-funded warrants to purchase 342,888 shares of common stock. In connection with the February 2025 Offering, the Company issued additional pre-funded warrants to purchase 3,069,926 shares of common stock. In connection with the February 2026 Offering, the Company issued additional pre-funded warrants to purchase 1,043,478 shares of common stock. As of September 30, 2026, 323,058 of the February 2026 Offering pre-funded warrants have been exercised. See additional information under the caption "Common Stock" above. For accounting purposes, the pre-funded warrants are equity-classified, contain no contingencies to exercise and are therefore considered outstanding for purposes of calculating basic earnings per share (see Note 2, "Net Loss Per Common Share").

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8. Stock-Based Compensation

Equity Incentive Plan

In August 2018, iMDx shareholders approved an Equity Incentive Plan to replace the 2010 Stock Option Plan (the "2010 Plan") and in October 2024, iMDx shareholders approved an amendment and restatement of such Equity Incentive Plan (as amended and restated, the "2018 Incentive Plan"). The 2018 Incentive Plan will expire on July 2, 2028. In initially adopting the 2018 Incentive Plan, iMDx terminated the 2010 Plan and ceased to grant any additional stock options or sell any stock under restricted stock purchase agreements under the 2010 Plan; however, stock options issued under the 2010 Plan continue in effect in accordance with their terms and the terms of the 2010 Plan until the exercise or expiration of the individual options. Total remaining stock options outstanding under the 2010 Plan as of September 30, 2026 and December 31, 2025, were 3,652 and 5,652, respectively.

As of September 30, 2026, 5,810,000 aggregate shares of common stock have been reserved for issuance under the equity incentive plans for the grant of stock options or the sale of restricted stock or for the settlement of RSUs. iMDx may also grant stock appreciation rights under the 2018 Incentive Plan. Upon the exercise of stock options, the issuance of RSAs, or the delivery of shares pursuant to vested RSUs or performance-based restricted stock units ("PSUs"), it is iMDx's policy to issue new shares of common stock. The Board may amend or modify the 2018 Incentive Plan at any time, subject to any required shareholder approval. Shares available for grant under the 2018 Incentive Plan as of September 30, 2026 and December 31, 2025, were 2,010,965 and 528,200, respectively. On June 11, 2026, iMDx shareholders approved an amendment to the 2018 Incentive Plan to provide for an additional 1,750,000 shares of common stock to be available for the issuance of equity awards thereunder.

Plan Activity

A summary of iMDx's 2010 Plan and 2018 Incentive Plan activity and related information follows:

	Options				Nonvested RSUs	
	Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value	Number Outstanding	Weighted Average Grant Date Fair Value
	(In thousands, except weighted average amounts)					
Balance at December 31, 2025	2,251	$ 7.11	8.92 years	$ 8,537	852	$ 3.03
Awards granted	78	$ 6.01			264	$ 4.69
Options exercised	(24)	$ 2.77		$ 37	n/a	n/a
RSUs vested	n/a	n/a			(323)	$ 3.15
Options forfeited/expired	(48)	$ 10.71			n/a	n/a
RSUs forfeited	n/a	n/a			(28)	$ 3.18
Balance at September 30, 2026	2,257	$ 7.04	7.91 years	$ 784	765	$ 3.56
Options vested and expected to vest at September 30, 2026	2,257	$ 7.04	7.91 years	$ 784		
Options exercisable at September 30, 2026	1,146	$ 10.50	7.07 years	$ 407		
Stock-based compensation expense for the period	$ 1,240				$ 856	
Unrecognized stock-based compensation expense	$ 2,858				$ 2,220	
Weighted average remaining recognition period	1.97 years				1.99 years	

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Option Awards

During the nine months ended September 30, 2026, the Company granted 77,536 total stock options with a weighted average grant date fair value of $4.56 per option. During the nine months ended September 30, 2025, the Company granted 1,295,000 total stock options with a weighted average grant date fair value of $2.55 per option. The assumptions used to calculate the Black-Scholes grant date fair value for such time-based awards were as follows:

	Nine Months Ended September 30,	
	2026	2025
Expected life	5.86 years	6.19 years
Risk-free interest rates	4.37%	3.84%
Volatility	90.45%	89.97%
Dividend yield	0%	0%

RSU Awards

The weighted average grant date fair value of RSUs granted during the nine months ended September 30, 2026 was $4.69 per unit. The weighted average grant date fair value of RSUs granted during the nine months ended September 30, 2025 was $3.14 per unit. The aggregate fair value of RSUs vested during the nine months ended September 30, 2026 and 2025, was $1.5 million and $68,000, respectively.

During the nine months ended September 30, 2025, the Company issued 20,464 shares of common stock from the 2018 Incentive Plan under immediate vest RSU awards in connection with two ongoing investor relations consulting service arrangements for a total fair value of $68,000. No such shares were issued during the nine months ended September 30, 2026. During 2026 and 2025, the Company issued additional restricted shares to one of these consulting firms under unregistered restricted stock arrangements, refer to Note 7, “Common Stock – Unregistered Restricted Stock Issuance,” for additional information. Total shares issued to these consulting firms during the nine months ended September 30, 2026 and 2025, were 6,764 and 26,120, respectively. The total related expense, included in general and administrative expenses, for these consulting firms was $32,000 and $84,000 for the nine months ended September 30, 2026 and 2025, respectively.

In October 2024, the Company awarded 100,000 PSUs with market-based and service-based vesting conditions, and a grant date market price of $3.05 to a Company executive. Vesting is subject to continuous service as an employee of iMDx or a subsidiary thereof from the hire date through the applicable vesting date, and vest based on certain performance criteria as follows: (i) 50% will vest upon the Company’s achievement of an aggregate market value of voting and non-voting common equity held by non-affiliates of the Company of $75.0 million or more, such that the Company is no longer subject to the “Baby Shelf Rules” of Form S-3, and (ii) 50% will vest upon the Company’s achievement of a market capitalization of $200.0 million, which shall be determined based on the 30-day volume weighted average price of the common stock measured as of the end of each full calendar month following the date of grant. No units will vest prior to June 20, 2025, and any units that are not performance vested on December 31, 2026 shall automatically be forfeited. The fair value of such award was estimated using the Monte Carlo simulation model. Assumptions and estimates utilized in the model include the risk-free interest rate, dividend yield, expected stock volatility and the expected period to achievement of the market conditions. The grant date fair value and associated compensation cost of the market-based award reflect the probability of the market condition being achieved, and the Company will recognize this compensation cost regardless of the actual achievement of the market-based conditions. Assumptions utilized in connection with the Monte Carlo valuation technique included: estimated risk-free interest rate of 3.93 percent; term of 2.2 years; expected volatility of 90.0 percent; and expected dividend yield of 0 percent. The risk-free interest rate was determined based on the yields available on U.S. Treasury zero-coupon issues. The expected stock price volatility was determined using historical volatility. The expected dividend yield was based on expectations regarding dividend payments. Based on the two described performance vesting conditions, the grant date fair values were $2.03 and $1.43, respectively, amounting to a total fair value of $173,000. On October 31, 2025, 50,000 PSUs vested based on the achievement of an aggregate market value of common equity held by non-affiliates of $75.0 million or more, as described above. As of September 30, 2026, no additional awards have vested.

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In September 2026, the Company awarded 105,386 PSUs with performance-based and service-based vesting conditions, and a grant date market price of $4.27 to a Company executive. Vesting is subject to continuous service as an employee of iMDx or a subsidiary thereof from hire date through the applicable vesting date, and shall performance vest as follows: the performance period shall be 24 months, commencing on the first day of the month immediately following the date on which the U.S. Food and Drug Administration ("FDA") marketing authorization is obtained by the Company (with the earliest start of the performance period being January 1, 2027) (the "Performance Period"). 25% of the units shall vest upon the Company's achievement of each of the following trailing three-month revenue thresholds, as determined on a monthly basis during the Performance Period through the applicable vesting date: (i) $2.5 million, (ii) $5.0 million, (iii) $7.5 million, and (iv) $10.0 million; provided, however, that the first measurement date shall be three months following the start of the Performance Period, and thereafter such determination shall occur on a monthly basis for the remainder of the Performance Period. Any units that have not satisfied the applicable vesting threshold by the end of the Performance Period shall be forfeited for no consideration, and any related compensation cost previously recognized will be reversed. The fair value of such award is based on the grant date market price. The associated compensation cost of the performance-based award reflects the probability of the individual performance conditions being achieved and the related estimated vesting dates during the Performance Period.

Stock-Based Compensation Expense

iMDx recorded stock-based compensation expense in the following categories on the accompanying consolidated statements of operations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Cost of revenues	$ —	$ —	$ —	$ —
Research and development	188	161	526	529
Sales and marketing	206	44	325	124
General and administrative	426	316	1,245	845
Total	$ 820	$ 521	$ 2,096	$ 1,498

Total unrecognized stock-based compensation expense as of September 30, 2026 was $5.1 million, which will be amortized over a weighted average remaining recognition period of 1.98 years.

Other Information

The determination of stock-based compensation is inherently uncertain and subjective and involves the application of valuation models and assumptions requiring the use of judgment. If iMDx had made different assumptions, its stock-based compensation expense and results for the periods presented may have been significantly different. See Note 2, "Stock-Based Compensation," for additional information.

9. Related Party Transactions

Financing Transactions

On April 13, 2022, iMDx entered into an underwriting agreement pursuant to which the Company agreed to issue and sell certain shares of common stock and warrants to purchase common stock ("April 2022 Warrants"). The April 2022 Warrants have an exercise price of $30.60 per share and will expire on April 19, 2027. Pursuant to the underwritten offering, Broadwood Partners, L.P. ("Broadwood") acquired from us (i) 261,032 shares of common stock, and (ii) 300,187 April 2022 Warrants to purchase up to 150,093 shares of common stock. However, the total number of shares of common stock that Broadwood purchased in the underwritten offering was 300,187, of which 39,154 existing shares were acquired by the underwriters in the open market and re-sold to Broadwood. Pura Vida Investments, LLC ("Pura Vida") acquired from us (i) 249,204 shares of common stock, and (ii) 286,585 April 2022 Warrants to purchase up to 143,292 shares of common stock. However, the total number of shares of common stock that Pura Vida purchased in the underwritten offering was 286,585, of which 37,380 existing shares were acquired by the underwriters in the open market and re-sold to Pura Vida. In addition, entities affiliated with AWM Investment Company, Inc. ("AWM") acquired from us April 2022 Warrants to purchase up to 187,617 shares of common stock, however during the quarter ended June 30, 2026, the Company repurchased and cancelled all such warrants. See Note 7, "Common Stock Purchase Warrants," for additional information.

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On April 3, 2023, iMDx entered into a securities purchase agreement with certain investors, including Broadwood, Pura Vida and entities affiliated with AWM, and certain individuals, including iMDx's Chairman, Andrew Arno, and certain of their affiliated parties, which provided for the sale and issuance by the Company of an aggregate of 2,274,709 shares of common stock at an offering price of: (i) $6.03 to investors who are not considered to be "insiders" of the Company pursuant to Nasdaq Listing Rules ("Insiders"), which amount reflected the average closing price of our common stock on Nasdaq during the five trading day period immediately prior to pricing, and (ii) $7.08 to Insiders, which amount reflected the final closing price of our common stock on Nasdaq on the last trading day immediately prior to pricing. Broadwood purchased 1,341,381 shares of common stock for $8,093,362, Pura Vida purchased 33,150 shares of common stock for $200,014 and entities affiliated with AWM purchased 472,354 shares of common stock for $2,850,000. Mr. Arno and his affiliated parties purchased 21,162 shares of common stock for $150,001.

On April 15, 2024, iMDx consummated a private placement of its securities to certain investors, including Broadwood, entities affiliated with AWM, Bio-Rad, and certain individuals, including iMDx's Chairman, Andrew Arno, for the issuance and sale of 5,076,900 shares of its common stock and pre-funded warrants to purchase 342,888 shares of its common stock. The purchase price for one share of common stock was $2.9164, and the purchase price for one pre-funded warrant was $2.9163. Insiders subscribed for 42,373 of the shares of common stock sold in the private placement, at a purchase price of $2.95 per share of common stock, which amount reflected the final closing price of the common stock on Nasdaq on the last trading day immediately prior to pricing. Broadwood purchased 2,420,000 shares of common stock for $7,057,688, entities affiliated with AWM purchased 342,889 shares of common stock and 342,888 pre-funded warrants for $2,000,000, and Bio-Rad purchased 1,200,109 shares of common stock for $3,499,998 (see "Bio-Rad Transactions" below). Mr. Arno purchased 33,898 shares of common stock for $100,000. As of September 30, 2026, none of the April 2024 pre-funded warrants have been exercised.

On October 4, 2024, iMDx consummated a private placement of its securities involving certain investors, including Broadwood, Bio-Rad, entities affiliated with AWM, Unterberg Legacy Capital, LLC ("Unterberg") and certain affiliated parties, Patrick W. Smith, and certain other individuals, including iMDx's Chief Financial Officer, Andrea James, and Chief Science Officer, Ekkehard Schütz. The gross proceeds from the October 2024 offering were approximately $10.2 million. The purchase price for one share of common stock was $2.948 or $2.97 to certain Insiders. Broadwood purchased 1,315,339 shares of common stock for approximately $3,878,000, Bio-Rad purchased 310,835 shares of common stock for approximately $916,000, entities affiliated with AWM purchased 275,000 shares of common stock for approximately $811,000, Unterberg and its affiliated parties purchased 33,921 shares of common stock for $100,000, Patrick W. Smith purchased 678,426 shares of common stock for $2,000,000, Ms. James purchased 33,670 shares of common stock for $100,000, and Mr. Schütz purchased 3,367 shares of common stock for $10,000. iMDx's Chairman, Andrew Arno, has served as a Managing Member of Unterberg since October 2023.

On February 10, 2025, iMDx consummated the February 2025 Offering involving certain investors, including Broadwood, Bio-Rad, entities affiliated with AWM, Unterberg and certain affiliated parties, Patrick W. Smith, and certain other individuals, including iMDx's Chief Financial Officer, Andrea James, and Chief Science Officer, Ekkehard Schütz. The gross proceeds from the February 2025 Offering were approximately $29.1 million. Officers of the Company subscribed for 109,756 of the shares of common stock in the aggregate sold in the February 2025 Offering, at a purchase price of $2.05 per share of common stock. Broadwood purchased 5,165,695 shares of common stock for approximately $10,590,000, Bio-Rad purchased 1,253,134 shares of common stock for approximately $2,569,000, entities affiliated with AWM purchased 2,052,026 shares of common stock and pre-funded warrants to purchase up to 3,069,926 shares of common stock for approximately $10,500,000, Unterberg and its affiliated parties purchased 73,169 shares of common stock for $150,000, and Patrick W. Smith purchased 1,463,414 shares of common stock for $3,000,000. Ms. James purchased 97,561 shares of common stock for $200,000 and Mr. Schütz purchased 12,195 shares of common stock for $25,000. As of September 30, 2026, none of the February 2025 Offering pre-funded warrants have been exercised. See Note 7, "Common Stock – February 2025 Offering," for additional information.

On February 12, 2026, iMDx consummated the February 2026 Offering involving certain investors, including Broadwood, Bio-Rad, and entities affiliated with AWM. The gross proceeds from the February 2026 Offering were approximately $26.0 million. Broadwood purchased 521,739 shares of common stock for approximately $3,000,000, Bio-Rad purchased 439,020 shares of common stock for approximately $2,524,000, and entities affiliated with AWM purchased pre-funded warrants to purchase up to 1,043,478 shares of common stock for approximately $6,000,000. As of September 30, 2026, 323,058 of the February 2026 Offering pre-funded warrants have been exercised, while 720,420 remain unexercised. See Note 7, "Common Stock – February 2026 Offering," for additional information. As of September 30, 2026, following the February 2026 Offering and including additional open market purchases, Broadwood holds 12,685,041 shares of iMDx's common stock, or approximately 39% of the outstanding shares.

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Bio-Rad Transactions

During the nine months ended September 30, 2026, the Company acquired $459,000 in laboratory equipment, and incurred $1,325,000 in laboratory related costs and $2,000 in royalty expenses, from Bio-Rad. During the nine months ended September 30, 2026, the Company also made financing lease payments to a third-party of $354,000, under various Bio-Rad laboratory equipment leases, with a remaining financing lease liability of $400,000 as of September 30, 2026.

During the nine months ended September 30, 2025, the Company acquired $1.1 million in laboratory equipment and incurred $564,000 in laboratory related costs and zero in royalty expenses, from Bio-Rad. During the nine months ended September 30, 2025, the Company also made financing lease payments to a third-party of $331,000, under various Bio-Rad laboratory equipment leases, with a remaining financing lease liability of $825,000 as of September 30, 2025.

As of September 30, 2026 and December 31, 2025, the Company had accounts payable and accruals due to Bio-Rad of $1.2 million and $2.8 million, respectively.

On April 5, 2024, the Company entered into an agreement with Bio-Rad to collaborate in the development and the commercialization of RUO and IVD kitted transplant products (the “Collaboration Agreement”). Under the Collaboration Agreement, Bio-Rad agreed to purchase shares of our common stock equal to 9.99% of the total number of shares of common stock issued and outstanding immediately after the closing of such investment, provided that the total purchase price would not exceed $3,500,000 unless Bio-Rad chooses to exceed such limit (the “Bio-Rad Investment”) (see "Financing Transactions" above). The Bio-Rad Investment was completed in connection with an April 2024 private placement. In addition, we will pay Bio-Rad a single digit royalty payment based on certain net sales under the Collaboration Agreement, and Bio-Rad has an option for the exclusive right to promote, market and sell certain kits worldwide subject to certain conditions. If and when such option is exercised, Bio-Rad will purchase additional shares of our common stock, at the then-current market price per share, up to a specified maximum aggregate purchase price. On November 8, 2024, the Company and Bio-Rad entered into a binding memorandum of understanding with respect to the Collaboration Agreement (the "Memorandum") to establish additional activities to be performed by each party pursuant to the Collaboration Agreement. On October 29, 2026, the Company and Bio-Rad entered into a first amendment to the Collaboration Agreement (the "First Amendment to Collaboration Agreement") to modify certain terms in the Collaboration Agreement and the Memorandum. See Note 10, "Collaborative Arrangements," for additional information.

10. Collaborative Arrangements

On April 5, 2024, the Company entered into the Collaboration Agreement with Bio-Rad to collaborate in the development and the commercialization of RUO and IVD kitted transplant products using Bio-Rad’s ddPCR instruments and reagents. The Collaboration Agreement has a term of 10 years unless earlier terminated pursuant to customary termination provisions.

The Collaboration Agreement provides that through the oversight of a joint steering committee comprised of representatives from both parties, the parties will collaborate on the development of (i) the Company’s series of GraftAssureIQ Transplant Monitoring Assays to measure and test the concentration of dd-cfDNA for RUO (the “RUO Assays”); and (ii) the Company’s GraftAssureDx Transplant Monitoring Assays that have received regulatory approval as an in vitro diagnostic device (the “IVD Kits”) for use on one or more Bio-Rad ddPCR instruments. Pursuant to the Collaboration Agreement, and toward the development of the RUO Assays and the IVD Kits, the Company will collect and screen samples, conduct feasibility testing and stability studies, and perform analytical validation, among other things; and Bio-Rad will supply its ddPCR instruments and platforms as well as manufacture and supply all consumables.

Prior to the commercial launch of the RUO Assays, under the Collaboration Agreement, the parties will develop a plan to market and sell the RUO Assays. The Company will be responsible for the manufacture and supply of all RUO Assays, and Bio-Rad will supply to the Company Bio-Rad’s ddPCR instruments and reagents for use in commercializing the RUO Assays, which products will be purchased by the Company exclusively from Bio-Rad. The Company and Bio-Rad will be jointly responsible for co-promoting and co-marketing the RUO Assays within the United States and Germany (the “Territory”). The Company has the exclusive right to sell the RUO Assays in the Territory exclusively with the use of Bio-Rad ddPCR instruments and reagents. Bio-Rad will be responsible for promoting and marketing, and has the exclusive right to sell, the RUO Assays outside the Territory. For the sales of the RUO Assays in the Territory, the Company will pay to Bio-Rad a single digit royalty payment based on net sales. The Company will manufacture and supply the RUO Assays to Bio-Rad for resale outside the Territory.

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Additionally, the Collaboration Agreement provides Bio-Rad a 90-day exclusive negotiating period, post regulatory clearance, for the right to exclusively promote, market and sell IVD Kits worldwide subject to certain conditions. If and when such option is exercised, Bio-Rad will purchase additional shares of the Company's common stock, at the then-current market price per share, up to a specified maximum aggregate purchase price, and the Company will manufacture and supply IVD Kits exclusively for Bio-Rad. See Note 9, "Related Party Transactions – Financing Transactions," for additional information about Bio-Rad's purchases of the Company's common stock.

On November 8, 2024, iMDx and Bio-Rad entered into the Memorandum in connection with the Collaboration Agreement. The Memorandum established additional activities to be performed by iMDx and Bio-Rad prior to the commercial launch of the RUO Assays specifically related to pilot study sites outside the Territory (the "Pilot Sites"). Pursuant to the Memorandum, iMDx (i) setup commercialization of Pilot Sites to use the RUO Assays, (ii) sold RUO Assays to Pilot Sites, (iii) trained and supported the Pilot Sites on the use of the RUO Assays, and (iv) for net sales from the sale of the RUO Assays to the Pilot Sites, iMDx paid to Bio-Rad a royalty payment based on a percentage of such net sales under the terms and conditions of the Collaboration Agreement. In addition, pursuant to the Memorandum, Bio-Rad evaluated commercialization efforts for the RUO Assays, which included (i) supporting installation and training for Pilot Sites, and (ii) evaluating distribution of the RUO Assays to Pilot Sites.

On October 29, 2026, iMDx and Bio-Rad entered into the First Amendment to Collaboration Agreement, pursuant to which: (i) the Territory was expanded to include certain additional countries, and (ii) each institution identified as a Pilot Site in the Memorandum ceased to be a Pilot Site and is treated as a customer located in the Territory for all purposes of the Collaboration Agreement. The First Amendment to Collaboration Agreement is attached hereto as Exhibit 10.1.

For the nine months ended September 30, 2026 and 2025, the income statement amounts attributable to Bio-Rad transactions arising from the Collaboration Agreement, included cost of revenues, research and development expenses, sales and marketing expenses, general and administrative expenses, and interest expense, and in the aggregate have not been significant. See Note 9, "Related Party Transactions – Bio-Rad Transactions," for additional information.

11. Segment Reporting

The Company operates and reports its results in one reportable segment, on a consolidated basis. The Company reports segment information based on the management approach and organizes its business based on products and services. The management approach designates the internal reporting information regularly reviewed by the chief operating decision maker (the "CODM") to make decisions about resources to be allocated to the segment and assess its performance as the basis for determining a company's reportable segments. The Company's CODM is the senior executive management team that includes the Chief Executive Officer and Chief Financial Officer. iMDx is an early-stage diagnostics technology company with core operations that include the research, development and commercialization of diagnostic tests. Currently, the Company's revenues include Laboratory Services from its life sciences customers, including testing for biomarker discovery, assay design and development, clinical trial support, and a broad spectrum of biomarker tests, and to a lesser extent from Kitted Products customers (see Note 2, "Revenue Recognition," for additional information). Additionally, the Company is primarily focused on developing and commercializing new diagnostic tests for medical use related to organ transplant and in the field of oncology, accordingly, extensive resources, time and expense will be required to complete the development and commercialization of those tests.

Adjusted earnings or loss before interest, income taxes, depreciation and amortization is the singular measure of segment profit or loss that the CODM uses in assessing segment performance and deciding how to allocate resources. This measure of segment profit or loss is used to monitor budget versus actual results and for long range planning. Segment loss in the table below includes revenues, cost of revenues, research and development, and other significant operating expenses directly attributable to our reportable segment. Such operating expenses exclude depreciation and amortization expenses, stock-based compensation, the change in fair value of contingent consideration, and any impairments. As an early-stage company with limited revenue, management believes this measure of profit or loss is helpful in assessing our ongoing performance, providing insight into the Company's core operating costs and performance by excluding certain noncash and other non-operating items that may obscure the underlying trends in the business. The reconciling items and significant segment expense categories and amounts, as included in the table below, are based on the Company's internal general ledger reporting system that is used in preparing our consolidated financial statements and are included in determining the measure of segment profit or loss that is used by the CODM.

The measure of segment assets is reported in the consolidated balance sheets as total assets. Total segment expenditures for additions to long-lived assets is reported in the consolidated statements of cash flows as a component of cash used in investing activities.

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The Company's single reportable segment profit or loss information is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Laboratory Services	$ 538	$ 260	$ 788	$ 2,892
Kitted Products	21	—	42	24
Total net revenues	**559**	**260**	**830**	**2,916**
Less:				
Cost of revenues, as adjusted	120	100	174	1,045
Personnel-related expenses and board fees	3,880	3,329	11,741	9,493
Professional fees, legal, and outside services	1,057	1,574	5,250	4,917
Facilities and insurance	499	375	1,570	1,362
Laboratory supplies and expenses	715	955	2,194	1,956
Clinical trial and registry service fees	341	314	1,699	549
Marketing and advertising	51	97	448	321
Travel and entertainment	136	185	710	639
Other segment items [1]	63	(104)	224	130
Segment loss	**(6,303)**	**(6,565)**	**(23,180)**	**(17,496)**
Reconciliation of segment profit and loss:				
Depreciation and amortization expenses	(642)	(584)	(1,938)	(1,634)
Stock-based compensation	(820)	(521)	(2,096)	(1,498)
Change in fair value of contingent consideration	4,089	(3,378)	7,723	(7,061)
Interest expense	(17)	(29)	(60)	(83)
Other income, net	114	223	422	505
Income taxes	—	—	—	—
Net loss	**$ (3,579)**	**$ (10,854)**	**$ (19,129)**	**$ (27,267)**

[1] Other segment items primarily includes delivery expenses, other business taxes and tax credits, and severance costs.

The Company's revenues and long-lived assets by geographic area are presented below. Revenues are based on the customer country of domicile. Assets are based on the location of held assets.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Revenues by geographic area:				
United States	$ 538	$ 260	$ 788	$ 2,892
Europe	15	—	30	24
Asia-Pacific	6	—	12	—
Total net revenues	**$ 559**	**$ 260**	**$ 830**	**$ 2,916**

	September 30, 2026	December 31, 2025
	(In thousands)	
Long-lived assets by geographic area:		
United States	$ 5,374	$ 7,177
Europe	1,565	1,577
United Kingdom	355	433
Asia-Pacific	—	63
Total	**$ 7,294**	**$ 9,250**

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12. Subsequent Events

Management has evaluated subsequent events or transactions occurring through the date the consolidated financial statements were issued and determined that no events or transactions are required to be disclosed herein.

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to provide information necessary to understand our consolidated financial statements for the three and nine months ended September 30, 2026 and 2025 included elsewhere in this Report, and highlight certain other information which, in the opinion of management, will enhance a reader's understanding of our financial condition, changes in financial condition and results of operations. These historical consolidated financial statements may not be indicative of our future performance. This Management's Discussion and Analysis of Financial Condition and Results of Operations contains a number of forward-looking statements, all of which are based on our current expectations and could be affected by the uncertainties and risks described throughout this filing, particularly under "Risk Factors" in this Report and those "Risk Factors" in Part I, Item 1A. of our most recent Annual Report on Form 10-K for the year ended December 31, 2025 as filed with the SEC. For additional information, refer to the section above entitled "Cautionary Note Regarding Forward-Looking Statements." The following discussion should be read in conjunction with our consolidated financial statements and the related notes thereto provided under Part I, Item 1 of this Report.

Overview

We are a pioneering diagnostics technology company. Our mission is to expand access to novel molecular diagnostic testing, most immediately in the transplanted organ rejection testing category.

We are developing molecular diagnostic test kits designed to empower our customers to run their own tests in-house to participate in the patient-care value chain, which is counter-positioned with the send-out-testing central laboratory model. Our decentralized approach also puts testing in the hands of researchers to enable more studies, which we believe can improve standards of care while also creating demand for more testing. We believe that combining innovative science with a simple, but disruptive, business model can create substantial value. Our initial targeted customer institutions are hospitals, transplant centers and labs, including large reference laboratories. The decisions to deploy our tests come from doctors, including surgeons, nephrologists and oncologists, as well as researchers, pathologists, lab directors, medical directors, department heads, lab managers and chief medical officers.

We are a science-driven organization that champions scientific integrity and inquiry. We employ scientists who generate intellectual property in our strategic target markets. We have built and acquired an intellectual property portfolio that we believe will enable us to gain share in well-established clinical and research markets.

Our current intellectual property portfolio comprises three general areas: 1) organ transplant testing, 2) oncology therapy selection, and 3) oncology therapy monitoring. Within these categories, we have developed or are in the process of developing LDTs that can be run at our Franklin, Tennessee laboratory, kitted RUO tests, and IVD kitted clinical tests that can be run by local labs.

Our primary near-term strategic market is organ transplant. We seek to deliver the industry-leading molecular diagnostic test kit for clinical use that decentralizes access to organ health testing for transplant patients. We expect that enabling in-house testing will deliver new value to the market for kitted transplant rejection testing. We also believe that decentralizing access to transplanted organ rejection testing will bring care closer to the patient and help hospitals to operate more sustainably, as well as create a rapidly growing, high-margin, recurring business model.

Our flagship transplant testing technology quantifies a molecular biomarker known as dd-cfDNA. Our scientists in Germany and the U.S. have played a critical role over the past decade in developing the science that helped establish dd-cfDNA as a trusted biomarker of transplanted organ rejection. Under the GraftAssure™ brand, our transplant diagnostics include the following:

- GraftAssureCore – Our LDT, currently reimbursed by CMS and performed at our CLIA certified laboratory in Franklin, Tennessee.
- GraftAssureIQ – An RUO kit intended and labeled for non-clinical applications.
- GraftAssureDx – The IVD kit currently in development for use in clinical decision-making.

Our GraftAssure family of assays are performed on a digital PCR instrument that is manufactured by Bio-Rad. Consequently, we have entered into a global strategic partnership agreement with Bio-Rad to collaborate in the development and the commercialization of kitted transplant products for clinical use (see Note 10, "Collaborative Arrangements," to our consolidated financial statements included elsewhere in this Report for additional information). See Note 2, "Revenue Recognition," to our consolidated financial statements included elsewhere in this Report for additional Kitted Products revenue information.

Under strict regulatory rules, our kitted tests may not be used in a clinical treatment setting unless and until they have attained marketing authorization from the FDA for U.S. sales, and In Vitro Diagnostic Medical Devices Regulation approval, for European Union sales. As such, we are working with these regulatory bodies to attain such clearance and approval, as applicable, supporting future distribution and higher sales of our products for clinical use. In 2025, we started a clinical trial in conjunction with our IVD submission for GraftAssureDx. On March 25, 2026, we submitted a De Novo request, including a data package to the FDA seeking marketing authorization for GraftAssureDx, which is the kitted version of our transplanted organ rejection monitoring assay. A De Novo request is a marketing pathway for novel, low-to-moderate-risk devices with no legally marketed predicate device for comparison under the 510(k) process, which requests FDA to engage in a risk-based device classification process and determine whether general controls, special controls, or a combination provide reasonable assurance of safety and effectiveness for the intended use. We believe that our assays have the potential to perform across multiple tissue, or organ, types, and we are pursuing regulatory authorization in kidneys first.

During FDA's substantive review of our March 2026 De Novo request, FDA requested, and we provided, additional information and clarification on several topics. On July 25, 2026 we received an Additional Information letter ("AINN") from the FDA identifying deficiencies in our De Novo request, which if not adequately resolved, may preclude a favorable decision. The deficiencies relate primarily to the design and analysis of our clinical validation study, along with analytical, software and third-party component matters. FDA's preliminary view is that the clinical data submitted do not yet support the proposed intended use. FDA automatically places De Novo requests on hold, upon issuance of an AINN, and the requestor has 180 days to submit a complete response to all of the deficiencies. Accordingly, our complete response is due by January 21, 2027. If FDA does not receive a complete response by that date, FDA will consider our De Novo request withdrawn, and we would need to resubmit a new request. We expect to submit our response before the January 21, 2027 deadline.

On September 29, 2026, we participated in a Submission Issue Request meeting with the FDA, whereby we sought FDA feedback on our proposed approach to responding to certain deficiencies in the AINN, including a proposed narrowing of the intended use. On October 30, 2026, we received the FDA's written feedback on the questions not substantively addressed at the meeting. FDA indicated that our proposed pathologist adjudication approach appears generally similar to approaches used for other in vitro diagnostic devices, subject to certain recommendations. FDA also raised questions regarding aspects of our proposed statistical approach, including the pooling of existing and additional clinical data, the timing of the revised analysis plan and the proposed sensitivity goal, and indicated that clinical data may be needed for parental and filial donors. We believe that we will be able to provide additional and sufficient data to FDA with our complete response to address these deficiencies, but there are no assurances that our response will adequately address FDA's deficiencies, that FDA will grant our De Novo request, or that any marketing authorization we obtain will align with the intended use we originally proposed. See Part II, Item 1A. "Risk Factors" of this Report.

We also have a services lab, certified under the CLIA and accredited by the College of American Pathologists, in Franklin, Tennessee, and research and development labs in Nashville, Tennessee and Göttingen, Germany. Our innovation centers in Nashville and Germany employ research scientists whom we believe are leaders in their fields.

Our secondary strategic market is in the field of oncology. The inherent uncertainties of developing and commercializing new diagnostic tests for medical use make it impossible to predict the amount of time and expense that will be required to complete the development and commercialization of our oncology tests. We continue to dedicate a minimum amount of resources to our oncology assays, DetermaIO and DetermaCNI, although currently we do not intend to commercialize either in the next 12 months. From time to time, we may evaluate strategic alternatives to commercializing and further developing our oncology assets, including but not limited to a divestiture or licensing of such assets, which we may pursue if determined to be in the best interests of shareholders and customers. We may not be able to accurately estimate the timing of any such strategic alternative, valuation or purchase price, or whether economic or other market conditions will impact the timing, price or market interest. In addition, there is no guarantee that we are able to negotiate terms of a strategic acceptable to the Company, successfully complete a transaction at all or that the results of such strategic alternative will be successful.

We also perform other assay development and clinical testing services for life sciences and biotechnology companies through our Laboratory Services operations.

We believe that the experience of our team with diverse technologies through our Laboratory Services activities, strong scientific integrity regarding evidence generation and innovation mentality, alongside our flexibility in operations and regulatory strategy, will drive our success, differentiate us from our competition, and are foundational to our future. We are focusing on executing the technology priorities discussed herein, which have evolved to reflect our operations and strategic vision.

Recent Developments

February 2026 Offering

On February 12, 2026, we consummated a registered direct offering of our securities to certain investors for the issuance and sale of 3,482,498 shares of our common stock and pre-funded warrants to purchase 1,043,478 shares of our common stock, with an exercise price of $0.0001 per share. The purchase price for one common share was $5.75, and the purchase price for one pre-funded warrant was $5.75, minus the $0.0001 exercise price per pre-funded warrant. The gross proceeds from the February 2026 Offering were approximately $26.0 million. After deducting placement agent fees and offering expenses of $1.4 million, the resulting net proceeds were approximately $24.6 million. See Note 7, "Common Stock – February 2026 Offering," to our consolidated financial statements included elsewhere in this Report for additional information.

First Amendment to Collaboration Agreement

On October 29, 2026, iMDx and Bio-Rad entered into the First Amendment to Collaboration Agreement to modify certain terms in the Collaboration Agreement and the Memorandum. See Note 10, "Collaborative Arrangements," to our consolidated financial statements included elsewhere in this Report for additional information.

Results of Operations

Summary Results of Operations

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
	(In thousands, except percentage change values)							
Net revenue	$ 559	$ 260	$ 299	115%	$ 830	$ 2,916	$ (2,086)	(72)%
Cost of revenues	139	121	18	15%	238	1,114	(876)	(79)%
Research and development	3,793	3,878	(85)	(2)%	13,232	10,071	3,161	31%
Sales and marketing	1,607	1,386	221	16%	5,925	4,052	1,873	46%
General and administrative	2,785	2,545	240	9%	8,649	8,307	342	4%
Change in fair value of contingent consideration	(4,089)	3,378	(7,467)	(221)%	(7,723)	7,061	(14,784)	(209)%
Loss from operations	(3,676)	(11,048)	7,372	(67)%	(19,491)	(27,689)	8,198	(30)%
Total other income, net	97	194	(97)	(50)%	362	422	(60)	(14)%
Loss before income taxes	(3,579)	(10,854)	7,275	(67)%	(19,129)	(27,267)	8,138	(30)%
Income taxes	—	—	—	—	—	—	—	—
Net loss	$ (3,579)	$ (10,854)	$ 7,275	(67)%	$ (19,129)	$ (27,267)	$ 8,138	(30)%

Results of Operations – Three Months Ended September 30, 2026 Compared with the Three Months Ended September 30, 2025

Total net revenue increased to $559,000 for the three months ended September 30, 2026, compared to $260,000 in the comparable prior period primarily from Laboratory Services as further discussed below. Future Laboratory Services revenue is expected to be impacted as a result of our shift in strategic focus on commercializing our transplant kitted tests, and deploying our sales personnel toward signing new laboratory customers.

Net loss was $3.6 million for the three months ended September 30, 2026, compared to $10.9 million for the comparable prior period. Net loss decreased by $7.3 million primarily due to an increase in Laboratory Services revenue and the change in fair value of contingent consideration, which was partially offset by increases in operating expenses. Further details related to the change in net loss are as follows:

- Laboratory Services revenue increased by $278,000. We earned Laboratory Services revenue from one existing customer in the amount of approximately $538,000 during the three months ended September 30, 2026. Kitted Products revenue increased by $21,000. See below for additional revenue information.
- Cost of revenues increased by $18,000, primarily related to labor and allocated overhead associated with performing our Laboratory Services. See below for additional cost of revenues information.

- Research and development expenses decreased by $85,000, as we continue development of GraftAssureCore, GraftAssureIQ and GraftAssureDx. The main drivers of the decrease were professional fees and laboratory costs, partially offset by personnel-related expenses. See below for additional details.
- Sales and marketing expenses increased by $221,000, primarily attributable to continued ramp up in sales, marketing and advertising activities related to the transplant business. The main drivers of the increase were stock-based compensation and personnel-related expenses, partially offset by marketing and advertising expenses, and travel and entertainment expenses. See below for additional details.
- General and administrative expenses increased by $240,000, primarily due to an increase in stock-based compensation, partially offset by professional fees. See below for additional details.
- Change in fair value of contingent consideration was a gain of $4.1 million for the three months ended September 30, 2026 compared to a loss of $3.4 million in the same period of 2025. This change was due to changes in the fair value model inputs and revised estimates on if and when future payouts will occur. See below for additional information.
- Total other income, net decreased by $97,000, primarily due to decrease in interest income related to lower cash balances since our February 2026 Offering. See below for additional details.

Results of Operations – Nine Months Ended September 30, 2026 Compared with the Nine Months Ended September 30, 2025

Total net revenue decreased to $830,000 for the nine months ended September 30, 2026, compared to $2.9 million in the comparable prior period primarily from Laboratory Services as further discussed below. Future Laboratory Services revenue is expected to be impacted as a result of our shift in strategic focus on commercializing our transplant kitted tests, and deploying our sales personnel toward signing new laboratory customers.

Net loss was $19.1 million for the nine months ended September 30, 2026, compared to $27.3 million for the comparable prior period. Net loss decreased by $8.1 million primarily due to the change in fair value of contingent consideration, which was partially offset by a decrease in Laboratory Services revenue and increases in operating expenses. Further details related to the change in net loss are as follows:

- Laboratory Services revenue decreased by $2.1 million. We earned Laboratory Services revenue from one existing customer in the amount of approximately $788,000 during the nine months ended September 30, 2026. Kitted Products revenue increased by $18,000. See below for additional revenue information.
- Cost of revenues decreased by $876,000, primarily related to labor and allocated overhead associated with performing our Laboratory Services. See below for additional cost of revenues information.
- Research and development expenses increased by $3.2 million, as we continue development of GraftAssureCore, GraftAssureIQ and GraftAssureDx. The main drivers of the increase were clinical trial and registry service fees, personnel-related expenses, facilities and insurance, and laboratory costs. See below for additional details.
- Sales and marketing expenses increased by $1.9 million, primarily attributable to continued ramp up in sales, marketing and advertising activities related to the transplant business. The main drivers of the increase were personnel-related expenses, professional fees, stock-based compensation, and marketing and advertising expenses. See below for additional details.
- General and administrative expenses increased by $342,000, primarily due to increases in stock-based compensation, and personnel-related expenses and board fees, partially offset by professional fees, and facilities and insurance. See below for additional details.
- Change in fair value of contingent consideration was a gain of $7.7 million for the nine months ended September 30, 2026 compared to a loss of $7.1 million in the same period of 2025. This change was due to changes in the fair value model inputs and revised estimates on if and when future payouts will occur. See below for additional information.
- Total other income, net decreased by $60,000, primarily due to decrease in interest income related to lower cash balances since our February 2026 Offering, partially offset by a reduction in foreign currency losses. See below for additional details.

Revenues

The following table shows our revenues by type:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
	(In thousands, except percentage change values)							
Laboratory Services	$ 538	$ 260	$ 278	107%	$ 788	$ 2,892	$ (2,104)	(73)%
Kitted Products	21	—	21	100%	42	24	18	75%
Total	$ 559	$ 260	$ 299	115%	$ 830	$ 2,916	$ (2,086)	(72)%

Laboratory Services are generally performed on a time and materials basis. Upon our completion of the service to the customer in accordance with the contract, we have the right to bill the customer for the agreed upon price (either on a per test or per deliverable basis) and recognize the Laboratory Services revenue at that time, on an accrual basis. Laboratory Services revenues are generated under discrete agreements for particular customer projects that generally expire with the completion or termination of the customer's project. Accordingly, different customers may account for greater or lesser portions of Laboratory Services during different accounting periods, and Laboratory Services revenues may exhibit a larger variance from accounting period to accounting period than other revenues. Future Laboratory Services revenue is expected to be impacted as a result of our shift in strategic focus on commercializing our transplant kitted tests, and deploying our sales personnel toward signing new laboratory customers. See Note 2, "Revenue Recognition – Laboratory Services" and "Disaggregation of Revenues and Concentrations of Credit Risk," to our consolidated financial statements included elsewhere in this Report for additional information.

Kitted Products include our GraftAssureIQ RUO kitted tests sold to research laboratory customers, which are clearly labeled and intended for research purposes. GraftAssureIQ is a transplant monitoring assay to measure the dd-cfDNA molecular biomarker. See Note 2, "Revenue Recognition – Kitted Products," to our consolidated financial statements included elsewhere in this Report for additional information.

Cost of Revenues

Cost of revenues generally consists of cost of materials, direct labor including benefits, bonus and stock-based compensation, equipment and infrastructure expenses, clinical sample related costs associated with performing Laboratory Services, providing deliverables according to our licensing agreements, license fees due to third-parties, and Kitted Products inventory costs and royalties based on net product sales. Infrastructure expenses include depreciation and amortization of laboratory equipment, allocated rent costs, leasehold improvements, and allocated information technology costs for operations at our CLIA-certified laboratory in Tennessee. Costs associated with generating service revenue are recorded as the tests or services are performed regardless of whether revenue was recognized. Royalties or revenue share payments for licensed technology calculated as a percentage of revenues generated using the associated technology, or from product sales, are recorded as expenses at the time the related revenues are recognized. Cost of revenues for Laboratory Services varies depending on the nature, timing, and scope of customer projects.

Research and Development Expenses

A summary of the main drivers of the change in research and development expenses is as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025 [1]	$ Change	% Change	2026	2025 [1]	$ Change	% Change
	(In thousands, except percentage change values)							
Personnel-related expenses	$ 1,507	$ 1,127	$ 380	34%	$ 4,425	$ 3,289	$ 1,136	35%
Depreciation and amortization	374	328	46	14%	1,104	936	168	18%
Stock-based compensation	188	161	27	17%	526	529	(3)	(1)%
Laboratory supplies and expenses	715	955	(240)	(25)%	2,194	1,956	238	12%
Facilities and insurance	304	215	89	41%	914	551	363	66%
Professional fees, legal, and outside services	312	815	(503)	(62)%	2,198	2,176	22	1%
Clinical trial and registry service fees	341	314	27	9%	1,699	549	1,150	209%
Travel and entertainment	19	25	(6)	(24)%	70	66	4	6%
Severance	—	—	—	—	3	83	(80)	(96)%
Other	33	(62)	95	(153)%	99	(64)	163	255%
Total	$ 3,793	$ 3,878	$ (85)	(2)%	$ 13,232	$ 10,071	$ 3,161	31%
% of Net Revenue	679%	1492%		(813)%	1594%	345%		1249%

[1] Certain prior period amounts have been reclassified to conform to the current period presentation. These changes had no impact on the previously reported total research and development expenses.

We expect to continue to incur a significant amount of research and development expenses for the foreseeable future. We will continue development of GraftAssureCore, GraftAssureIQ and GraftAssureDx. Our future research and development efforts and expenses will also depend on the amount of capital that we are able to raise to finance those activities and whether we acquire rights to any new diagnostic tests. A portion of our costs for leasing and operating our CLIA-certified laboratory in Tennessee, and our facilities in Germany, will also be included in research and development expenses to the extent allocated to the development of our diagnostic tests.

In 2025, we started a clinical trial in conjunction with our IVD submission for GraftAssureDx. On March 25, 2026, we submitted De Novo request to the FDA seeking marketing authorization for GraftAssureDx, which is the kitted version of our transplanted organ rejection monitoring assay. On July 25, 2026, we received an AINN from the FDA. Based on our interpretation of FDA's feedback, we believe that we will be able to provide a timely complete response, including additional and sufficient data, to FDA to address these deficiencies, but there are no assurances that our response will adequately address FDA's deficiencies, that FDA will grant our De Novo request, or that any marketing authorization we obtain will align with the intended we originally proposed. See "Overview" above for additional information.

Sales and Marketing Expenses

A summary of the main drivers of the change in sales and marketing expenses is as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
	(In thousands, except percentage change values)							
Personnel-related expenses	$ 990	$ 854	$ 136	16%	$ 3,297	$ 2,388	$ 909	38%
Depreciation and amortization	154	170	(16)	(9)%	498	425	73	17%
Stock-based compensation	206	44	162	368%	325	124	201	162%
Facilities and insurance	24	29	(5)	(17)%	81	129	(48)	(37)%
Professional fees, legal, and outside services	105	72	33	46%	795	158	637	403%
Marketing and advertising	51	97	(46)	(47)%	448	321	127	40%
Travel and entertainment	61	107	(46)	(43)%	427	391	36	9%
Other	16	13	3	23%	54	116	(62)	(53)%
Total	$ 1,607	$ 1,386	$ 221	16%	$ 5,925	$ 4,052	$ 1,873	46%
% of Net Revenue	287%	533%		(246)%	714%	139%		575%

We expect to continue to incur sales and marketing expenses for the foreseeable future, especially as we continue to commercialize GraftAssureCore, GraftAssureIQ and GraftAssureDx. Our commercialization efforts and expenses will also depend on the amount of capital that we are able to access to finance commercialization of our tests. Our future expenditures on sales and marketing will also depend on the amount of revenue that those efforts are likely to generate. Because physicians are more likely to prescribe a test for their patients if the cost is covered by Medicare or health insurance, demand for our diagnostic and other tests and our expenditures on sales and marketing are likely to increase if our diagnostic or other tests qualify for reimbursement by Medicare or private health insurance companies.

General and Administrative Expenses

A summary of the main drivers of the change in general and administrative expenses is as follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
	(In thousands, except percentage change values)							
Personnel-related expenses and board fees	$ 1,383	$ 1,348	$ 35	3%	$ 4,019	$ 3,816	$ 203	5%
Depreciation and amortization	93	64	29	45%	270	204	66	32%
Stock-based compensation	426	316	110	35%	1,245	845	400	47%
Facilities and insurance	171	131	40	31%	575	682	(107)	(16)%
Professional fees, legal, and outside services	640	687	(47)	(7)%	2,257	2,583	(326)	(13)%
Travel and entertainment	56	53	3	6%	213	182	31	17%
Severance	—	—	—	100%	30	—	30	100%
Other	16	(54)	70	(130)%	40	(5)	45	(900)%
Total	$ 2,785	$ 2,545	$ 240	9%	$ 8,649	$ 8,307	$ 342	4%
% of Net Revenue	498%	979%		(481)%	1042%	285%		757%

Change in Fair Value of Contingent Consideration

We will owe and pay contingent consideration under the merger agreements through which we acquired IGI and Chronix if various payment milestones are triggered. As we continue to earn Kitted Products revenue, we will pay the related royalties to Chronix under the merger agreement. Changes in the fair value of the contingent consideration will be based on our reassessment of the key assumptions underlying the determination of this liability as changes in circumstances and conditions occur from the IGI and Chronix acquisition dates to the reporting periods being presented, with the subsequent changes in fair value recorded as part of our consolidated results from operations for such periods. See Note 3, “Business Combinations and Contingent Consideration Liabilities,” to our consolidated financial statements included elsewhere in this Report for additional information.

Other Income and Expenses

Other income and expenses are primarily comprised of interest income, interest expense, and foreign currency gains and losses (see Note 2, "Foreign Currency Gains and Losses," to our consolidated financial statements included elsewhere in this Report). Interest income is earned from money market funds we hold for capital preservation. Interest expense is incurred from our financing lease obligations (see Note 6 to our consolidated financial statements included elsewhere in this Report) and insurance financing activity.

Income Taxes

We did not record any provision or benefit for income taxes for the three and nine months ended September 30, 2026 and 2025, as we had a full valuation allowance for the periods presented. A valuation allowance is provided when it is more-likely-than-not that some portion of the deferred tax assets will not be realized. We established a full valuation allowance for all periods presented due to the uncertainty of realizing future tax benefits from our net operating loss carry-forwards and other deferred tax assets. See Note 2, "Income Taxes," to our consolidated financial statements included elsewhere in this Report for additional information.

Inflation

Although historically not significant to our results of operations, financial condition and cash flows, we may experience inflationary pressures, primarily in personnel costs, with certain laboratory supplies, from inventory costs related to certain raw materials, with essential vendors including audit fees and regulatory consultants, and from tariff policies and potential countermeasures. Prices for raw materials may fluctuate based on a number of factors beyond our control, including changes in supply and demand, general economic conditions, labor costs, fuel related delivery costs, competition, import duties, excises and other indirect taxes, currency exchange rates, and government regulation. The extent of any future impacts from inflation on our business and our results of operations will depend upon how long elevated inflation levels persist and the extent to which the rate of inflation were to increase, if at all, neither of which we are able to predict. If elevated levels of inflation were to persist or if the rate of inflation were to accelerate, the purchasing power of our cash and cash equivalents may be diminished, our expenses could increase faster than anticipated and we may utilize our capital resources sooner than expected. Due to the highly competitive nature of the healthcare industry and the cost containment efforts of our customers and third-party payors, we may be unable to pass along cost increases for key components or raw materials through higher prices to our customers. Further, given the complexities of the reimbursement landscape in which we operate, our payers may be unwilling or unable to increase reimbursement rates to compensate for inflationary impacts. As such, the effects of inflation may adversely impact our results of operations, financial condition and cash flows. See Note 1, "Business Risks," to our consolidated financial statements included elsewhere in this Report for additional information about the risks that may impact our business.

Liquidity and Capital Resources

Our foreseeable material cash requirements as of September 30, 2026, are recognized as liabilities in the consolidated balance sheet or generally are otherwise described in Note 6, "Commitments and Contingencies," to our consolidated financial statements included elsewhere in this Report. Our cash requirements are generally derived from our operating and investing activities, and certain financing activities, including expenditures for working capital, human capital, equipment purchases, equipment financing payments, lease payments, business development, investments in intellectual property, and business combinations. Our office lease obligations (net of sublease payments) and financing lease obligations, and contingent consideration obligations are further described in Note 6 and Note 3, respectively, to our consolidated financial statements included elsewhere in this Report. As of September 30, 2026 and December 31, 2025, other than certain equity-classified warrants (see Note 7, "Common Stock Purchase Warrants," to our consolidated financial statements included elsewhere in this Report), we had no off-balance sheet arrangements, and historically we have not entered into any such arrangements other than the noted warrants. As of September 30, 2026 and December 31, 2025, we had unrecognized tax benefits totaling $1.6 million (see Note 2, "Income Taxes," to our consolidated financial statements included elsewhere in this Report).

Since formation, we have financed our operations primarily through the sale of our common stock, preferred stock and warrants to acquire common stock (see Note 7 to our consolidated financial statements included elsewhere in this Report). We have incurred operating losses and negative operating cash flows since inception and had an accumulated deficit of $419.9 million as of September 30, 2026. At September 30, 2026, we had $11.0 million of cash and cash equivalents. Management anticipates that we will continue to incur operating losses and negative operating cash flows for the near future. Although it is difficult to predict our liquidity requirements, based on the going concern evaluation discussed in Note 1, "Liquidity," to our consolidated financial statements included elsewhere in this Report, management believes that it will have sufficient cash to meet its projected operating requirements for at least the next twelve months following the issuance of these consolidated financial statements.

On February 12, 2026, we consummated the February 2026 Offering. The gross proceeds from the February 2026 Offering were approximately $26.0 million. After deducting placement agent fees and offering expenses of $1.4 million, the resulting net proceeds were approximately $24.6 million. These net proceeds were inclusive of an investment from Bio-Rad, our global strategic partner. We are using the net proceeds primarily for general corporate purposes and working capital, including research and development in the transplantation category. The net proceeds from the offering will allow us to invest in research and development with the goal of expanding our GraftAssure product offering beyond kidney transplant rejection testing into other organs, and most immediately, into heart transplant rejection testing. See Note 7, "Common Stock – February 2026 Offering," to our consolidated financial statements included elsewhere in this Report for additional information.

Our remaining restricted cash balance in the total amount of $790,000 as of September 30, 2026 relates to a bank letter of credit required under our Irvine office lease. From July 1, 2025 and continuing on the first day of each calendar month thereafter, the letter of credit will be reduced by an amount equal to $60,714.29 on each such date, until the letter of credit is fully reduced on October 31, 2027, after which the letter of credit arrangement will terminate and we will have no further obligation to maintain or deliver the letter of credit. See Note 6, "Office and Facilities Leases – Irvine Office Lease," to our consolidated financial statements included elsewhere in this Report for additional information.

We expect that our general operating expenses will be commensurate with the market opportunity as we continue to manage our available cash. Although we intend to market our diagnostic tests in the United States through our own sales force, we are also making marketing arrangements with distributors in other countries. We are exploring a range of other commercialization options in order to enter overseas markets and to reduce our capital needs and expenditures, and the risks associated with the timelines and uncertainty for attaining the Medicare reimbursement approvals that will be essential for the successful commercialization of additional diagnostic tests. Those alternative arrangements could include marketing arrangements with other diagnostic companies through which we might receive a licensing fee and royalty on sales, or through which we might form a joint venture to market one or more tests and share in net revenues, in the United States or abroad.

In April 2024, we entered into a global strategic partnership agreement with Bio-Rad to collaborate in the development and the commercialization of RUO and IVD kitted transplant products using Bio-Rad's ddPCR instruments and reagents. In October 2026, iMDx and Bio-Rad entered into the First Amendment to Collaboration Agreement to modify certain terms in such collaboration agreement. Due to the significance of our arrangement with Bio-Rad, we are dependent on them with respect to many of our ongoing operations and future target performance, which also results in a concentration in the volume of business transacted with Bio-Rad. In addition, Bio-Rad is a significant investor in our common stock. For more information regarding our transactions and business with Bio-Rad, see Note 9, "Related Party Transactions" and Note 10, "Collaborative Arrangements," to our consolidated financial statements included elsewhere in this Report.

In addition to research, development, sales and marketing expenses, we will incur other expenses from leasing and improving our offices and laboratory facilities in the Nashville, Tennessee area and Göttingen, Germany. We have recently expanded our Nashville and Germany facilities by extending and adding new office and laboratory leases. In addition, we have added various new laboratory instruments to be used in our transplant operations, under new financing leases or from purchases. As of September 30, 2026, we have acquired a total of 34 new lab instruments for use in our transplant operations. As of December 31, 2025, we had a total of 32 lab instruments. See Note 6, "Commitments and Contingencies," to our consolidated financial statements included elsewhere in this Report for additional operating and financing lease information.

We may need to meet significant cash payment or stock obligations to former IGI and Chronix shareholders in connection with our acquisition of those companies, as disclosed in Note 3 to the consolidated financial statements included elsewhere in this Report. As of September 30, 2026 and December 31, 2025, total contingent consideration liabilities were $36.2 million and $43.9 million, respectively. To meet the future cash payment obligations, we may have to utilize cash on hand that would otherwise be available to us for other business and operational purposes, which could cause us to delay or reduce activities in the development and commercialization of our tests. As we continue to earn Kitted Products revenue, we will pay the related royalties to Chronix under the merger agreement.

We may need to continue to access additional forms of capital, beyond what is provided by cash flow from operations, to finance our operations, including the development and commercialization of our diagnostic tests, and making payments that may become due under our obligations to former IGI and Chronix shareholders, until such time as we are able to generate sufficient revenues to cover our operating expenses. Delays in our collaborative arrangement for the development and the commercialization of RUO and IVD kitted transplant products, or delays in obtaining regulatory approval to distribute our products for clinical use, or delays in the development of, or in obtaining reimbursement coverage from Medicare for future laboratory tests that we may develop or acquire, could prevent us from raising sufficient additional capital to finance the completion of development and commercial launch of those tests. However, additional financing may not be available on acceptable terms, if at all, including due to difficult conditions in the capital markets, particularly with respect to securities of biotechnology and life sciences companies on the U.S. stock exchanges. Investors may be reluctant to provide us with capital until our tests are approved for reimbursement by Medicare or reimbursement by private healthcare insurers or healthcare providers, or until we begin generating significant amounts of revenue from selling and performing those tests.

The unavailability or inadequacy of financing or revenues to meet future capital needs could force us to modify, curtail, delay, or suspend some or all aspects of our planned operations. Sales of additional equity securities could result in the dilution of the interests of our shareholders.

See Note 1 and Note 7 to our consolidated financial statements included elsewhere in this Report for additional information about our liquidity discussion and equity offerings, respectively.

Cash Flow from Operating Activities

During the nine months ended September 30, 2026, our total research and development expenses were $13.2 million, our sales and marketing expenses were $5.9 million, and our general and administrative expenses were $8.6 million. We also incurred $238,000 in total cost of revenues. Net loss for the period was $19.1 million, and our net cash used in operating activities amounted to $23.3 million. Our cash used in operating activities during 2026 did not include the following noncash items: $1.9 million in depreciation and amortization expenses, $2.1 million in stock-based compensation, $40,000 in other equity compensation expenses, $7.7 million gain from the change in fair value of contingent consideration, and unrealized foreign currency losses of $13,000. Net changes in operating assets and liabilities for the period were $575,000 as an additional use of cash.

During the nine months ended September 30, 2025, our total research and development expenses were $10.1 million, our sales and marketing expenses were $4.1 million, and our general and administrative expenses were $8.3 million. We also incurred $1.1 million in total cost of revenues, including $7,000 for amortization of intangible assets. Net loss for the period was $27.3 million, and our net cash used in operating activities amounted to $16.6 million. Our cash used in operating activities during 2025 did not include the following noncash items: $1.6 million in depreciation and amortization expenses, $1.5 million in stock-based compensation, $126,000 in other equity compensation expenses, $7.1 million loss from the change in fair value of contingent consideration, and unrealized foreign currency losses of $170,000. Net changes in operating assets and liabilities for the period were $139,000 as a source of additional cash.

Cash Flow from Investing Activities

During the nine months ended September 30, 2026, net cash used in investing activities was $2.2 million from cash paid for purchases of machinery and equipment, and construction in progress.

During the nine months ended September 30, 2025, net cash used in investing activities was $1.7 million from cash paid for purchases of machinery and equipment, and construction in progress.

Cash Flow from Financing Activities

During the nine months ended September 30, 2026, net cash provided by financing activities was $24.5 million primarily from $24.6 million of net cash proceeds from the February 2026 Offering, partially offset by repayments of financing lease obligations of $422,000, taxes paid related to net share settlement of stock-based awards of $395,000, and equipment financing proceeds of $609,000.

During the nine months ended September 30, 2025, net cash provided by financing activities was $28.3 million from $28.7 million of net cash proceeds from the February 2025 Offering, partially offset by repayments of financing lease obligations of $332,000.

Critical Accounting Estimates

Our consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles. In preparing these financial statements, we make assumptions, judgments and estimates that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operations. We base our assumptions, judgments and estimates on historical experience and various other factors that we believe to be reasonable under the circumstances. Actual results could differ materially from these estimates under different assumptions or conditions. On a regular basis, we evaluate our assumptions, judgments and estimates and make changes accordingly.

We believe that of the significant accounting policies discussed in Note 1 and Note 2 to our consolidated financial statements included elsewhere in this Report, the following accounting policies involve a significant level of estimation uncertainty and require our most difficult, subjective or complex assumptions, judgments and estimates:

- Going Concern Assessment;
- Contingent Consideration Liabilities;
- Impairment of Long-Lived Assets;
- Revenue Recognition and Allowance for Credit Losses;
- Stock-Based Compensation; and
- Income Taxes.

Going Concern Assessment

We assess going concern uncertainty in our consolidated financial statements to determine if we have sufficient cash and cash equivalents on hand and working capital, including available loans or lines of credit, if any, to operate for a period of at least one year from the date our consolidated financial statements are issued (the "look-forward period"). As part of this assessment, based on conditions that are known and reasonably knowable to us, we consider various scenarios, forecasts, projections and estimates, including stress tests, and we make certain key assumptions, including the timing and nature of projected cash expenditures or programs, and our ability to delay or curtail those expenditures or programs, if necessary, among other factors. Based on this assessment, as necessary or applicable, we make certain assumptions around implementing curtailments or delays in the nature and timing of programs and expenditures to the extent we deem probable those implementations can be achieved and we have the proper authority to execute them within the look-forward period. For additional information, including our current assessment results, see Note 1 to our consolidated financial statements included elsewhere in this Report.

Contingent Consideration Liabilities

Contingent consideration is estimated and recorded at fair value as of the acquisition date as part of the total consideration transferred. Contingent consideration is an obligation of the acquirer to transfer additional assets or equity interests to the selling shareholders in the future if certain future events occur or conditions are met, such as the attainment of product development milestones. Contingent consideration also includes additional future payments to selling shareholders based on achievement of components of earnings, such as "earn-out" provisions or percentage of future revenues, including royalties paid to the selling shareholders based on a percentage of certain revenues generated.

The fair value of milestone-based contingent consideration was determined using a scenario analysis valuation method which incorporates our assumptions with respect to the likelihood of achievement of the milestones, as defined in the merger agreements, credit risk, timing of the contingent consideration payments and a risk-adjusted discount rate to estimate the present value of the expected payments, all of which require significant management judgment and assumptions. Since the contingent consideration payments are based on nonfinancial, binary events, management believes the use of the scenario analysis method is appropriate.

The fair value of royalty or revenue share-based contingent consideration was determined using a single scenario analysis method to value those payments. The single scenario method incorporates our assumptions with respect to specified future revenues generated over their respective useful lives, credit risk, and a risk-adjusted discount rate to estimate the present value of the expected royalty payments, all of which require significant management judgment and assumptions. Since the royalty-based contingent consideration payments are based on future revenues and linear payouts, management believes the use of the single scenario method is appropriate.

The fair value of contingent consideration after the acquisition date is reassessed by us as changes in circumstances and conditions occur, with the subsequent change in fair value recorded in our consolidated statements of operations. Changes in key assumptions can materially affect the estimated fair value of contingent consideration liabilities and, accordingly, the resulting gain or loss that we record in our consolidated financial statements. During the nine months ended September 30, 2026 and 2025, we recorded a gain of $7.7 million and a loss of $7.1 million, respectively, related to the fair value of contingent consideration. As of September 30, 2026 and December 31, 2025, total contingent consideration liabilities were $36.2 million and $43.9 million, respectively. As of September 30, 2026, a hypothetical 2% increase and 2% decrease in the discount rate would have resulted in total contingent consideration liabilities of $33.2 million and $39.5 million, respectively. For additional information, see Note 3, “Business Combinations and Contingent Consideration Liabilities,” to our consolidated financial statements included elsewhere in this Report.

Impairment of Long-Lived Assets

We assess the impairment of long-lived assets, which currently consists primarily of right-of-use assets, and machinery and equipment, whenever events or changes in circumstances indicate that such assets might be impaired and the carrying value may not be recoverable. When such events or changes in circumstances are present, we estimate the future cash flows expected to result from the use of the asset (or asset group) and its eventual disposition. If the sum of the expected undiscounted future cash flows is less than the carrying amount, we recognize an impairment based on the fair value of such assets.

Revenue Recognition and Allowance for Credit Losses

Laboratory Services

Laboratory Services are generally performed under individual SOW arrangements with specific deliverables defined by the customer. Laboratory Services are performed on a (i) time and materials basis or (ii) per test completed basis. Upon completion of the service to the customer in accordance with a Laboratory Services Agreement, we have the right to bill the customer for the agreed upon price (either on a per test or per deliverable basis) and recognize Laboratory Service revenue at that time. Depending on the Laboratory Services Agreement, we may identify the services offered as a single performance obligation, or identify the processing of test samples as a separate performance obligation (considered a series) within license agreements. Completion of the service and satisfaction of the performance obligation is typically evidenced by delivery or acknowledgment of completed services, with access to the report or test made available to the customer or any other form or applicable manner of delivery defined in the SOW. However, for certain SOWs under which work is performed pursuant to the customer’s highly customized specifications, we have the enforceable right to bill on a defined fee schedule and work completed, rather than upon completion of specific deliverables defined in the SOW.

We establish an allowance for credit losses based on the evaluation of the collectability of its Laboratory Services accounts receivables after considering a variety of factors, including the length of time receivables are past due, significant events that may impair the customer’s ability to pay, such as a bankruptcy filing or deterioration in the customer’s operating results or financial condition, reasonable and supportable forecasts that affect the collectability of the reported amount, and historical experience. We continuously monitor collections and payments from customers and maintain a provision for estimated credit losses and uncollectible accounts, if any, based upon its historical experience and any specific customer collection issues that have been identified. Amounts determined to be uncollectible are written off against the credit loss reserve accounts. As of September 30, 2026 and December 31, 2025, we had an allowance for credit losses of $5,000 and $11,000, respectively, related to Laboratory Services.

Stock-Based Compensation

We recognize compensation expense related to stock-based payment awards made to employees, board directors and other non-employees based on estimated fair values. We estimate the fair value of stock-based payment awards on the grant date and recognize the resulting fair value over the requisite service period on a straight-line basis. For stock-based awards that vest only upon the attainment of one or more performance goals, compensation cost is recognized if and when we determine that it is probable that the performance condition or conditions will be, or have been, achieved. For grants with market-based and time-based vesting conditions, the fair value is estimated using the Monte Carlo simulation model, which includes the estimated period to achievement of the performance and market conditions, which are subject to the achievement of the market-based goals established by us and continued employment. We utilize the Black-Scholes option pricing model for determining the fair value of standard time-based stock options. Our determination of fair value of stock-based payment awards on the date of grant using an option pricing model is affected by our stock price as well as assumptions regarding a number of complex and subjective variables. These variables include, but are not limited to, expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviors. We estimate the expected volatility using our own stock price volatility for a period equal to the expected term of the options. The expected term of options granted is based on our own experience. The risk-free rate is based on the U.S. Treasury rates in effect during the corresponding period of grant. Key inputs and assumptions may change as we continue to develop our Company estimates, experience and key inputs including our expected term, and stock price volatility based on the trading history of our stock in the public market. Changes in these subjective assumptions can materially affect the estimated value of equity grants and the stock-based compensation that we record in our consolidated financial statements. During the nine months ended September 30, 2026 and 2025, we recognized total stock-based compensation of $2.1 million and $1.5 million, respectively. For additional information, see Note 8 to our consolidated financial statements included elsewhere in this Report.

Income Taxes

We account for income taxes in accordance with Accounting Standards Codification 740, *Income Taxes*, which prescribes the use of the asset and liability method, whereby deferred tax asset or liability account balances are calculated at the balance sheet date using current tax laws and rates in effect. The provision for income taxes for interim periods is determined using an estimated annual effective tax rate in accordance with ASC 740-270, *Income Taxes, Interim Reporting*. Valuation allowances are established when necessary to reduce deferred tax assets when it is more-likely-than-not that a portion or all of the deferred tax assets will not be realized. Our judgments regarding future taxable income may change over time due to changes in market conditions, changes in tax laws, tax planning strategies or other factors. If our assumptions and consequently our estimates change in the future, the valuation allowance may be increased or decreased, which may have a material impact on our statements of operations.

The guidance also prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not sustainable upon examination by taxing authorities. We will recognize accrued interest and penalties, if any, related to unrecognized tax benefits as income tax expense. No amounts were accrued for the payment of interest and penalties as of the financial statement periods presented herein. We account for uncertain tax positions by assessing all material positions taken in any assessment or challenge by relevant taxing authorities. We are currently unaware of any tax issues under review. For additional information, see Note 2, “Income Taxes,” to our consolidated financial statements included elsewhere in this Report.

Recent Accounting Pronouncements

The effects of accounting standards adopted and the potential effects of accounting standards to be adopted in the future are described in Note 2, “Recent Accounting Pronouncements,” to our consolidated financial statements included elsewhere in this Report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Under SEC rules and regulations, as a smaller reporting company, we are not required to provide the information required by this item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

It is management's responsibility to establish and maintain adequate internal control over all financial reporting pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Our management, including our principal executive officer and principal financial officer, have reviewed and evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Report. Following this review and evaluation, the principal executive officer and principal financial officer determined that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act (i) is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and (ii) is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Controls

There were no changes in our internal control over financial reporting that occurred during the quarterly period covered by this Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may be involved in routine litigation incidental to the conduct of our business. We are not presently involved in any material pending litigation or proceedings. See Note 6, "Commitments and Contingencies – Litigation – General," to our consolidated financial statements included elsewhere in this Report for additional information.

Item 1A. Risk Factors.

Our business, financial condition, results of operations and future growth prospects are subject to various risks, including those described in Item 1A. "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 26, 2026, which we encourage you to review. Other than as noted below, there have been no material changes from the risk factors disclosed in our most recent Annual Report on Form 10-K. The risk factors set forth below supplement, and update to the extent inconsistent supersede, the corresponding risk factors in our Annual Report on Form 10-K.

Our ability to commercialize our products is dependent on availability and sufficiency of third-party payer coverage and our ability to ensure our tests remain reimbursed or attain reimbursement by Medicare, and the loss of, or a significant reduction in, reimbursement from Medicare or the CMS would have a material adverse impact on our business.

Our ability to successfully commercialize our current diagnostic tests and any product candidates we receive regulatory approval to market will depend, in significant part, on the extent to which appropriate reimbursement levels can be obtained for patients. Physicians will be hesitant to order a diagnostic test for a patient when they may be left with a large out-of-pocket fee through co-payments or co-insurance or unreimbursed balances. Third-party payers, including Medicare, Medicaid and private insurers, are increasingly challenging the prices charged for healthcare products and services. In addition, legislative proposals to reform health care or reduce government insurance programs may result in lower prices or the actual inability of prospective customers to purchase our tests. Furthermore, even if reimbursement is available, it may not be available at price levels sufficient for us to realize a positive return on our investment.

For diagnostics tests, Medicare or CMS reimbursement approval is critical. CMS relies on a network of MACs to make LCDs approving tests for reimbursement. The MolDX Program was developed by Palmetto GBA (the previous MAC for California) to identify and establish coverage and reimbursement for molecular diagnostics tests. The program has developed guidelines for the level of evidence of efficacy required to be obtained through clinical trials. Palmetto, which contracted with CMS to administer the MolDX, issues LCDs that affect coverage, coding, and billing of many molecular tests and several MACs including the MAC for California, Noridian Healthcare Solutions, LLC, participate in the MolDX program. MACs also serve as the primary operational contact between the Medicare Fee-For-Service program, for paying Medicare claims, and approximately 1.5 million health care providers enrolled in the program. Delays in obtaining MAC approval, or any changes made related to any favorable LCDs, could have a material adverse impact on our business.

Our primary near-term strategic market is organ transplant. We received a positive coverage decision from MolDX for GraftAssureCore (Kidney) in August of 2023, and it became commercially available for ordering in January 2024. In December 2024, we confirmed Medicare reimbursement for also monitoring certain high-risk patients, that is, those with newly developed donor-specific antibodies.

On July 16, 2026, MolDX revised its foundational LCD, "MolDX Molecular Testing for Solid Organ Allograft Rejection" (L40062), which supports expanded coverage for certain dd-cfDNA testing in transplant care. Compared to its predecessor, the revised LCD supports a higher testing frequency through the allowance of surveillance coverage in addition to the already-covered for-cause testing. iMDx believes the favorable policy establishes a baseline for long-term surveillance testing for transplanted organ patients; provides additional clarity for hospitals, clinicians, and laboratories; supports patient access to reimbursable dd-cfDNA testing; and further aligns with our strategy to enable in-house dd-cfDNA testing. Additionally, we believe the revised LCD may support broader commercial adoption of our GraftAssure™ family by reinforcing and expanding the Medicare reimbursement framework for dd-cfDNA testing. However, any FDA marketing authorization we may obtain for GraftAssureDx may be limited to a narrower intended use or intended use population than the uses covered by the revised LCD, such as for-cause testing or a defined high-risk intended use population, which could limit our ability to benefit from expanded surveillance coverage for our kitted product.

However, we may not be able to ensure our tests remain reimbursed or attain reimbursement by Medicare for future tests for a variety of reasons, including changes in reimbursement practices, general policy shifts, or reductions in reimbursement amounts or breadth of coverage. We cannot predict whether Medicare reimbursements will continue at the same payment amount or with the same breadth of coverage in the future, if at all. If future reimbursement price levels are lower than their current levels, or if the scope of coverage becomes more limited, our revenues and our ability to achieve profitability could be impaired, and the market price of our common stock could decline. Any additional changes in the MACs' practices in processing Medicare claims could also impact the coverage determinations or payment amounts or payment for our tests and our ability to obtain Medicare coverage for any products we may launch in the future.

Any decision by CMS or its local contractors to reduce or deny coverage for our tests would have a significant adverse effect on our revenue, ability to operate, and access to capital. Any such decision could also cause affected clinicians treating Medicare-covered patients to reduce or discontinue the use of our tests. Further, third-party payers often follow Medicare coverage policy and payment limitations in setting their own coverage and payment rates and therefore their coverage and payment determinations may likewise be affected by any such decisions.

Even if a diagnostic test receives coverage and reimbursement from third-party payers, such coverage policies and reimbursement rates may change at any time, might not be adequate, or less favorable coverage policies and reimbursement rates may be implemented in the future. We may need to conduct additional studies in order to demonstrate the cost-effectiveness of our diagnostic tests to the satisfaction of our target customers and their third-party payers. Such studies might require us to commit a significant amount of management time and financial and other resources. If we are unable to obtain and maintain sufficient third-party coverage and adequate reimbursement for a diagnostic test, its commercial success may be greatly hindered, and our financial condition and results of operations may be materially and adversely affected.

We will need to obtain FDA and other regulatory approvals for GraftAssureDx any other IVDs that we may develop in order to market those IVD tests, and we may not be able to obtain those regulatory approvals in a timely manner or at all.

On March 25, 2026, we submitted a De Novo request to the FDA seeking marketing authorization for GraftAssureDx. On July 25, 2026, we received an AINN from the FDA regarding our De Novo request, which identified deficiencies that, if not adequately resolved, may preclude a favorable decision. In accordance with FDA procedures, our De Novo request was placed on hold upon issuance of the AINN, and we must submit a complete response to all deficiencies by January 21, 2027. If FDA does not receive a complete response by that date, FDA will consider our De Novo request withdrawn and will delete it from its review system, and we would need to submit a new De Novo request, which would substantially delay any marketing authorization and increase our costs. We expect to submit our response before the January 21, 2027 deadline.

On September 29, 2026, we participated in a Submission Issue Request meeting with the FDA, whereby we sought FDA feedback on our proposed approach to responding to certain deficiencies in the AINN, including a proposed narrowing of the intended use. On October 30, 2026, we received the FDA's written feedback on the questions not substantively addressed at the meeting. Based on our interpretation of FDA's feedback, we are confident that we will be able to provide a timely complete response, including additional and sufficient data, to FDA to address these deficiencies. However, FDA may disagree with our interpretation, may nonetheless determine that our response is inadequate, may request further information, may deny our De Novo request, or may grant marketing authorization for a narrower intended use than we originally proposed. Any such outcome would delay, prevent, or limit the commercialization of GraftAssureDx in the United States, could adversely affect business, including our collaboration with Bio-Rad and our ability to raise capital, and could cause the market price of our common stock to decline.

Additionally, FDA has suggested that we consider restricting the intended use, and we proposed narrowing the intended use population. A narrower intended use or labeling limitations would reduce the addressable market for GraftAssureDx, may limit our ability to benefit from Medicare coverage of surveillance testing, may make GraftAssureDx less competitive with other transplant monitoring tests, and could adversely affect the anticipated economics of our collaboration with Bio-Rad.

If we decide to develop other IVDs, we will need to obtain regulatory clearance or approval to market each IVD test. This means that:

- The IVDs cannot be sold until the CMS or the FDA, and corresponding foreign regulatory authorities approve or authorize the IVDs for medical use;

- We will have to conduct expensive and time-consuming clinical trials of new diagnostic tests. The full cost of conducting and completing clinical trials necessary to obtain FDA clearance or approval of IVD tests or for gaining reimbursement from health insurance companies, health maintenance organizations, Medicare, and other third-party payers cannot be presently determined but could exceed our financial resources;
- Data obtained from preclinical and clinical studies is susceptible to varying interpretations that could delay, limit or prevent regulatory agency clearances or approvals. Delays or denials of the regulatory clearances or approvals may be encountered as a result of changes in regulatory agency policy, regulations, or laws;
- A diagnostic test that is cleared or approved for marketing may be subject to restrictions on use; and
- The FDA can withdraw approval of an FDA regulated product if problems arise.

In addition, the ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes and other events that may otherwise affect the FDA's ability to perform routine functions. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable. In addition, the U.S. government has shut down multiple times in the past (including the shutdown that started on October 1, 2025 and became the longest government shutdown in history based on data going back to fiscal 1977) and certain regulatory agencies, such as the FDA, had to furlough employees and stop some of their activities. The effects of any prolonged government shutdown (including effects related to the shutdown that began October 2025) or a widespread freeze on federal funding could significantly impact the ability of the FDA to timely review and process our regulatory submissions, or cause other agencies that support the FDA to slow their work. Any such factors could have a material adverse effect on our business.

Further, presidential and congressional seat turnover may result in increased regulatory and economic uncertainty, including the spending priorities of the new U.S. presidential administration and Congress and what challenges budget reductions will present for us and our industry generally. For example, on January 20, 2025, President Trump announced an executive order establishing the "Department of Government Efficiency" to reform federal government processes and reduce expenditures. Changes in federal policy by the executive branch and regulatory agencies may occur over time through the new presidential administration's and/or Congress's policy and personnel changes, which could lead to changes involving our industry. However, the nature and timing of such potential changes remain highly uncertain. At this time, it is unclear whether and how any future changes or uncertainty surrounding future changes will adversely affect our business, but material adverse effects are possible.

We are, and may become increasingly, dependent on collaborations to develop and commercialize our diagnostic test candidates and to provide the manufacturing, regulatory compliance, sales, marketing and distribution capabilities required for the success of our business.

We have entered into and may in the future enter into various kinds of collaborative research and development, manufacturing, and diagnostic test marketing agreements to develop and commercialize our diagnostic tests. For example, in 2024, we entered into an agreement with Bio-Rad to collaborate in the development and the commercialization of RUO and IVD kitted transplant products using Bio-Rad's ddPCR instruments and reagents, pursuant to which we are dependent on Bio-Rad with respect to many of our ongoing operations and future target performance.

Any future milestone payments and cost reimbursements from collaboration agreements could provide an important source of financing for our research and development programs, thereby facilitating the application of our technology to the development and commercialization of our diagnostic tests, but there are risks associated with entering into collaboration arrangements.

There is a risk that we are dependent upon one or more collaborative arrangements, in addition to the Bio-Rad arrangement, for diagnostic test development or manufacturing or as a source of revenues from the sale of any diagnostic tests that may be developed by us alone or through one of the collaborative arrangements. A collaborative arrangement upon which we currently, or might in the future, depend might be terminated by our collaboration partner or they might determine not to actively pursue the development or commercialization of our diagnostic tests, or they may determine to stop supporting technologies, such as instruments or consumables, upon which our diagnostic tests are reliant. A collaboration partner also may not be precluded from independently pursuing competing diagnostic tests or technologies.

There is a risk that a collaboration partner, including Bio-Rad, might fail to perform its obligations under the collaborative arrangements or may be slow in performing its obligations. In addition, a collaboration partner may experience financial difficulties at any time that could prevent it from having available funds to contribute to the collaboration. If a collaboration partner fails to conduct its diagnostic test or instrument-related development, manufacturing, commercialization, regulatory compliance, sales and marketing or distribution activities successfully and in a timely manner, or if it terminates or materially modifies its agreements with us, the development and commercialization of one or more diagnostic test candidates could be delayed, curtailed or terminated because we may not have sufficient financial resources or capabilities to continue diagnostic test development, manufacturing, and commercialization on our own.

GraftAssureDx requires the use of a third-party blood collection tube and Bio-Rad's droplet digital PCR instruments and software. As described in our Annual Report on Form 10-K, there is a limited number of manufacturers of molecular testing equipment and reagents, and we depend on Bio-Rad under our collaboration. Certain deficiencies FDA identified in its AINN depend on actions by third parties, including the submission by Bio-Rad of a complete amendment to its Device Master File addressing deficiencies FDA identified, which we do not control. Bio-Rad has assured us of its ability to resolve FDA's concerns in a timely manner. However, if Bio-Rad or other third parties do not take the required actions in a timely manner, our De Novo request may be delayed, withdrawn or denied.

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

Recent Sales of Unregistered Securities

There were no unregistered sales of our equity securities during the quarter ended September 30, 2026 that were not otherwise disclosed in a Current Report on Form 8-K.

Repurchases

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

(a) None.

(b) None.

(c) During the three months ended September 30, 2026, no director or officer (as defined in Rule 16a-1(f) of the Exchange Act) of the Company adopted, modified, or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (in each case, as defined in Item 408(a) of Regulation S-K).

Item 6. Exhibits.

Exhibit Numbers	Exhibit Description
2.1	Amendment No. 2 to Amended and Restated Agreement and Plan of Merger dated September 15, 2026, by and between Insight Molecular Diagnostics Inc. and David MacKenzie, solely in his capacity as Equityholder Representative (Incorporated by reference to Insight Molecular Diagnostics Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on September 21, 2026)
3.1	Certificate of Ownership, as filed with the Secretary of State of the State of California on June 13, 2025 (incorporated by reference to Insight Molecular Diagnostics Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on June 17, 2025)
3.2	Third Amended and Restated Bylaws of Insight Molecular Diagnostics Inc.(incorporated by reference to Insight Molecular Diagnostics Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on April 30, 2026)
10.1+*	First Amendment to Collaboration Agreement, dated October 29, 2026, by and between Insight Molecular Diagnostics Inc. and Bio-Rad Laboratories, Inc.
31.1*	Certification of the Principal Executive Officer of Insight Molecular Diagnostics Inc. pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Rule 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of the Principal Financial Officer of Insight Molecular Diagnostics Inc. pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Rule 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith

** The certifications attached as Exhibit 32.1 that accompany this Report are not deemed filed with the SEC and are not to be incorporated by reference into any filing of iMDx under the Securities Act, or the Exchange Act, whether made before or after the date of this Report, regardless of any general incorporation language contained in any filing.

The referenced exhibit is a management contract, compensatory plan or arrangement.

+ Certain exhibits and schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish a copy of any of the omitted exhibits or schedules upon request by the SEC.

SIGNATURES

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

INSIGHT MOLECULAR DIAGNOSTICS INC.

Date: November 16, 2026

/s/ Joshua Riggs
Joshua Riggs
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 16, 2026

/s/ Andrea James
Andrea James
Chief Financial Officer
(Principal Financial Officer)

Exhibit 10.1

Certain information contained in this document, marked by brackets [***], has been omitted pursuant to Regulation S-K, Item 601(b)(10) because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

FIRST AMENDMENT TO COLLABORATION AGREEMENT

This First Amendment to Collaboration Agreement (this "**Amendment**") is entered into and made effective as of October 29, 2026 (the "**Amendment Effective Date**"), by and between Insight Molecular Diagnostics Inc. (formerly known as Oncocyte Corporation), a California corporation having a place of business at 2 International Plaza Drive, Suite 510, Nashville, Tennessee 37217 ("**iMDx**"), and Bio-Rad Laboratories, Inc., a Delaware corporation having a place of business at 1000 Alfred Nobel Drive, Hercules, California 94547 ("**Bio-Rad**"). Each of iMDx and Bio-Rad is referred to herein as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. Oncocyte Corporation ("**Oncocyte**") and Bio-Rad entered into that certain Collaboration Agreement made effective as of April 5, 2024 (the "**Agreement**").

B. Oncocyte and Bio-Rad entered into that certain binding Memorandum of Understanding, dated November 8, 2024, which identifies certain activities to be performed by the Parties with respect to pilot study sites outside the Territory (the "**MOU**").

C. In June 2025, Oncocyte changed its corporate name from "Oncocyte Corporation" to "Insight Molecular Diagnostics Inc."

D. The Agreement currently defines "Territory" to mean the United States and Germany, and the Parties now wish to expand the definition of "Territory" to include certain additional countries solely with respect to the RUO Assays (and not the IVD Kits), and to provide that such expanded definition will apply to the MOU from and after the Amendment Effective Date, in each case on the terms set forth in this Amendment.

NOW, THEREFORE, the Parties agree as follows:

1. **Definitions**. Capitalized terms used but not defined in this Amendment have the meanings given to them in the Agreement.

2. **Name Change**. The Parties acknowledge the change of Oncocyte's corporate name to Insight Molecular Diagnostics Inc. From and after the date of such name change, all references in the Agreement and the MOU to "Oncocyte" or "Oncocyte Corporation" shall be deemed to refer to iMDx, and all defined terms in the Agreement and the MOU that include the word "Oncocyte" (including "Oncocyte Indemnified Party," "Oncocyte Materials" and "Oncocyte Product Arising IP") shall continue to apply to iMDx. The Parties agree that such name change did not constitute an assignment of the Agreement or the MOU.

3. Amendment to Definition of "Territory". Article I (Definitions) of the Agreement is hereby amended by deleting the definition of "Territory" in its entirety and replacing it with the following:

> "**Territory**" means the United States, [***], Germany, [***]; *provided, however*, that solely with respect to the IVD Kits, the IVD Kits Option and the IVD Phase (including for purposes of Section 6.2 (IVD Kits), Section 6.3 (Regulatory Diligence), Section 6.6 (Post-Market Activities) and any other provision of this Agreement to the extent relating to the IVD Kits), "Territory" means the United States and Germany.

As used in this Amendment, "**Additional Countries**" means [***].

4. Effect of Expanded Territory. Without limiting the generality of Section 3, the Parties acknowledge and agree that, from and after the Amendment Effective Date:

(a) iMDx shall have the exclusive right to make and book all sales of the RUO Assays in the Additional Countries in accordance with Section 5.1(b) (Commercialization of Products Within the Territory) of the Agreement, and Bio-Rad shall have no further rights or obligations with respect to the Additional Countries under Section 3.2(a)(i), Section 5.1(c) (Commercialization of Products Outside the Territory; Supply Payments), Section 6.1(b) (Regulatory Compliance) (as it relates to outside the Territory) or Section 7.2 (Resale Supply Payments) of the Agreement;

(b) Net Sales of the RUO Assays in the Field in the Additional Countries shall be subject to the Royalty Payments and the reporting obligations set forth in Section 7.1 (Royalty Payments) of the Agreement, and to Sections 7.3 through 7.9 of the Agreement;

(c) Bio-Rad shall have the exclusive right to sell the Bio-Rad ddPCR Instruments and Reagents in the Additional Countries in accordance with Section 5.1(a) (Supply of Bio-Rad ddPCR Instruments and Reagents) of the Agreement, and iMDx shall market, promote, sell, offer to sell and commercialize the RUO Assays in the Additional Countries solely and exclusively with the use of Bio-Rad ddPCR Instruments and Reagents;

(d) iMDx shall be responsible for the Regulatory Compliance for the RUO Assays in the Additional Countries in accordance with Section 6.1(b) (Regulatory Compliance) of the Agreement;

(e) the last sentence of Section 9.2 (Relevant Third Party IP) of the Agreement is hereby amended and restated in its entirety to read as follows: "Notwithstanding anything contained in this Agreement to the contrary and for the avoidance of doubt, Oncocyte shall be responsible for the defense of any allegations or claims that the RUO Assays infringe the Intellectual Property Rights of a Third Party within the United States, the European Union and any other country in the Territory, and Bio-Rad shall have sole responsibility for defense outside of the United States, the European Union and the Territory in any country in which it markets, sells or distributes the RUO Assays.";

(f) the Parties shall, through the JSC, update the Product Commercialization Plan as necessary to reflect the expanded Territory; and

(g) for clarity, the expansion of the Territory under this Amendment applies solely to the RUO Assays, and nothing in this Amendment modifies or limits (i) the IVD Kits Option or any of Bio-Rad's rights under Section 8.2 (Option for IVD Kits) of the Agreement, or (ii) Bio-Rad's designation as the Manufacturer of Record for, or Bio-Rad's ownership of the Regulatory Submissions and Regulatory Approvals for, the IVD Kits in any country other than the United States and Germany, including the Additional Countries.

5. Application to the MOU.

(a) Notwithstanding anything to the contrary in the MOU, from and after the Amendment Effective Date, each reference in the MOU to the "Territory" shall mean the Territory as defined in the Agreement as amended by this Amendment, and each reference in the MOU to the "Agreement" shall mean the Agreement as amended by this Amendment. For all periods prior to the Amendment Effective Date, the term "Territory" as used in the MOU shall continue to have the meaning given to it in the Agreement prior to this Amendment (i.e., the United States and Germany).

(b) Each institution identified on Appendix A to the MOU as of the Amendment Effective Date that is located in the Territory shall, as of the Amendment Effective Date, (i) cease to be a Pilot Site under the MOU and be deemed removed from Appendix A to the MOU, and (ii) be treated as a customer located in the Territory for all purposes of the Agreement. Accordingly, as of the Amendment Effective Date, Bio-Rad shall have no further obligations under the MOU with respect to such institutions, and any sales of RUO Assays by iMDx to such institutions shall be governed by the Agreement (including Section 5.1(b) and Article VII (Payments)) and not the MOU.

(c) Any Royalty Payments or other obligations accrued under the MOU prior to the Amendment Effective Date, including with respect to Net Sales of RUO Assays to any Pilot Site prior to the Amendment Effective Date, shall not be affected by this Amendment.

(d) Except as expressly set forth in this Section 5, the MOU remains unchanged and in full force and effect.

6. Miscellaneous.

(a) Effect of Amendment. Except as expressly amended by this Amendment, the Agreement remains unchanged and in full force and effect. From and after the Amendment Effective Date, each reference in the Agreement to "this Agreement," "hereunder," "hereof" or words of similar import shall mean and be a reference to the Agreement as amended by this Amendment. In the event of any conflict between the terms of this Amendment and the terms of the Agreement or the MOU, the terms of this Amendment shall control.

(b) Governing Law; Jurisdiction. This Amendment shall be governed by, and construed and enforced in accordance with, Section 15.3 (Governing Law; Jurisdiction) of the Agreement, which is incorporated herein by reference, mutatis mutandis.

(c) Entire Agreement. This Amendment, together with the Agreement and the MOU, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, with respect thereto.

(d) Counterparts. This Amendment may be executed (including via DocuSign, facsimile or other reliable electronic means of transmitting signed copies, such as emailed scanned signed copies) in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties, through their duly authorized representatives, have executed this Amendment as of the Amendment Effective Date.

INSIGHT MOLECULAR DIAGNOSTICS INC.

By: /s/ Joshua Riggs
Name: Joshua Riggs
Title: Chief Executive Officer
Date: October 28, 2026

BIO-RAD LABORATORIES, INC.

By: /s/ Scott Crowder
Name: Vice President, Business Development
Title: Vice President, Business Development
Date: October 29, 2026

Exhibit 31.1

CERTIFICATION

I, Joshua Riggs, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Insight Molecular Diagnostics Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 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 periodic 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 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 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: November 16, 2026

/s/ Joshua Riggs

Joshua Riggs
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Andrea James, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Insight Molecular Diagnostics Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 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 periodic 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 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 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: November 16, 2026

/s/ Andrea James

Andrea James
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Insight Molecular Diagnostics Inc. (the "Company") for the quarter ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Joshua Riggs, President and Chief Executive Officer of the Company, and Andrea James, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 16, 2026

/s/ Joshua Riggs
Joshua Riggs
President and Chief Executive Officer
(Principal Executive Officer)

/s/ Andrea James
Andrea James
Chief Financial Officer
(Principal Financial Officer)