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 June 30, 2025

☐ **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: 001-35756

NEOGENOMICS, INC.

(Exact name of registrant as specified in its charter)

Nevada	**74-2897368**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
9490 NeoGenomics Way, Fort Myers, Florida	**33912**
(Address of principal executive offices)	**(Zip Code)**

(239) 768-0600
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock ($0.001 par value)	NEO	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 S 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 S 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	S	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 S

As of July 25, 2025, the registrant had 129,178,622 shares of common stock, par value $0.001 per share outstanding.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. These forward-looking statements generally can be identified by the use of words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” “goal,” “intends,” “may,” “plan,” “potential,” “project,” “will,” “would,” and similar expressions, although not all forward-looking statements contain these identifying words. These forward-looking statements address various matters, including the Company’s strategy, future operations, future financial position, future revenues, changing reimbursement levels from government payers and private insurers, expected synergies of the Pathline Acquisition, projected costs and capital expenditures, prospects and plans, and objectives of Management. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties that could cause our actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the risks set forth in Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K as filed with the Securities and Exchange Commission (the “SEC”) on February 18, 2025,in Part II, Item 1A, “Risk Factors” in our Quarterly Report on Form 10-Q as filed with the SEC on April 29, 2025, and in Part II, Item 1A, “Risk Factors” in this Quarterly Report on Form 10-Q.

The forward-looking statements included in this Quarterly Report on Form 10-Q speak only as of the date of this report, and the Company undertakes no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for Management to predict all of such factors, nor can it assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Glossary

Throughout this Quarterly Report on Form 10-Q, we may use certain abbreviations, acronyms and terms which are described below:

ACA	The Patient Protection and Affordable Care Act
ACLA	American Clinical Laboratory Association
AKS	Anti-Kickback Statute
CAP	College of American Pathologists
CDx	Companion Diagnostic
CLIA	Clinical Laboratory Improvement Amendments of 1988
CMS	Centers for Medicare and Medicaid Services
CRO	Contract research organizations
DHS	Designated health services
FCA	The federal False Claims Act
FDA	U.S. Federal Drug Administration
FISH	Fluorescence In-Situ Hybridization
GAAP	U.S. generally accepted accounting principles
GDPR	The European Union's General Data Protection Regulation
HIPAA	The Health Insurance Portability and Accountability Act of 1996
IHC	Immunohistochemistry
LDT	Laboratory developed tests
LIMS	Laboratory Information Management System
MolDx	Molecular Diagnostic Services Program
MRD	Minimal residual disease
NGS	Next-generation sequencing
OIG	The Office of Inspector General of the Department of Health and Human Services
PCR	Polymerase chain reaction
PHI	Protected health information

PART I — FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
NEOGENOMICS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	(unaudited) June 30, 2025	December 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 154,723	$ 367,012
Marketable securities, at fair value	8,962	19,832
Accounts receivable, net	153,125	150,540
Inventories	34,171	26,748
Prepaid assets	22,831	20,165
Other current assets	9,785	11,722
Assets held for sale (Note 3)	8,956	—
Total current assets	392,553	596,019
Property and equipment (net of accumulated depreciation of $200,689 and $189,990, respectively)	85,462	94,103
Operating lease right-of-use assets	82,870	79,583
Intangible assets, net	301,795	339,681
Goodwill	524,143	522,766
Other assets	7,127	5,886
Total non-current assets	1,001,397	1,042,019
Total assets	$ 1,393,950	$ 1,638,038
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 27,492	$ 21,607
Accrued compensation	48,557	62,443
Accrued expenses and other liabilities	18,479	12,624
Current portion of operating lease liabilities	4,052	3,381
Current portion of convertible senior notes, net	—	200,777
Contract liabilities	1,084	409
Liabilities held for sale (Note 3)	456	—
Total current liabilities	100,120	301,241
Long-term liabilities		
Operating lease liabilities	66,616	60,841
Convertible senior notes, net	341,095	340,335
Deferred income tax liabilities, net	19,976	21,510
Other long-term liabilities	12,103	11,772
Total long-term liabilities	439,790	434,458
Total liabilities	$ 539,910	$ 735,699
Commitments and contingencies (Note 12)		
Stockholders' equity		
Common stock, $0.001 par value, (250,000,000 shares authorized; 128,681,713 and 128,145,333 shares issued and outstanding, respectively)	$ 128	$ 128
Additional paid-in capital	1,250,679	1,228,198
Accumulated other comprehensive income (loss)	29	(206)
Accumulated deficit	(396,796)	(325,781)
Total stockholders' equity	$ 854,040	$ 902,339
Total liabilities and stockholders' equity	$ 1,393,950	$ 1,638,038

See the accompanying notes to the unaudited Condensed Consolidated Financial Statements.

NEOGENOMICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
NET REVENUE	$ 181,330	$ 164,502	$ 349,365	$ 320,742
COST OF REVENUE	104,072	92,008	198,861	182,779
GROSS PROFIT	77,258	72,494	150,504	137,963
Operating expenses:				
General and administrative	71,747	63,328	139,954	129,125
Research and development	9,023	7,886	19,204	15,506
Sales and marketing	24,075	21,677	46,758	41,898
Restructuring charges	—	1,544	—	3,942
Impairment charges (Note 5)	20,041	—	20,041	—
Total operating expenses	124,886	94,435	225,957	190,471
LOSS FROM OPERATIONS	(47,628)	(21,941)	(75,453)	(52,508)
Interest income	(2,263)	(4,592)	(5,984)	(9,426)
Interest expense	933	1,666	2,551	3,351
Other (income) expense, net	(482)	2	(547)	265
Loss before taxes	(45,816)	(19,017)	(71,473)	(46,698)
Income tax benefit	(724)	(375)	(458)	(995)
NET LOSS	$ (45,092)	$ (18,642)	$ (71,015)	$ (45,703)
NET LOSS PER SHARE				
Basic	$ (0.35)	$ (0.15)	$ (0.56)	$ (0.36)
Diluted	$ (0.35)	$ (0.15)	$ (0.56)	$ (0.36)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
Basic	127,949	126,405	127,664	126,257
Diluted	127,949	126,405	127,664	126,257

See the accompanying notes to the unaudited Condensed Consolidated Financial Statements.

NEOGENOMICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
NET LOSS	$ (45,092)	$ (18,642)	$ (71,015)	$ (45,703)
OTHER COMPREHENSIVE INCOME:				
Net unrealized gain on marketable securities, net of tax	85	308	235	652
Total other comprehensive income, net of tax	85	308	235	652
COMPREHENSIVE LOSS	$ (45,007)	$ (18,334)	$ (70,780)	$ (45,051)

See the accompanying notes to the unaudited Condensed Consolidated Financial Statements.

NEOGENOMICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited, in thousands, except share data)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total
	Shares	Amount				
Balance, December 31, 2024	128,145,333	$ 128	$ 1,228,198	$ (206)	$ (325,781)	$ 902,339
Issuance of common stock for ESPP	132,961	—	1,424	—	—	1,424
Issuance of restricted stock, net of forfeitures	70,829	—	(530)	—	—	(530)
Issuance of common stock for stock options	7,204	—	58	—	—	58
Stock issuance fees and expenses	—	—	(3)	—	—	(3)
Stock-based compensation expense	—	—	10,754	—	—	10,754
Net unrealized gain on marketable securities, net of tax	—	—	—	150	—	150
Net loss	—	—	—	—	(25,923)	(25,923)
Balance, March 31, 2025	128,356,327	$ 128	$ 1,239,901	$ (56)	$ (351,704)	$ 888,269
Issuance of common stock for ESPP	135,778	—	847	—	—	847
Issuance of restricted stock, net of forfeitures	187,729	—	(2,297)	—	—	(2,297)
Issuance of common stock for stock options	1,879	—	16	—	—	16
Stock issuance fees and expenses	—	—	(3)	—	—	(3)
Stock-based compensation expense	—	—	12,215	—	—	12,215
Net unrealized gain on marketable securities, net of tax	—	—	—	85	—	85
Net (loss) income	—	—	—	—	(45,092)	(45,092)
Balance, June 30, 2025	128,681,713	$ 128	$ 1,250,679	$ 29	$ (396,796)	$ 854,040

	Common Stock					
	Shares	Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
Balance, December 31, 2023	127,369,142	$ 127	$ 1,190,139	$ (1,674)	$ (247,055)	$ 941,537
Issuance of common stock for ESPP	70,278	—	917	—	—	917
Issuance of restricted stock, net of forfeitures	(17,398)	—	(199)	—	—	(199)
Issuance of common stock for stock options	12,764	—	102	—	—	102
Stock issuance fees and expenses	—	—	(4)	—	—	(4)
Stock-based compensation expense	—	—	7,774	—	—	7,774
Net unrealized gain on marketable securities, net of tax	—	—	—	344	—	344
Net loss	—	—	—	—	(27,061)	(27,061)
Balance, March 31, 2024	127,434,786	$ 127	$ 1,198,729	$ (1,330)	$ (274,116)	$ 923,410
Issuance of common stock for ESPP	102,112	—	1,280	—	—	1,280
Issuance of restricted stock, net of forfeitures	32,607	—	(1,631)	—	—	(1,631)
Issuance of common stock for stock options	281,608	1	2,320	—	—	2,321
Stock issuance fees and expenses	—	—	(3)	—	—	(3)
Stock-based compensation expense	—	—	8,841	—	—	8,841
Net unrealized gain on marketable securities, net of tax	—	—	—	308	—	308
Net loss	—	—	—	—	(18,642)	(18,642)
Balance, June 30, 2024	127,851,113	$ 128	$ 1,209,536	$ (1,022)	$ (292,758)	$ 915,884

See the accompanying notes to the unaudited Condensed Consolidated Financial Statements.

NEOGENOMICS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2025	**2024**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (71,015)	$ (45,703)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	18,506	19,651
Amortization of intangibles	16,486	16,723
Stock-based compensation	22,968	16,615
Non-cash operating lease expense	3,353	4,793
Amortization of convertible debt discount	1,164	1,358
Amortization of debt issue costs	69	94
Impairment charges (Note 5)	20,041	—
Other impairment charges	—	333
Other adjustments	(340)	159
Changes in assets and liabilities, net		
Accounts receivable, net	397	(15,353)
Inventories	(7,147)	835
Prepaid and other assets	(1,136)	316
Operating lease liabilities	(187)	(3,308)
Deferred income tax liabilities, net	(1,534)	(1,270)
Accrued compensation	(14,340)	(2,281)
Accounts payable and other liabilities	7,718	(4,985)
Net cash used in operating activities	(4,997)	(12,023)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturities of marketable securities	11,060	40,501
Purchases of property and equipment	(10,823)	(18,663)
Business acquisition, net of cash acquired	(5,991)	—
Net cash (used in) provided by investing activities	(5,754)	21,838
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of common stock, net	(234)	2,782
Repayment of convertible debt	(201,250)	—
Net cash (used in) provided by financing activities	(201,484)	2,782
Net change in cash and cash equivalents, including cash classified within current assets held for sale	(212,235)	12,597
Less: net change in cash classified within current assets held for sale	(54)	—
Net change in cash and cash equivalents	(212,289)	12,597
Cash and cash equivalents, beginning of period	367,012	342,488
Cash and cash equivalents, end of period	$ 154,723	$ 355,085
Supplemental disclosure of cash flow information:		
Interest paid	$ 1,258	$ 1,691
Income taxes paid	$ 458	$ 176
Supplemental disclosure of non-cash investing and financing information:		
Purchases of property and equipment included in accounts payable	$ 915	$ 2,042

See the accompanying notes to the unaudited Condensed Consolidated Financial Statements.

Note 1. Nature of the Business

NeoGenomics, Inc., a Nevada corporation (the "Company" or "NeoGenomics"), and its subsidiaries provide a wide range of oncology diagnostic testing and consultative services which includes technical laboratory services and professional interpretation of laboratory test results by licensed physicians who specialize in pathology and oncology. The Company operates a network of cancer-focused testing laboratories in the United States and the United Kingdom.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying interim Condensed Consolidated Financial Statements ("Consolidated Financial Statements") are unaudited and have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") for interim financial information. All intercompany transactions and balances have been eliminated in the accompanying Consolidated Financial Statements.

The accounting policies of the Company are the same as those set forth in Note 2. Summary of Significant Accounting Policies, to the audited Consolidated Financial Statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, except for new accounting standards discussed under Recent Accounting Pronouncements.

Unaudited Interim Financial Information

Certain information and footnote disclosures normally included in the Company's annual audited Consolidated Financial Statements and accompanying notes have been condensed or omitted in the accompanying interim Consolidated Financial Statements and footnotes. Accordingly, the accompanying interim unaudited Consolidated Financial Statements included herein should be read in conjunction with the audited Consolidated Financial Statements and accompanying notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

The results of operations presented in this Quarterly Report on Form 10-Q are not necessarily indicative of the results of operations that may be expected for any future periods. In the opinion of Management, these unaudited Consolidated Financial Statements include all adjustments and accruals, consisting only of normal, recurring adjustments that are necessary for a fair statement of the results of all interim periods reported herein.

Use of Estimates

The Company prepares its Consolidated Financial Statements in conformity with GAAP. These principles require Management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, together with amounts disclosed in the related notes to the Consolidated Financial Statements. Actual results and outcomes may differ from Management's estimates, judgments and assumptions. Significant estimates, judgments and assumptions used in these Consolidated Financial Statements include, but are not limited, to those related to revenues, accounts receivable and related allowances, available for sale assets, contingencies, self-insurance exposures, useful lives and recovery of long-term assets and intangible assets, the fair value of assets and liabilities acquired in business combinations, income taxes and valuation allowances, stock-based compensation, and impairment analysis of goodwill. These estimates, judgments, and assumptions are reviewed periodically and the effects of material revisions in estimates are reflected on the Consolidated Financial Statements prospectively from the date of the change in estimate.

Assets Held for Sale

Assets and liabilities are classified as held for sale when Management commits to a plan to sell a disposal group in its present condition and the sale is probable and expected to close within 12 months, in accordance with ASC 360. Upon classification, the disposal group is measured at the lower of its carrying amount or fair value less costs to sell, and depreciation and amortization are suspended. Held for sale assets and liabilities are separately presented in current assets and current liabilities in the Condensed Consolidated Balance Sheets. Any loss upon initial classification or subsequent measurement is recognized in the statement of operations. Please refer to Note 3. Acquisitions and Disposals, for further information about assets held for sale.

Self-Insurance

Beginning in January 2025, the Company became self-insured for its employee health care benefits. Liabilities for self-insured exposures are accrued for the amounts expected to be paid based on historical claims experience and actuarial data for forecasted settlements of claims filed and for incurred but not yet reported claims. As of June 30, 2025, the Company has recorded self-insurance liability of $1.5 million. The Company's estimate is subject to inherent variability which may lead to ultimate payments being either greater or less than the amounts presented above. Self-insurance liabilities have been classified as a current liability in accrued compensation on the Condensed Consolidated Balance Sheets.

Segment Reporting

The Company has historically reported its activities in two reportable segments, (1) Clinical Services and (2) Advanced Diagnostics. In the fourth quarter of 2024, the Company simplified its operational approach, bringing its two primary segments under a single segment. Please refer to Note 13. Segment Information, for further information about the segment.

Sales and Marketing Expenses

Sales and marketing expenses are primarily attributable to employee-related costs including sales management, sales representatives, sales and marketing consultants, and marketing and customer service personnel in the Clinical Services segment. Advertising costs are expensed at the time they are incurred and were immaterial for the three and six months ended June 30, 2025 and 2024.

Accounting Pronouncements Pending Adoption

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income (Topic 220): Expense Disaggregation Disclosures. This update requires entities to disaggregate operating expenses into specific categories, such as purchases of inventory, compensation, depreciation, and amortization, to provide enhanced transparency into the nature and function of expenses. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, with early adoption permitted. ASU 2024-03 may be applied retrospectively or prospectively. The Company is currently evaluating the impact of this standard on its financial statement presentation and disclosures.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. This update requires entities to consistently categorize and provide greater disaggregation of information in the rate reconciliation and to further disaggregate income taxes paid by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. ASU 2023-09 may be applied retrospectively or prospectively. The enhanced disclosures required by ASU 2023-09 will be included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025. The Company is currently evaluating the impact of this standard on its annual disclosures.

Note 3. Acquisitions and Disposals

Acquisition of Pathline, LLC

On April 4, 2025 (the “Pathline Acquisition Date”), the Company completed the acquisition of a 100% ownership interest in Pathline LLC (“Pathline”), a CLIA/CAP/NYS-certified laboratory based in New Jersey. The purchase price consisted of (i) gross initial consideration of $8.0 million, which was reduced by a net adjustment of $0.7 million reflective of cash and other adjustments and (ii) up to $2.0 million of contingent consideration if Pathline completes certain validation milestones within a specific timeline. As of the Pathline Acquisition Date, the Company estimated the contingent consideration liability to be $1.0 million, reflecting its best estimate regarding the achievement of the validation milestone. The Pathline acquisition aligns with the Company's strategic objective of expanding its presence, capabilities, and offerings in the Northeastern United States.

The acquisition of Pathline was determined to be a business combination and has been accounted for using the acquisition method. The purchase price and purchase price allocation were based upon Management’s best estimates and assumptions and were considered preliminary as of June 30, 2025, and are subject to future revision. The following table summarizes the estimated purchase consideration recorded for the acquisition of Pathline, the estimated fair value of the net assets acquired and liabilities assumed, and the preliminary calculation of goodwill based on the excess of the consideration transferred over the fair value of the net assets acquired and liabilities assumed at the Pathline Acquisition Date (in thousands, except per share data):

		Amount
Purchase consideration:		
Initial cash consideration, net[(1)]	$	7,275
Contingent consideration		1,000
Total purchase consideration	$	8,275
Allocation of the purchase consideration:		
Cash and cash equivalents	$	317
Accounts receivable, net		3,324
Inventories		657
Prepaid and other current assets		443
Intangible assets		1,200
Property and equipment		1,264
Operating lease right-of-use assets		6,632
Other non-current assets		200
Total identifiable assets acquired		14,037
Total identifiable liabilities assumed		10,602
Net identifiable assets acquired		3,435
Goodwill		4,840
Total purchase consideration	$	8,275

[(1)] Includes net adjustments of $0.7 million reflective of cash and other adjustments.

Due to the timing of the acquisition, the preliminary estimates and measurements are subject to change during the measurement period for assets acquired, liabilities assumed, and tax adjustments. The Company will finalize these amounts no later than one year from the acquisition date once it obtains the information necessary to complete the measurement process. Any changes resulting from facts and circumstances that existed as of the acquisition date may result in adjustments to the preliminary amounts disclosed above which may impact the reported results in the period those adjustments are identified.

The goodwill recognized was primarily attributable to expected synergies of the combined businesses, increased market penetration, and expanded service capabilities in the Northeast resulting from the acquisition. A majority of the goodwill resulting from the acquisition of Pathline is expected to be deductible for income tax purposes.

Acquired intangible assets consist of customer relationships, which were valued using an income-based approach by discounting expected cash flows from existing customer relationships to determine the economic benefit expected to be realized post-acquisition. These assets will be amortized over a weighted average period of seven years.

Acquisition and integration costs related to Pathline were approximately $3.2 million and $4.4 million, respectively, for the three and six months ended June 30, 2025 and are recorded as general and administrative expenses in the Company’s Consolidated Statements of Operations. There were no such amounts recorded for the three and six months ended June 30, 2024.

The results of operations of Pathline are included in the Company’s Consolidated Financial Statements beginning on the Pathline Acquisition Date. For the three and six months ended June 30, 2025, revenue related to Pathline was approximately $4.7 million. Net loss related to Pathline was approximately $2.7 million for the three and six months ended June 30, 2025. No pro forma information has been included relating to the Pathline acquisition, as this acquisition was not deemed to be material to the Company’s revenue or net loss on a pro forma basis.

Planned sale of Trapelo Health, LLC

In the second quarter of 2025, the Company initiated a plan to sell Trapelo Health, LLC (“Trapelo”), its wholly owned subsidiary, as a result of Management's assessment of the Company's long-term strategy. Management determined that the sale of Trapelo will allow the Company to focus on its core strategic operations. The sale is expected to close within a year, subject to regulatory and other customary closing conditions.

The assets and liabilities of Trapelo met the criteria for classification as held for sale and are reported at fair value less costs to sell in the Consolidated Balance Sheets as of June 30, 2025. The assets held for sale primarily consist of intangible assets. The liabilities held for sale include accrued compensation and other liabilities.

In connection with the classification of these assets and liabilities as held for sale, Management evaluated the fair value of assets for recoverability, then evaluated the fair value of the disposal group, including goodwill. The fair value of the disposal group was determined using significant unobservable inputs (Level 3) based on expected proceeds to be received upon the sale of the business. As a result of this evaluation, it was determined that the fair value of the disposal group, less costs to sell, was less than its carrying value. Accordingly, an impairment of $8.2 million, consisting of a $3.5 million loss on goodwill and a $4.7 million loss on developed technology, was recognized for both the three and six months ended June 30, 2025, under impairment charges in the Consolidated Statements of Operations.

The following table summarizes the major classes of assets and liabilities of Trapelo that were classified as held for sale in the Consolidated Balance Sheets as of June 30, 2025 (in thousands).

	June 30, 2025
ASSETS	
Intangible assets, net	$ 7,167
Property and equipment, net	1,378
Other assets	411
Total assets held for sale	$ 8,956
LIABILITIES	$ 456
Total liabilities held for sale	$ 456

This disposition is not accounted for as discontinued operations as it does not represent a strategic shift that will have a major effect on the Company's operations and financial results.

Note 4. Fair Value Measurements

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. A fair value hierarchy has been established based on three levels of inputs, of which the first two are considered observable and the last unobservable.

Level 1: Quoted prices in active markets for identical assets or liabilities. These are typically obtained from real-time quotes for transactions in active exchange markets involving identical assets.

Level 2: Inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. These are typically obtained from readily available pricing sources for comparable instruments.

Level 3: Unobservable inputs, where there is little or no market activity for the asset or liability. These inputs reflect the reporting entity’s own assumptions of the data that market participants would use in pricing the asset or liability, based on the best information available in the circumstances.

Assets and Liabilities that are Measured at Fair Value on a Recurring Basis

The Company measures certain financial assets at fair value on a recurring basis, including its marketable securities and certain cash equivalents. The Company considers all securities available-for-sale, including those with maturity dates beyond 12 months, and therefore these securities are classified within current assets on the Consolidated Balance Sheets as they are available to support current operational liquidity needs. The money market accounts are valued based on quoted market prices in active markets and are included in cash and cash equivalents on the Consolidated Balance Sheets. The marketable securities are generally valued based on other observable inputs for those securities (including market corroborated pricing or other models that utilize observable inputs such as interest rates and yield curves) based on information provided by independent third-party pricing entities, except for U.S. Treasury securities which are valued based on quoted market prices in active markets.

The following tables set forth the amortized cost, gross unrealized gains, gross unrealized losses and fair values of the Company’s marketable securities accounted for as available-for-sale securities as of June 30, 2025 and December 31, 2024 (in thousands):

	June 30, 2025			
(in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Financial Assets:				
Short-term marketable securities:				
Municipal bonds	$ 6,006	$ —	$ (26)	$ 5,980
Corporate bonds	2,999	—	(17)	2,982
Total	$ 9,005	$ —	$ (43)	$ 8,962

	December 31, 2024			
(in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Financial Assets:				
Short-term marketable securities:				
Municipal bonds	$ 9,587	$ —	$ (151)	$ 9,436
Corporate bonds	10,523	—	(127)	10,396
Total	$ 20,110	$ —	$ (278)	$ 19,832

The Company had $0.5 million and $1.3 million of accrued interest receivable at June 30, 2025 and December 31, 2024, respectively, included in other current assets on its Consolidated Balance Sheets related to its marketable securities. There were no realized gains or losses on marketable securities for the three and six months ended June 30, 2025 and 2024.

The following tables set forth the fair value of available-for-sale marketable securities by contractual maturity at June 30, 2025 and December 31, 2024.

	June 30, 2025			
(in thousands)	One Year or Less	Over One Year Through Five Years	Over Five Years	Total
Financial Assets:				
Marketable Securities:				
Municipal bonds	$ 5,980	$ —	$ —	$ 5,980
Corporate bonds	2,982	—	—	2,982
Total	$ 8,962	$ —	$ —	$ 8,962

	December 31, 2024			
(in thousands)	One Year or Less	Over One Year Through Five Years	Over Five Years	Total
Financial Assets:				
Marketable Securities:				
Municipal bonds	$ 9,436	$ —	$ —	$ 9,436
Corporate bonds	10,396	—	—	10,396
Total	$ 19,832	$ —	$ —	$ 19,832

The following tables set forth the Company's cash equivalents and marketable securities accounted for as available-for-sale securities that were measured at fair value on a recurring basis based on the fair value hierarchy as of June 30, 2025 and December 31, 2024.

	June 30, 2025			
(in thousands)	Level 1	Level 2	Level 3	Total
Financial Assets:				
Cash equivalents:				
Money market funds	$ 150,113	$ —	$ —	$ 150,113
Marketable securities:				
Municipal bonds	5,980	—	—	5,980
Corporate bonds	—	2,982	—	2,982
Total	$ 156,093	$ 2,982	$ —	$ 159,075

	December 31, 2024			
(in thousands)	Level 1	Level 2	Level 3	Total
Financial Assets:				
Cash equivalents:				
Money market funds	$ 364,815	$ —	$ —	$ 364,815
Marketable securities:				
Municipal bonds	9,436	—	—	9,436
Corporate bonds	—	10,396	—	10,396
Total	$ 374,251	$ 10,396	$ —	$ 384,647

There were no transfers of financial assets or liabilities into or out of Level 1, Level 2, or Level 3 for the three and six months ended June 30, 2025 and 2024.

Assets and Liabilities that are Measured at Fair Value on a Nonrecurring Basis

The carrying value of cash, certain cash equivalents, accounts receivable, net, other current assets, accounts payable, accrued expenses and other liabilities, and contract liabilities are considered reasonable estimates of their respective fair values at June 30, 2025 and December 31, 2024 due to their short-term nature.

The Company also measures certain non-financial assets at fair value on a nonrecurring basis, primarily intangible assets, goodwill, long-lived assets in connection with periodic evaluations for potential impairment. The Company estimates the fair value of these assets using primarily unobservable inputs and as such, these are considered Level 3 fair value measurements.

Note 5. Goodwill and Intangible Assets

The following table summarizes the carrying amounts of goodwill by segment at June 30, 2025 and December 31, 2024 (in thousands):

	December 31, 2024	Goodwill acquired[1]	Impairment charges[2]	June 30, 2025
Goodwill	$ 522,766	4,840	(3,463)	$ 524,143

[1] In connection with the acquisition of Pathline, the Company recognized $4.8 million of goodwill, reflecting the preliminary allocation of the purchase price to the identifiable assets acquired and liabilities assumed. Please refer to Note 3. Acquisitions and Disposals for further information about the acquisition of Pathline.

[2] In connection with the classification of the disposal group as held for sale, the Company recognized an impairment charge of $3.5 million to write down the carrying value of the group to its estimated fair value less costs to sell. Please refer to Note 3. Acquisitions and Disposals for further information about the planned disposal of Trapelo.

Intangible assets consisted of the following (in thousands):

		June 30, 2025		
	Amortization Period (years)	Cost	Accumulated Amortization	Net
Customer Relationships	7 - 15	$ 144,301	$ 80,410	$ 63,891
Developed Technology[1]	10 - 15	276,825	74,487	202,338
Trademarks[2]	15	30,261	8,142	22,119
Trademark - Indefinite lived	—	13,447	—	13,447
Total		$ 464,834	$ 163,039	$ 301,795

[1] Includes an impairment loss of $10.5 million on InVisionFirst®-Lung developed technology and an impairment loss of $4.7 million related to the classification of the disposal group as held for sale. Please refer to Note 3. Acquisitions and Disposals for further information about the planned disposal of Trapelo.
[2] Includes an impairment loss of $0.9 million on InVisionFirst®-Lung trademarks.

		December 31, 2024		
	Amortization Period (years)	Cost	Accumulated Amortization	Net
Customer Relationships	7 - 15	$ 143,101	$ 75,423	$ 67,678
Developed Technology	10 - 15	310,226	75,758	234,468
Marketing Assets	4	549	514	35
Trademarks	15	31,473	7,420	24,053
Trademark - Indefinite lived	—	13,447	—	13,447
Total		$ 498,796	$ 159,115	$ 339,681

The Company records amortization expense within cost of revenue and general and administrative expense on the Consolidated Statement of Operations. The following table summarizes the amortization expense for the three and six months ended June 30, 2025 and 2024 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Amortization of intangibles included in cost of revenue	$ 4,811	$ 4,909	$ 9,721	$ 9,819
Amortization of intangibles included in general and administrative expenses	3,313	3,452	6,765	6,904
Total amortization of intangibles	$ 8,124	$ 8,361	$ 16,486	$ 16,723

The estimated amortization expense related to amortizable intangible assets for each of the following periods as of June 30, 2025 is as follows (in thousands):

Remainder of 2025	$	15,267
2026		30,533
2027		29,983
2028		29,983
2029		29,983
Thereafter		152,599
Total	$	288,348

InVisionFirst®-Lung Impairment

In the second quarter of 2025, Management evaluated the planned launch of a new product and its impact on the current portfolio, principally InVisionFirst®-Lung. Following the evaluation, Management made a decision to implement a wind-down of the InVisionFirst®-Lung portfolio, resulting in the recognition of an impairment and associated inventory write-off. The impairment charge was measured as the excess of the carrying value of the affected assets over their estimated fair value, which was determined based on undiscounted expected future cash flows. During the three and six months ended June 30, 2025, the Company recorded impairment charges of $11.4 million and an inventory write-off of $0.4 million associated with InVisionFirst®-Lung, a legacy diagnostic test. Impairment charges consisted of a $10.5 million loss on developed technology and a $0.9 million loss on trademarks. The impairment charge and inventory write-off are included within impairment charges in the Consolidated Statements of Operations.

Note 6. Debt

2028 Convertible Senior Notes

On January 11, 2021, the Company completed the sale of $345.0 million of Convertible Senior Notes with a stated interest rate of 0.25% and a maturity date of January 15, 2028 (the "2028 Convertible Notes"), unless earlier converted, redeemed, or repurchased.

The last reported sales price of the Company's common stock was not greater than or equal to 130.0% of the conversion price of the 2028 Convertible Notes on at least 20 of the last 30 consecutive trading days of the quarter ended March 31, 2025. Based on the terms of the 2028 Convertible Notes, the holders could not have converted all or a portion of their 2028 Convertible Notes in the second quarter of 2025. The last reported sales price of the Company's common stock was not greater than or equal to 130.0% of the conversion price of the 2028 Convertible Notes on at least 20 of the last 30 consecutive trading days of the quarter ended June 30, 2025. Based on the terms of the 2028 Convertible Notes, the holders cannot convert all or a portion of their 2028 Convertible Notes in the third quarter of 2025. The value of the 2028 Convertible Notes, if-converted, does not exceed the principal amount based on a closing stock price of $7.31 on June 30, 2025.

The interest expense recognized on the 2028 Convertible Notes includes $0.2 million, $0.4 million and $8,600 for the contractual coupon interest, the amortization of the debt discount and the amortization of the debt issuance costs, respectively, for the three months ended June 30, 2025. The interest expense recognized on the 2028 Convertible Notes includes $0.4 million, $0.7 million and $17,000 for the contractual coupon interest, the amortization of the debt discount and the amortization of the debt issuance costs, respectively, for the six months ended June 30, 2025. The interest expense recognized on the 2028 Convertible Notes includes $0.2 million, $0.4 million and $8,500 for the contractual coupon interest, the amortization of the debt discount and the amortization of the debt issuance costs, respectively, for the three months ended June 30, 2024. The interest expense recognized on the 2028 Convertible Notes includes $0.4 million, $0.7 million and $17,000 for the contractual coupon interest, the amortization of the debt discount and the amortization of the debt issuance costs, respectively, for the six months ended June 30, 2024. The effective interest rate on the 2028 Convertible Notes is 0.70%, which includes the interest on the 2028 Convertible Notes and amortization of the debt discount and debt issuance costs. The 2028 Convertible Notes bear interest at a rate of 0.25% per annum, payable semi-annually in arrears on January 15 and July 15 of each year, beginning on July 15, 2021.

At June 30, 2025, the estimated fair value (Level 2) and net carrying amount of the 0.25% Convertible Senior Notes due 2028 was $293.3 million and $341.1 million, respectively. At December 31, 2024, the estimated fair value (Level 2) and net carrying amount of the 0.25% Convertible Senior Notes due 2028 was $284.8 million and $340.3 million, respectively.

2025 Convertible Senior Notes

On May 4, 2020, the Company completed the sale of $201.3 million of Convertible Senior Notes with a stated interest rate of 1.25% and a maturity date of May 1, 2025 (the "2025 Convertible Notes"), unless earlier converted, redeemed, or repurchased. On May 1, 2025, the Company paid the outstanding principal balance on the 2025 Convertible Notes of $201.3 million and outstanding interest of $1.3 million.

The interest expense recognized on the 2025 Convertible Notes includes $0.2 million, $0.1 million and $13,000 for the contractual coupon interest, the amortization of the debt discount and the amortization of the debt issuance costs, respectively, for the three months ended June 30, 2025. The interest expense recognized on the 2025 Convertible Notes includes $0.8 million, $0.4 million and $52,000 for the contractual coupon interest, the amortization of the debt discount and the amortization of the debt issuance costs, respectively, for the six months ended June 30, 2025. The interest expense recognized on the 2025 Convertible Notes includes $0.6 million, $0.3 million and $38,000 for the contractual coupon interest, the amortization of the debt discount and the amortization of the debt issuance costs, respectively, for the three months ended June 30, 2024. The interest expense recognized on the 2025 Convertible Notes includes $1.3 million, $0.6 million and $0.1 million for the contractual coupon interest, the amortization of the debt discount and the amortization of the debt issuance costs, respectively, for the six months ended June 30, 2024. The effective interest rate on the 2025 Convertible Notes was 1.96%, which included the interest on the 2025 Convertible Notes and amortization of the debt discount and debt issuance costs. The 2025 Convertible Notes bore interest at a rate of 1.25% per annum, payable semi-annually in arrears on May 1 and November 1 of each year, which began on November 1, 2020.

Note 7. Stock-Based Compensation

The Company recorded stock-based compensation on the Consolidated Statement of Operations for the three and six months ended June 30, 2025 and 2024 as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of revenue	$ 302	$ 358	$ 718	$ 753
General and administrative	10,408	7,493	19,190	14,156
Research and development	675	237	1,272	408
Sales and marketing	830	753	1,788	1,298
Total stock-based compensation	$ 12,215	$ 8,841	$ 22,968	$ 16,615

Stock Options

A summary of the stock option activity under the Company's plans for the six months ended June 30, 2025 is as follows:

	Number of Shares	Weighted Average Exercise Price
Outstanding at December 31, 2024	5,231,262	$ 16.14
Granted	3,147,871	$ 11.66
Exercised	(9,083)	$ 8.10
Forfeited	(914,134)	$ 19.91
Outstanding at June 30, 2025	7,455,916	$ 13.80
Vested and expected to vest at June 30, 2025	7,455,916	$ 13.80
Exercisable at June 30, 2025	2,780,597	$ 15.71

The fair value of each stock option award granted during the six months ended June 30, 2025 was estimated as of the grant date using a Black-Scholes model with the following assumptions:

	Six Months Ended June 30, 2025
Expected term (in years)	5.2 - 6.5
Risk-free interest rate (%)	3.8% - 4.4%
Expected volatility (%)	56.0% - 67.1%
Dividend yield (%)	—
Weighted average grant date fair value per share	$6.50

As of June 30, 2025, there was approximately $19.4 million of unrecognized stock-based compensation expense related to stock options that will be recognized over a weighted-average period of approximately 1.6 years.

Restricted Stock

A summary of the restricted stock activity under the Company's plans for the six months ended June 30, 2025 is as follows:

	Number of Restricted Shares	Weighted Average Grant Date Fair Value
Nonvested at December 31, 2024	2,164,071	$ 14.25
Granted	2,693,092	$ 11.19
Vested	(1,016,859)	$ 14.10
Forfeited	(707,958)	$ 12.52
Nonvested at June 30, 2025	3,132,346	$ 12.05

As of June 30, 2025, there was approximately $22.5 million of unrecognized stock-based compensation expense related to restricted stock that will be recognized over a weighted-average period of approximately 1.4 years.

Performance-Based Restricted Stock Units

For PSUs subject to a performance condition, compensation cost is recognized straight-line over the requisite service period if the achievement of the performance condition is probable. As of June 30, 2025, the Company has determined it is probable that the performance condition will be met. For PSUs subject to a market condition, compensation cost is recognized straight-line over the requisite service period, regardless of when, if ever, the market condition is satisfied.

A summary of the PSU activity under the Company's plans for the six months ended June 30, 2025 is as follows:

	Number of Stock Units	Weighted Average Grant Date Fair Value
Nonvested at December 31, 2024	647,084	$ 19.35
Granted	—	$ —
Vested	—	$ —
Forfeited	(58,473)	$ 18.62
Nonvested at June 30, 2025	588,611	$ 19.42

As of June 30, 2025, there was approximately $5.5 million of unrecognized stock-based compensation expense related to nonvested PSUs that will be recognized over a weighted-average period of approximately 1.4 years.

Modification of Stock Option and Restricted Stock

In the three months ended June 30, 2025, upon the promotion and departure of certain executives and in accordance with the terms of their employment agreements, 275,428 shares of previously granted time-based vesting stock options and 483,803 shares of previously granted time-based vesting restricted stock were subject to accelerated vesting. The Company accounted for the effects of the accelerated vesting of these stock awards as modifications and recognized $2.6 million of stock-based compensation which consisted of $0.5 million and $2.1 million for the acceleration of stock options and restricted stock, respectively, within general and administrative expenses on the Consolidated Statements of Operations for the three and six months ended June 30, 2025.

In the three months ended June 30, 2024, upon the departure of an executive and in accordance with the terms of their employment agreement, in addition to the retirement of a director of the Company and with approval from the Culture and Compensation Committee of the Company's Board of Directors, 69,049 shares of previously granted time-based vesting stock options and 41,693 shares of previously granted time-based vesting restricted stock were subject to accelerated vesting. The Company accounted for the effects of the accelerated vesting of these stock awards as modifications and recognized $0.6 million of stock-based compensation which consisted of $0.3 million and $0.3 million for the acceleration of stock options and restricted stock, respectively, within general and administrative expenses on the Consolidated Statements of Operations for the three and six months ended June 30, 2024.

Note 8. Revenue Recognition

The Company's specialized clinical services are performed based on a written test requisition form or electronic equivalent. The performance obligation is satisfied and revenues are recognized at the point in time the clinical services have been performed and the results have been delivered to the ordering physician. These clinical services are billed to various payers, including client direct billing, commercial insurance, Medicare and other government payers, and patients. Revenue is recorded for all payers based on the amount expected to be collected, which considers implicit price concessions. Implicit price concessions represent differences between amounts billed and the estimated consideration the Company expects to receive based on negotiated discounts, historical collection experience, and other anticipated adjustments, including anticipated payer denials.

For the Company's pharmaceutical development services, the Company generally enters into contracts with pharmaceutical and biotech clients as well as other CROs to provide research and clinical trial services. Such services also include validation studies and assay development. The Company records revenue on a unit-of-service basis based on the number of units completed towards the satisfaction of a performance obligation. In addition, certain contracts include upfront fees and the revenue for those contracts is recognized over time as services are performed.

Additional offerings within the Company's portfolio include oncology data solutions, which involves the licensing of de-identified data to pharmaceutical and biotech clients in the form of either retrospective records or prospective deliveries of data. Revenue is recognized at a point in time upon delivery of retrospective data or over time for prospective data feeds. The Company negotiates billing schedules and payment terms on a contract-by-contract basis. Contract terms generally provide for payments based on a unit-of-service arrangement and are primarily short-term.

Amounts collected in advance of services being provided are deferred as contract liabilities on the Consolidated Balance Sheets. The associated revenue is recognized and the contract liability is reduced as the contracted services are subsequently performed. Contract assets are established for revenue recognized but not yet billed. These contract assets are reduced once the client is invoiced and a corresponding receivable is recorded. Additionally, the Company incurs sales commissions in the process of obtaining contracts with clients. Sales commissions that are payable upon contract award are recognized as assets and amortized over the expected contract term. The amortization of commission expense is based on the weighted average contract duration for all commissionable awards in the respective business in which the commission expense is paid, which approximates the period over which goods and services are transferred to the client. For short-term contracts, the Company applies the practical expedient which allows costs to obtain a contract to be expensed when incurred, if the amortization period of the assets that would otherwise have been recognized is one year or less. Contract assets and capitalized commissions are included in other current assets and other assets on the Consolidated Balance Sheets.

Most contracts are terminable by the clients, either immediately or according to advance notice terms specified within the contracts. All contracts require payment of fees to the Company for services rendered through the date of termination and may require payment for subsequent services necessary to conclude the study or close out the contract.

The following table summarizes the values of contract assets, capitalized commissions and contract liabilities (in thousands):

	June 30, 2025	December 31, 2024
Current contract assets [1]	$ —	$ 100
Total contract assets	$ —	$ 100
Current capitalized commissions [1]	$ 199	$ 206
Long-term capitalized commissions [2]	43	11
Total capitalized commissions	$ 242	$ 217
Current contract liabilities	$ 1,084	$ 409
Long-term contract liabilities [3]	443	336
Total contract liabilities	$ 1,527	$ 745

[1] Recorded within other current assets on the Consolidated Balance Sheets.
[2] Recorded within other assets on the Consolidated Balance Sheets.
[3] Recorded within other long-term liabilities on the Consolidated Balance Sheets.

Revenue recognized for the three and six months ended June 30, 2025 related to contract liability balances outstanding at the beginning of the period was $0.04 million and $0.1 million, respectively. Revenue recognized for the three and six months ended June 30, 2024 related to contract liability balances outstanding at the beginning of the period was $0.3 million and

$1.4 million, respectively. Amortization of capitalized commissions for the three and six months ended June 30, 2025 was $0.1 million and $0.2 million, respectively. Amortization of capitalized commissions for the three and six months ended June 30, 2024 was $0.2 million and $0.5 million, respectively.

Disaggregation of Revenue

The Company considered various factors in determining appropriate levels of homogeneous data for its disaggregation of revenue, including the nature, amount, timing, and uncertainty of revenue and cash flows. The categories align with the types of clients due to similarities of billing method, level of reimbursement, and timing of cash receipts. Unbilled amounts are accrued and allocated to payer categories based on historical experience. In future periods actual billings by payer category may differ from accrued amounts.

The following table details the disaggregation of net revenue for the three and six months ended June 30, 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Client direct billing	$ 131,157	$ 118,305	$ 253,195	$ 230,493
Commercial insurance	28,766	24,843	53,623	48,447
Medicare and other government	21,387	21,197	42,488	41,566
Self-pay	20	157	59	236
Total net revenue	$ 181,330	$ 164,502	$ 349,365	$ 320,742

Note 9. Restructuring

In 2022, the Company embarked on a restructuring program to improve execution and drive efficiency across the organization. This program is a framework for identifying, prioritizing and executing operational improvements. Restructuring charges incurred consist of severance and other employee costs, costs for optimizing the Company's geographic presence ("Facility Footprint Optimization"), and consulting and other costs.

The Company completed this restructuring program in 2024. For the three months ended June 30, 2024 restructuring charges were comprised of $0.7 million in severance and other employee costs, $0.7 million in Facility Footprint Optimization costs, and $0.1 million of consulting and other costs. For the six months ended June 30, 2024 restructuring charges were comprised of $1.4 million in severance and other employee costs, $1.6 million in Facility Footprint Optimization costs, and $0.9 million of consulting and other costs. There were no such charges for the three and six months ended June 30, 2025.

At December 31, 2024, the Company had $0.9 million current liabilities remaining related to the restructuring program. At June 30, 2025, current liabilities related to the restructuring program were immaterial.

Note 10. Income Taxes

At the end of each interim period, Management estimates the annual effective tax rate based on forecasted pre-tax results of the Company's global operations and applies such rate to its ordinary quarterly earnings to calculate income tax expense related to ordinary income. The tax effects of items significant, unusual and infrequent in nature are discretely calculated and recognized in the period during which they occur. These discrete items often relate to changes in tax laws, excess tax benefits/deficiencies related to share-based compensation or adjustments to previously reported tax expense/benefits.

Management assesses the recoverability of its deferred tax assets as of the end of each quarter, weighing available positive and negative evidence, and is required to establish and maintain a valuation allowance for these assets if it is more likely than not that some or all of the deferred income tax assets will not be realized. The weight given to the evidence is commensurate with the extent to which the evidence can be objectively verified. If negative evidence exists, positive evidence is necessary to support the conclusion that a valuation allowance is not needed. A cumulative loss in recent years, commonly defined as a three-year cumulative loss position, is a significant piece of negative evidence that is difficult to overcome.

As of June 30, 2025, the Company's U.S. operations are in a three-year cumulative loss position. Management determined that sufficient objectively verifiable positive evidence does not exist to overcome the negative evidence of the Company's U.S. cumulative loss position. Accordingly, the Company's estimated annual effective tax rate applied to the Company's pre-tax loss for the three and six months ended June 30, 2025, includes the unfavorable impact of a partial valuation allowance against the majority of the Company's forecasted U.S. net operating loss and tax credit carryforwards.

As of June 30, 2025, the Company's U.K. operations are in a three-year cumulative loss position. The reversal of U.K. deferred tax liabilities will provide a source of realization to support a portion of the U.K. deferred tax assets, and therefore a valuation has been established for those deferred tax assets. Accordingly, the Company's estimated annual effective tax rate applied to the

Company's pre-tax loss for the three and six months ended June 30, 2025, includes the favorable impact of recognizing a component of the U.K. benefit.

Full valuation allowances have been established for loss jurisdictions (Singapore and China), which are not included in the computation of the estimated annual effective tax rate for 2025.

For the three and six month periods ended June 30, 2025, the Company has recorded tax benefit primarily due to the additional benefit resulting from reversal of U.K. deferred tax liabilities attributable to intangible asset impairment losses recorded during the three months ended June 30, 2025. As such, even though the U.S. continues to incur tax expense due to a valuation allowance recorded against U.S. deferred tax assets, the U.K. is expected to create a tax benefit that exceeds the U.S. expense.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law in the U.S., which contains a broad range of tax reform provisions affecting businesses. We are evaluating the full effects of the legislation on our estimated annual effective tax rate and cash tax position, but we expect that the legislation will likely not have a material impact on our financial statements. As the legislation was signed into law after the close of our second quarter, the impacts are not included in our operating results for the six months ended June 30, 2025.

Note 11. Net Loss Per Share

The Company presents both basic earnings per share ("EPS") and diluted EPS. Basic EPS excludes potential dilution and is computed by dividing net loss by the weighted-average number of shares of common stock outstanding for the period. Diluted EPS reflects the potential dilution that could occur if stock options were exercised, stock awards vested and if the 2028 Convertible Notes and 2025 Convertible Notes were converted. The potential dilution from stock awards is accounted for using the treasury stock method based on the average market value of the Company's common stock. The potential dilution from conversion of the 2028 Convertible Notes and 2025 Convertible Notes is accounted for using the if-converted method, which requires that all of the shares of the Company's common stock issuable upon conversion of the 2028 Convertible Notes and the 2025 Convertible Notes will be included in the calculation of diluted EPS assuming conversion of the 2028 Convertible Notes and the 2025 Convertible Notes at the beginning of the reporting period (or at time of issuance, if later).

The following table shows the calculations (in thousands, except net loss per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
NET LOSS	$ (45,092)	$ (18,642)	$ (71,015)	$ (45,703)
Basic weighted average shares outstanding	127,949	126,405	127,664	126,257
Diluted weighted average shares outstanding	127,949	126,405	127,664	126,257
Basic net loss per share	$ (0.35)	$ (0.15)	$ (0.56)	$ (0.36)
Diluted net loss per share	$ (0.35)	$ (0.15)	$ (0.56)	$ (0.36)

The following potential dilutive shares were excluded from the calculation of diluted net loss per share because their effect would be anti-dilutive (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Stock options	1	406	97	477
Restricted stock awards	567	1,012	909	1,026
2025 Convertible Notes	—	5,538	—	5,538
2028 Convertible Notes	5,215	5,215	5,215	5,215

In addition, 588,611 shares of PSU awards are excluded from the computation of diluted EPS for the three and six months ended June 30, 2025 as the contingency had not been satisfied.

In connection with the 2028 Convertible Notes offering, on January 11, 2021, the Company entered into separate, privately negotiated convertible note hedge transactions (collectively, the "Capped Call Transactions") with option counterparties pursuant to capped call confirmations at a cost of approximately $29.3 million. The potential effect of the Capped Call Transactions was excluded from the calculation of diluted net loss per share in the three and six months ended June 30, 2025 as

the Company's common stock closing price of $7.31 on June 30, 2025 did not exceed the conversion price of $85.75 per share. The Capped Call Transactions are not reflected in diluted net loss per share as they are anti-dilutive.

Note 12. Commitments and Contingencies

Legal Proceedings

On January 20, 2021, Natera, Inc. filed a patent infringement complaint against the Company's subsidiary Inivata Limited and its subsidiary Inivata, Inc. in U.S. District Court for the district of Delaware, alleging Inivata's InVisionFirst®-Lung cancer diagnostic test of infringing two patents. Natera then filed a second patent infringement complaint on December 20, 2022 against Inivata Limited and Inivata, Inc. alleging that RaDaR® minimal residual disease test infringes one patent. On March 6, 2024, the parties stipulated to stay both Delaware cases until the North Carolina litigation is resolved. On March 7, 2024, the district court judge in Delaware ordered the cases stayed.

On July 29, 2023, Natera filed a complaint in the Middle District of North Carolina alleging NeoGenomics' RaDaR® test infringes on two patents, U.S. Patent No. 11,530,454 ("the '454 Patent"), and U.S. Patent No. 11,519,035 ("the '035 Patent"). On July 31, 2023, Natera moved for a preliminary injunction. On December 27, 2023, the district court issued a preliminary injunction prohibiting the Company from making, using, selling or offering the RaDaR® 1.0 assay on the basis of a likelihood of infringement of the '035 Patent. The injunction specifically allows patients already using RaDaR® 1.0 to continue their use. In addition, the order explicitly allows research projects and studies that are in progress, as well as clinical trials that are in progress or have been approved, to continue. On December 28, 2023, NeoGenomics appealed the preliminary injunction to the Federal Circuit. On July 12, 2024, the Federal Circuit affirmed the injunction. On September 23, 2024, the district court issued a Stipulated Permanent Injunction relating to RaDaR® 1.0 on the same terms as the preliminary injunction, consented to by both the Company and Natera and based on the partial settlement agreement entered into by the Company and Natera. The Company recorded the settlement entered into by the Company and Natera within general and administrative expense on the Consolidated Statement of Operations, the impact of which was immaterial. After the settlement, the North Carolina litigation continued as to Natera's claim that RaDaR® 1.0 infringes the '454 Patent. On December 6, 2024, the Middle District of North Carolina granted Natera's motion to amend its complaint to add counts alleging infringement of U.S. Patent No. 11,319,596 ("the '596 Patent"). On December 31, 2024, in response to the order to amend to include the '596 Patent, the Company filed a motion to depose two witnesses, which was subsequently granted by the court and the depositions were taken. Trial in the North Carolina litigation related to RaDaR® 1.1 and the '454 and '596 Patents is expected in October 2025. The Company believes that it has good and substantial defenses to the claims alleged in these suits, but there is no guarantee that the Company will prevail. As of the filing of this report with the SEC, the outcome of these matters is not estimable or probable.

On December 16, 2022, a purported shareholder class action captioned Daniel Goldenberg v. NeoGenomics, Inc., Douglas VanOort, Mark Mallon, Kathryn McKenzie, and William Bonello was filed in the United States District Court for the Southern District of New York, naming the Company and certain of the Company's current and former officers as defendants ("the Goldenberg Matter"). This lawsuit was filed by a stockholder who claims to be suing on behalf of anyone who purchased or otherwise acquired the Company's securities between February 27, 2020 and April 26, 2022. The lawsuit alleges that material misrepresentations and/or omissions of material fact were made in the Company's public disclosures in violation of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. The alleged improper disclosures relate to statements regarding the Company's menu of tests, business operations and compliance with health care laws and regulations. The Company filed a motion to dismiss the Goldenberg Matter on February 5, 2024 and the plaintiff filed its opposition to the motion on March 21, 2024. The parties are awaiting the court's ruling on the motion to dismiss. The plaintiff seeks unspecified monetary damages on behalf of the putative class and an award of costs and expenses, including attorney's fees and expert fees. On April 27, 2023, a shareholder of the Company filed a shareholder derivative action on behalf of the Company captioned Puskarich v. VanOort, et al. in Clark County Nevada, naming certain of the Company's current and former officers and directors as defendants. The allegations are substantially similar to the allegations asserted in the Goldenberg Matter. Substantially similar shareholder derivative actions were subsequently filed in Lee County, Florida and in the United States District Court for the Southern District of New York, captioned Wong v. VanOort, et al. and Mellema v. VanOort, et al., respectively. The court in each of these cases stayed the proceedings pending the outcome of the Goldenberg Matter. The Company believes that it has valid defenses to the claims alleged in the lawsuits, but there is no guarantee that the Company will prevail. As of the filing of this report with the SEC, the outcome of these matters is not estimable or probable.

Regulatory Matter

With the assistance of outside counsel, the Company voluntarily conducted an internal investigation that focused on the compliance of certain consulting and service agreements with federal healthcare laws and regulations, including those relating to fraud, waste and abuse. Based on this internal investigation, the Company voluntarily notified the Office of Inspector General of the U.S. Department of Health and Human Services ("OIG") of the Company's internal investigation in November 2021. The Company's interactions with regulatory authorities and the Company's related review of this matter are ongoing. The Company has a reserve of $11.2 million in other long-term liabilities as of June 30, 2025 and December 31, 2024 on the

Consolidated Balance Sheets for potential damages and liabilities primarily associated with the federal healthcare program revenue received by the Company in connection with the agreements at issue that were identified during the course of this internal investigation. This reserve reflects Management's best estimate of the minimum probable loss associated with this matter. As a result of the internal investigation and ongoing interactions with regulatory authorities, the Company may accrue additional reserves for any related potential damages and liabilities arising out of this matter. The Company was notified on June 30, 2022, that the Department of Justice ("DOJ") will be participating in the investigation of this matter. As of the filing of this report with the SEC, the Company is unable to predict the duration, scope, result or related costs associated with any further investigation, including by the OIG, DOJ, or any other governmental authority, or what penalties or remedial actions they may seek. Accordingly, as of the filing of this report with the SEC, the Company is unable to estimate a range of possible loss in excess of the amount reserved. Any determination that the Company's operations or activities are not in compliance with existing laws or regulations, however, could result in the imposition of civil or criminal fines, penalties, disgorgement, restitution, equitable relief, exclusion from participation in federal healthcare programs or other losses or conduct restrictions, which could be material to the Company's financial results or business operations.

Note 13. Segment Information

The Company has historically reported its activities in two reportable segments, (1) Clinical Services and (2) Advanced Diagnostics. In the fourth quarter of 2024, the Company simplified its operational approach, bringing its two primary segments under a single segment. This decision was driven by an analysis of the Company's reporting structure, the information available to the Chief Operating Decision Maker ("CODM"), and the strategic decisions being made by Management. The Company provides services to a diverse client base, which includes community-based pathology and oncology practices, hospital pathology labs, reference labs, academic centers, and pharmaceutical companies. Revenue is derived from clients by providing clinical cancer testing, interpretation and consultative services, molecular and NGS testing, comprehensive technical and professional services offering, clinical trials and research, validation laboratory services, and oncology data solutions.

The Company's Chief Executive Officer serves as the CODM. The CODM uses net loss, as reported on the Consolidated Statements of Operations, to monitor budget versus actual results to evaluate profitability and allocate resources. The CODM is regularly provided with financial information, including revenue and expenses, in a format consistent with the Consolidated Statements of Operations. The CODM does not review assets at a different level or category than those disclosed in the Consolidated Balance Sheets. For further details regarding segment reporting policies and changes in reporting structure, please refer to Note 2. Summary of Significant Accounting Policies.

The following table summarizes segment information for the three and six months ended June 30, 2025, and 2024 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net revenue	$ 181,330	$ 164,502	$ 349,365	$ 320,742
Less:				
Amortization	8,124	8,362	16,486	16,724
Depreciation	9,141	9,746	18,507	19,652
Stock-based compensation	12,215	8,840	22,969	16,614
Other cost of revenue[(1)]	95,525	82,361	181,342	163,361
Other general and administrative[(1)]	52,836	47,502	103,585	98,245
Other research and development[(1)]	7,859	7,172	16,961	14,127
Other sales and marketing[(1)]	23,217	20,916	44,927	40,585
Restructuring charges	—	1,544	—	3,942
Impairment charges	20,041	—	20,041	—
Loss from operations	(47,628)	(21,941)	(75,453)	(52,508)
Interest income	(2,263)	(4,592)	(5,984)	(9,426)
Interest expense	933	1,666	2,551	3,351
Other expense (income)	(482)	2	(547)	265
Loss before taxes	(45,816)	(19,017)	(71,473)	(46,698)
Income tax expense (benefit)	(724)	(375)	(458)	(995)
Net loss	$ (45,092)	$ (18,642)	$ (71,015)	$ (45,703)

[(1)] Excludes amounts related to amortization, depreciation, and stock-based compensation, as applicable.

NeoGenomics, Inc., a Nevada corporation (referred to individually as the "Company" or collectively with its subsidiaries as "NeoGenomics," "we," "us," or "our," in this Quarterly Report) is the registrant for SEC reporting purposes. Our common stock is listed on The Nasdaq Stock Market LLC ("Nasdaq") under the symbol "NEO".

Introduction

The following discussion and analysis should be read in conjunction with the unaudited Consolidated Financial Statements and the notes thereto included herein. The information contained below includes statements of the Company's or Management's beliefs, expectations, goals and plans that, if not historical, are forward-looking statements subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements. For a discussion on forward-looking statements, see the information set forth in the introductory note to this Quarterly Report on Form 10-Q under the caption "Forward-Looking Statements," which information is incorporated herein by reference.

Overview

NeoGenomics provides a wide range of oncology diagnostic testing and consultative services, which includes technical laboratory services and professional interpretation of laboratory test results by licensed physicians or molecular experts who specialize in pathology and oncology. We operate a network of cancer-focused testing laboratories in the United States and the United Kingdom. Our mission is to save lives by improving patient care. Our vision is to become the world's leader in cancer testing, information, and decision support by providing uncompromising quality, exceptional service, and innovative solutions.

As of June 30, 2025, we operated College of American Pathologists ("CAP") accredited and Clinical Laboratory Improvement Amendments of 1988 ("CLIA") certified laboratories in Fort Myers, Florida; Aliso Viejo and Carlsbad, California; Research Triangle Park, North Carolina; Ramsey, New Jersey; and Houston, Texas; and a CAP accredited full-service, sample-processing laboratory in Cambridge, United Kingdom. We also have several, small, non-processing laboratory locations across the United States for providing analysis services. We currently offer the following types of testing services:

- Cytogenetics ("karyotype analysis") – the study of normal and abnormal chromosomes and their relationship to disease. Cytogenetics involves analyzing the chromosome structure to identify changes from patterns seen in normal chromosomes. Cytogenetic studies are often performed to provide diagnostic, prognostic and occasionally predictive information for patients with hematological malignancies.
- Fluorescence In-Situ Hybridization ("FISH") – a molecular cytogenetic technique that focuses on detecting and localizing the presence or absence of specific DNA sequences and genes on chromosomes. The technique uses fluorescent probes that bind to only those parts of the chromosome with which they show a high degree of sequence similarity. Fluorescence microscopy is used to visualize the fluorescent probes bound to the chromosomes. FISH can be used to help identify numerous types of gene alterations, including amplifications, deletions, and translocations.
- Flow cytometry – a technique utilized to measure the characteristics of cell populations. Typically performed on liquid samples such as peripheral blood and bone marrow aspirate, it may also be performed on solid tissue samples such as lymph nodes following additional processing steps. Cells are labeled with selective fluorescent antibodies and analyzed as they flow in a fluid stream through a beam of light. The properties measured include the relative size, relative granularity or internal complexity, and relative fluorescence intensity. These fluorescent antibodies bind to specific cellular antigens and are used to identify abnormal and/or malignant cell populations. Flow cytometry is typically utilized in diagnosing a wide variety of hematopoietic and lymphoid neoplasms. Flow cytometry is also used to monitor patients during the course of therapy to identify extremely low levels of residual malignant cells, known as minimal residual disease ("MRD") monitoring.
- Immunohistochemistry ("IHC") and Digital Imaging – the process of localizing cellular proteins in tissue sections and relies on the principle of antigen-antibody binding. IHC is widely used in the diagnosis of abnormal cells such as those found in cancer. Specific surface membrane, cytoplasmic, or nuclear markers may be identified. IHC is also widely used to understand the distribution and localization of differentially expressed proteins. Digital imaging allows clients to visualize scanned slides and also perform quantitative analysis for certain stains. Scanned slides are received online in real time and can be previewed often a full day before the glass slides can be shipped back to clients.
- Molecular testing – a rapidly growing field which includes a broad range of laboratory techniques utilized in cancer testing. Most molecular techniques rely on the analysis of DNA and/or RNA, as well as the structure and function of genes at the molecular level. Common molecular testing technologies include DNA fragment length analysis; polymerase chain reaction ("PCR") analysis; reverse transcriptase polymerase chain reaction ("RT-PCR") analysis, real-time (or quantitative) polymerase chain reaction ("qPCR") analysis; bi-directional Sanger sequencing analysis; and next-generation sequencing ("NGS") analysis.

- Morphologic analysis – the process of analyzing cells under the microscope by a pathologist, usually for the purpose of diagnosis. Morphologic analysis may be performed on a wide variety of samples, such as peripheral blood, bone marrow, lymph nodes, and other sites such as lung, breast, etc. The services provided at NeoGenomics may include primary diagnosis, in which a sample is received for processing and our pathologists provide the initial diagnosis; or may include secondary consultations, in which slides and/or tissue blocks are received from an outside institution for second opinion. In the latter setting, the expert pathologists at NeoGenomics assist our client pathologists on their most difficult and complex cases.

Reportable Segments

In 2024, we simplified our operational approach, bringing Clinical Services and Advanced Diagnostics under a single segment. This decision was driven by an analysis of our reporting structure, the information available to our Chief Operating Decision Maker ("CODM"), and the strategic decisions being made to manage the business. This decision aims to streamline our operations and enhance our service offerings to our diverse client base, which includes community-based pathology and oncology practices, hospital pathology labs, reference labs, academic centers, and pharmaceutical companies.

Revenue Streams

Our single operating segment now encompasses a comprehensive range of services previously categorized under Clinical Services and Advanced Diagnostics. The revenue streams include:

- Clinical cancer testing;
- Interpretation and consultative services;
- Molecular and NGS testing;
- Comprehensive technical and professional services offering;
- Clinical trials and research;
- Validation laboratory services; and
- Oncology data solutions.

Service Offerings

Our clinical cancer testing services are designed to complement the work of community-based pathologists and oncologists, allowing them to expand their testing capabilities without significant investment in new technology or personnel. We offer both technical component ("TC" or "tech-only") and professional component ("PC") services, enabling our clients to participate in the diagnostic process. These services are designed to be a natural extension of, and complementary to, the services that clients perform within their own practices.

We believe our relationship as a non-competitive partner to community-based pathology practices, hospital pathology labs, reference labs, and academic centers empowers them to expand their breadth of testing. We believe this enables them to provide a menu of services that could match or exceed the level of service found in any center of excellence around the world. Community-based pathology practices and hospital pathology labs may order certain testing services on a TC basis, allowing them to participate in the diagnostic process by performing the PC interpretation services without having to hire laboratory technologists or purchase sophisticated equipment needed for the TC tests.

We also support our pathology clients with interpretation and consultative services using our own specialized team of pathologists for difficult or complex cases, as well as provide overflow interpretation services when requested. For oncology, dermatology, and other clinician practices that prefer a direct relationship with a laboratory for cancer-related genetic testing services, we typically offer a comprehensive service where we perform both the TC and PC components of tests. Larger clinician practices internalizing pathology interpretation services can benefit from our tech-only service offering, allowing them to participate in this diagnostic process while we handle the more complex molecular testing services.

We are a leading provider of Heme oncology diagnostic testing, which includes molecular and NGS testing, and one of the key providers of solid tumor NGS testing solutions. These tests are interpreted by our team of molecular experts and are often ordered in conjunction with other testing modalities. NGS panels, one of our fastest-growing testing areas, enable clients to receive significant biomarker information from limited samples. These comprehensive panels can allow for faster treatment decisions for patients as compared to a series of single-gene molecular tests being ordered sequentially. Our broad molecular testing menu includes NeoTYPE and Neo Comprehensive panels, which target genes relevant to a particular cancer type. Additionally, we have molecular-only and comprehensive NGS-targeted panels which combine DNA and RNA into a single workflow. This approach captures a full spectrum of genomic alterations, including mutations, fusions, copy number variations, and splicing mutations, as well as tumor mutation burden (TMB) and microsatellite instability (MSI) for solid tumors. These tests are complemented by IHC and FISH tests when necessary. This comprehensive molecular test menu allows our clients to

obtain most of their molecular oncology testing needs satisfied by our laboratory. This is attractive to our clients as patient samples do not need to be split and then managed across several laboratories. The acquisition of Inivata in June 2021 enhanced our capabilities with oncology liquid biopsy technology including RaDaR®, which is designed to detect residual disease and recurrence in plasma samples from patients with solid tumor malignancies. These molecular laboratory and NGS capabilities are expected to drive growth in the coming years.

Our specialized pharmaceutical development services support pharmaceutical firms ("sponsors") in their drug development programs, from biomarker discovery to commercialization. This includes supporting clinical trials, research, and the development of companion diagnostics. Our team works closely with sponsors to design studies, perform required testing, and provide key analysis and insights. Each trial is supported with rapid turnaround time, dedicated project management, and quality assurance oversight. We also assist with FDA submissions for companion diagnostics and offer Day 1 readiness programs to speed drug commercialization.

These services provide comprehensive support in oncology programs, including biomarker discovery, study design, clinical trial testing, and companion diagnostic development. We aim to help clients discover the right content, refine biomarker strategies, and develop effective pathways for clinical trial testing. Our oncology data solutions, which involve the licensing of de-identified data to pharmaceutical and biotech customers in the form of either retrospective records or prospective deliveries of data, are designed to leverage our unique market position to solve real-world problems, such as identifying patients for clinical trials or providing clinical decision support tools for physicians and providers. This integration aligns with our broader service offerings to provide seamless, comprehensive support for both clinical and pharmaceutical clients.

Strategic Focus

By streamlining our segments, we aim to provide a seamless and integrated service offering to our clients. This approach allows us to leverage our expertise in oncology and molecular diagnostics to support both clinical and pharmaceutical clients more effectively. Our commitment to connecting patients with life-altering therapies and trials remains a core focus. We have invested in leading technologies to secure data and maintain transparency and choice for patients through our Notice of Privacy Practices.

2025 Focus Areas:

We are committed to sustainable growth while transforming cancer care for patients and providers. Our focus for 2025 is to sustain a purpose driven culture that maintains excellence in service and performance while growing through innovation. We expect the following initiatives to allow us to continue on our path to become one of the world's leading cancer testing and information companies:

Profitably Grow Our Core Business

- Accelerate volume growth, both through the traditional clinical and NGS modalities;
- Accelerate growth with oncologists in the community; and
- Execute pharmaceutical client strategy and deliver profitable revenue growth.

Accelerate Innovation

- Deliver 3-year product roadmaps;
- Execute successful timely-planned product launch(es); and
- Drive productization and sales excellence for Data Solutions.

Drive Value Creation

- Improve operational efficiency and gross margin;
- Transform Neo's digital ecosystem; and
- Achieve positive cash flow from operations.

Enhance Our People and Culture

- Enhance our Neo Culture; and
- Expand scientific, medical and product capabilities.

Competitive Strengths

In addition to the competitive strengths discussed below, we believe that our superior testing technologies and instrumentation, laboratory information system, client education programs and domestic and international presence also differentiate NeoGenomics from its competitors.

Turnaround Times

We consistently focus on improving turnaround times for test results to our clients nationwide. By providing information to our clients in a timely manner, physicians can begin treating their patients as soon as possible. Timeliness of results from our clinical services is a driver of additional testing requests by referring physicians. Turnaround times allow for the performance of other adjunctive tests within an acceptable diagnosis window in order to augment or confirm results and more fully inform treatment options. Additionally, we believe that our rapid turnaround time on testing and our project milestones are key factors in our pharmaceutical development services.

Comprehensive Oncology-Focused Test Menu

We offer a comprehensive suite of technical and professional interpretation services to meet the needs of clients who are not credentialed and/or trained in interpreting various testing modalities and who require NeoGenomics' pathology specialists to interpret their testing results. In our global service offerings, our lab performs the technical component of testing and our MDs and PhDs provide the professional component of testing by interpreting the results of those tests. Our professional staff is also available for post-test consultative services. Clients using our global service offering rely on the expertise of our medical team to give them the answers they need in a timely manner to help inform their diagnoses and treatment decisions.

Our Molecular and NGS test menus provide clients with the ability to order single gene molecular tests, targeted NeoTYPE and Neo Comprehensive panels that include the relevant actionable genes for a particular cancer type, as well as comprehensive NGS panels. Additionally, we offer a full range of sequencing testing including whole exome and whole genome sequencing as part of our pharmaceutical development services.

National Direct Sales Force

Our direct sales force has been trained extensively in cancer genetic testing and consultative selling skills to service the needs of clients. Our clinical services sales team is organized into nine regions in the United States – Northeast, Northwest, Mid-Atlantic, South, Southeast, North Central, West, Great Lakes, and South Central. Our sales team is focused on value-based care solutions and end-to-end client experience as a growth driver. For our pharmaceutical development services, we have a dedicated team of business development specialists who are experienced in working with sponsors and helping them with the testing needs of their research and development projects as well as Phase I, II and III studies. These sales representatives utilize our custom Customer Relationship Management System ("CRM") to manage their territories, and we have integrated the key customer care functionality within our LIMS into the CRM so that our sales representatives can stay informed of emerging issues and opportunities within their regions. Our in-house customer care team is aligned with our field sales team to serve the needs of our clients by utilizing the same LIMS and CRM. Our field teams can see in real time when a client calls the laboratory, the reason for the call and the resolution, and determine if face-to-face interaction is needed for follow-up. Our sales force educates clients on new test offerings and their proper utilization, and our representatives are often seen as trusted advisors by our clients.

Seasonality and Other Factors Affecting the Business

The majority of our clinical testing volume is dependent on patients being treated by hematology/oncology professionals and other healthcare providers. The volume of our testing services generally declines modestly during the summer vacation season, year-end holiday periods and other major holidays, particularly when those holidays fall during the middle of the week. In addition, the volume of our testing tends to decline due to extreme adverse weather conditions, such as excessively hot or cold spells, heavy snow, hurricanes or tornadoes in certain regions, consequently reducing revenues and cash flows in any affected period.

For our pharmaceutical development services, we enter into both short-term and long-term contracts, ranging from one month to several years. While the volume of this testing is not as directly affected by seasonality as described above, the testing volume does vary based on the terms of the contract. Our volumes are often based on how quickly sponsors can get patient enrollees for their trials and seasonality can impact how quickly patients are enrolled. Many of our long-term contracts contain specific performance obligations where the testing is performed on a specific schedule. In addition, this results in backlog that can be significant and highly dependent on pharmaceutical clinical trial enrollment.

Due to multiple factors, including the timing of product launches and investments we make in our business, and the annual reset of patient deductibles, our revenue often increases over the course of the year, with a majority of our revenue generated in the third and fourth quarters.

In addition, we are monitoring the effects of recently implemented tariffs and the potential imposition of modified or additional tariffs. We may experience increased supply chain challenges and customer demand uncertainty due to rapid changes in global trade policies, which may impact our net sales and profitability.

Laboratory Developed Tests

On April 29, 2024, the FDA announced a final rule on the regulation of LDTs, which amends the FDA's regulations to make explicit that LDTs are devices under the Federal Food, Drug, and Cosmetic Act ("FD&C Act"). The FDA proposed to phase out, over the course of four years, its general enforcement discretion approach to LDTs and also issued targeted enforcement discretion policies for certain categories of LDTs. Under the final rule, the FDA would have allowed currently marketed tests offered as LDTs (that were first marketed before May 6, 2024) to stay on the market without requiring pre-market review and approval by the FDA and similarly, the FDA would not have required pre-market review and approval by the FDA for tests approved by the New York State Department of Health Clinical Laboratory Evaluation Program.

However, on March 31, 2025, the U.S. District Court for the Eastern District of Texas vacated the FDA's final rule in its entirety, ruling that the FDA exceeded its statutory authority under the FD&C Act. As a result of this decision, the final rule will not take effect, and LDTs will continue to be regulated under the existing regulatory frameworks.

One Big Beautiful Bill Act of 2025

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the United States. The OBBBA includes significant changes to federal tax law and other regulatory provisions that may impact the Company. The Company is currently assessing the impact of the OBBBA on its business, outlook, and financial statements.

Results of Operations for the Three and Six Months Ended June 30, 2025 as Compared to the Three and Six Months Ended June 30, 2024

Revenue

The Company has historically reported its activities in two reportable segments, (1) Clinical Services and (2) Advanced Diagnostics. In 2024, we simplified our operational approach, bringing Clinical Services and Advanced Diagnostics under a single segment. The consolidated revenue for the three and six months ended June 30, 2025 and 2024, are as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
Revenue	$ 181,330	$ 164,502	$ 16,828	10.2 %	$ 349,365	$ 320,742	$ 28,623	8.9 %

Revenue for the three and six months ended June 30, 2025 increased $16.8 million or 10.2%, and increased $28.6 million or 8.9%, respectively, as compared to 2024. Increases in revenue primarily reflect an increase in test volume, an increase in average unit price due to strategic reimbursement initiatives, and revenue from the acquisition of Pathline partially offset by lower non-clinical revenue due to macro clinical trial trends in the pharmaceutical industry and a less favorable test mix.

Cost of Revenue and Gross Profit

Cost of revenue includes compensation and benefit costs for performing tests, maintenance and/or depreciation of laboratory equipment, rent for laboratory facilities, laboratory reagents, probes and supplies, delivery and courier costs relating to the transportation of specimens to be tested, amortization for acquired intangible assets, and stock-based compensation.

The consolidated cost of revenue and gross profit metrics for the three and six months ended June 30, 2025 and 2024 are as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
Cost of revenue[(1)]:								
Cost of revenue	$ 104,072	$ 92,008	$ 12,064	13.1 %	$ 198,861	$ 182,779	$ 16,082	8.8 %
Cost of revenue as a % of revenue	57.4%	55.9%			56.9%	57.0%		
Gross profit:								
Total gross profit	$ 77,258	$ 72,494	$ 4,764	6.6 %	$ 150,504	$ 137,963	$ 12,541	9.1 %
Gross profit margin	42.6%	44.1%			43.1%	43.0%		

(1) Cost of revenue for the three months ended June 30, 2025 includes $4.8 million of amortization of acquired intangible assets and $0.3 million of stock-based compensation. Cost of revenue for the three months ended June 30, 2024 includes $4.9 million of amortization of acquired intangible assets and $0.3 million of stock-based compensation. Cost of revenue for the six months ended June 30, 2025 includes $9.7 million of amortization of acquired intangible assets and $0.7 million of stock-based compensation. Cost of revenue for the six months ended June 30, 2024 includes $9.8 million of amortization of acquired intangible assets and $0.7 million of stock-based compensation.

Consolidated cost of revenue increased 13.1% for the three months ended June 30, 2025 as compared to 2024. This increase was primarily due to $7.3 million in higher compensation and benefit costs, a $3.9 million increase in supplies expense, and a $0.7 million increase in postage and shipping costs partially offset by $0.8 million decrease in depreciation expense.

Consolidated cost of revenue increased 8.8% for the six months ended June 30, 2025 as compared to 2024. This increase was primarily due to $10.1 million in higher compensation and benefit costs, a $5.7 million increase in supplies expense, and a $1.1 million increase in postage and shipping costs partially offset by $1.8 million decrease in depreciation expense.

Gross profit margin for the three and six months ended June 30, 2025 was 42.6% and 43.1%, respectively, compared to 44.1% and 43.0% in the same period of 2024. For the three and six months ended June 30, 2025, the decrease of 1.5% and increase of 0.1%, respectively, was primarily related to the increase in revenue offset by higher compensation and benefit costs and an increase in supplies expense.

General and Administrative Expenses

General and administrative expenses consist of compensation and benefit costs for our executive, billing, finance, human resources, information technology, and other administrative personnel, as well as stock-based compensation. We also allocate professional services, facilities expense, IT infrastructure costs, depreciation, amortization, and other administrative-related costs to general and administrative expenses.

Consolidated general and administrative expenses for the periods presented are as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
General and administrative	$ 71,747	$ 63,328	$ 8,419	13.3 %	$ 139,954	$ 129,125	$ 10,829	8.4 %
As a % of revenue	39.6 %	38.5 %			40.1 %	40.3 %		

General and administrative expenses increased $8.4 million for the three months ended June 30, 2025, when compared to the same period in 2024. This increase was partially due to a $2.7 million increase in software and software development costs, a $2.4 million increase in compensation and benefit costs, a $2.2 million increase in professional fees, and an increase in transaction costs of $0.5 million. These increases were partially offset by a decrease of $0.5 million in equipment maintenance.

General and administrative expenses increased $10.8 million for the six months ended June 30, 2025, when compared to the same period in 2024. This increase was partially due to a $6.9 million increase in compensation and benefit costs, a $4.2 million increase in software and software development costs, and a $1.7 million increase in transaction costs. These increases were partially offset by a decrease of $1.0 million in equipment maintenance, and a decrease of $0.7 million in facilities related expense.

Research and Development Expenses

Research and development expenses relate to costs of developing new proprietary and non-proprietary genetic tests, including compensation and benefit costs, maintenance of laboratory equipment, laboratory supplies (reagents), and outside consultants and experts assisting our research and development team, as well as stock-based compensation. Research and development expenses are presented net of research and development tax and expenditure credits from the U.K. government, which are recognized over the period necessary to match the reimbursement with the related costs when it is probable that the Company has complied with any conditions attached and will receive the reimbursement.

Consolidated research and development expenses for the periods presented are as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
Research and development	$ 9,023	$ 7,886	$ 1,137	14.4 %	$ 19,204	$ 15,506	$ 3,698	23.8 %
As a % of revenue	5.0 %	4.8 %			5.5 %	4.8 %		

Research and development expenses increased $1.1 million for the three months ended June 30, 2025 when compared to the same period in 2024. This increase was primarily due to a $0.6 million decrease in U.K. research and development tax credits, a $0.4 million increase in compensation and benefit costs, and a $0.3 million increase in supplies expense.

Research and development expenses increased $3.7 million for the six months ended June 30, 2025 when compared to the same period in 2024. This increase was primarily due to a $1.2 million increase in compensation and benefit costs, a $1.0 million decrease in U.K. research and development tax credits, a $0.6 million increase in supplies expense, and a $0.5 million increase in professional fees.

We anticipate research and development expenditures will increase in the future as we continue to invest in development activities for innovation projects and bringing new tests to market.

Sales and Marketing Expenses

Sales and marketing expenses are primarily attributable to employee-related costs including sales management, sales representatives, sales and marketing consultants, marketing and client service personnel, and stock-based compensation.

Consolidated sales and marketing expenses for the periods presented are as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
Sales and marketing	$ 24,075	$ 21,677	$ 2,398	11.1 %	$ 46,758	$ 41,898	$ 4,860	11.6 %
As a % of revenue	13.3 %	13.2 %			13.4 %	13.1 %		

Sales and marketing expenses increased $2.4 million for the three months ended June 30, 2025 when compared to the same period in 2024. This increase was primarily due to a $1.7 million increase in compensation and benefit costs due to the expansion of our sales force, an increase in professional fees of $0.3 million, and an increase in conference and tradeshow costs of $0.2 million.

Sales and marketing expenses increased $4.9 million for the six months ended June 30, 2025 when compared to the same period in 2024. This increase was primarily due to a $3.0 million increase in compensation and benefit costs due to the expansion of our sales force, an increase in professional fees of $0.8 million, and an increase in travel fees of $0.4 million.

We expect higher commissions expense in the coming quarters as we expand our sales representative force and our sales representatives generate new business. We expect our sales and marketing expenses over the long term to align with changes in revenue and we continue to evaluate the effectiveness of our incentive compensation plans.

Restructuring charges

Consolidated restructuring charges for the periods presented are as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
Restructuring charges	$ —	$ 1,544	$ (1,544)	(100.0)%	$ —	$ 3,942	$ (3,942)	(100.0)%
As a % of revenue	— %	0.9 %			— %	1.2 %		

Restructuring charges relate to a restructuring program to improve execution and drive efficiency across the organization. Restructuring charges consist of severance and other employee costs, costs for optimizing the Company's geographic presence, and consulting and other costs.

Restructuring charges decreased $1.5 million and $3.9 million for the three and six months ended June 30, 2025, respectively, when compared to the same period in 2024 due to the completion of restructuring activities as of December 31, 2024.

Impairment charges

Consolidated impairment charges for the periods presented are as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
Impairment charges	$ 20,041	$ —	$ 20,041	NM[(2)]	$ 20,041	$ —	$ 20,041	NM[(2)]
As a % of revenue	11.1 %	— %			5.7 %	— %		

[(2)] NM - Not meaningful

Impairment charges increased $20.0 million for each of the three and six months ended June 30, 2025, when compared to the same period in 2024. Impairment charges consisted of an $11.4 million impairment on InVisionFirst®-Lung intangible assets, a $8.2 million impairment on disposal groups held for sale, and a $0.4 million loss on InVisionFirst®-Lung inventory write-off.

Interest Income

Interest income for the three and six months ended June 30, 2025 and 2024 is as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
Interest income	$ (2,263)	$ (4,592)	$ 2,329	(50.7)%	$ (5,984)	$ (9,426)	$ 3,442	(36.5)%

Interest income was $2.3 million and $6.0 million for the three and six months ended June 30, 2025, respectively, compared to income of $4.6 million and $9.4 million for the same periods in 2024, respectively. Interest income includes interest earned on funds held in our cash equivalent and marketable securities accounts. The decrease in interest income for the three and six months ended June 30, 2025 was primarily due to a reduction in the average balance of invested cash and a lower interest rate environment when compared to the same periods in 2024.

For further details regarding our investments in marketable securities, please refer to Note 4. Fair Value Measurements in the accompanying notes to the unaudited Consolidated Financial Statements.

Interest Expense

Interest expense for the three and six months ended June 30, 2025 and 2024 is as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
($ in thousands)	**2025**	**2024**	**$ Change**	**% Change**	**2025**	**2024**	**$ Change**	**% Change**
Interest expense	$ 933	$ 1,666	$ (733)	(44.0)%	$ 2,551	$ 3,351	$ (800)	(23.9)%

Interest expense was $0.9 million and $2.6 million for the three and six months ended June 30, 2025, respectively, compared to expense of $1.7 million and $3.4 million for the same periods in 2024. Interest expense for the three and six months ended June 30, 2025 and 2024 primarily reflects the effective interest rate on the 2028 Convertible Notes and the 2025 Convertible Notes which is 0.70% and 1.96%, respectively. Interest on the 2028 Convertible Notes and 2025 Convertible Notes began accruing upon issuance and is payable semi-annually. These decreases are primarily attributable to the maturity and settlement of the Company's 2025 Convertible Notes in the three months ended June 30, 2025.

For further details regarding the convertible notes please refer to Note 6. Debt in the accompanying notes to the Consolidated Financial Statements.

Net Loss Per Share

The following table provides consolidated net loss for each period along with the computation of basic and diluted net loss per share for the three and six months ended June 30, 2025 and 2024 (in thousands, except net loss per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	**2024**	**2025**	**2024**
NET LOSS	$ (45,092)	$ (18,642)	$ (71,015)	$ (45,703)
Basic weighted average shares outstanding	127,949	126,405	127,664	126,257
Diluted weighted average shares outstanding	127,949	126,405	127,664	126,257
Basic net loss per share	$ (0.35)	$ (0.15)	$ (0.56)	$ (0.36)
Diluted net loss per share	$ (0.35)	$ (0.15)	$ (0.56)	$ (0.36)

Non-GAAP Measures

Use of Non-GAAP Financial Measures

In order to provide greater transparency regarding our operating performance, the financial results and financial guidance include the use of certain non-GAAP financial measures that involve adjustments to GAAP results. Non-GAAP financial measures exclude certain income and/or expense items that Management believes are not directly attributable to our core operating results and/or certain items that are inconsistent in amounts and frequency, making it difficult to perform a meaningful evaluation of our current or past operating performance. Management believes that the presentation of operating results using non-GAAP financial measures provides useful supplemental information to investors by facilitating the analysis of our core test-level operating results across reporting periods and when comparing those same results to those published by our peers. These non-GAAP financial measures may also assist investors in evaluating future prospects. Management also uses

non-GAAP financial measures for financial and operational decision making, planning and forecasting purposes and to manage the business. These non-GAAP financial measures do not replace the presentation of financial information in accordance with U.S. GAAP financial results, should not be considered measures of liquidity, and are unlikely to be comparable to non-GAAP financial measures used by other companies.

Definitions of Non-GAAP Measures

Non-GAAP Adjusted EBITDA

"Adjusted EBITDA" is defined by NeoGenomics as net (loss) income from continuing operations before: (i) interest income, (ii) interest expense, (iii) tax (benefit) or expense, (iv) depreciation and amortization expense, (v) stock-based compensation expense, and, if applicable in a reporting period, (vi) restructuring charges, (vii) CEO transition costs, (viii) impairment charges, (ix) intellectual property ("IP") litigation costs, and (x) other significant or non-operating (income) or expenses, net.

The following is a reconciliation of GAAP net loss to Non-GAAP EBITDA and Adjusted EBITDA for the three and six months ended June 30, 2025:

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in thousands)	**2025**	**2024**	**2025**	**2024**
Net loss (GAAP)	$ (45,092)	$ (18,642)	$ (71,015)	$ (45,703)
Adjustments to net loss:				
Interest income	(2,263)	(4,592)	(5,984)	(9,426)
Interest expense	933	1,666	2,551	3,351
Income tax benefit	(724)	(375)	(458)	(995)
Depreciation	9,140	9,746	18,506	19,651
Amortization of intangibles	8,124	8,361	16,486	16,723
EBITDA (non-GAAP)	$ (29,882)	$ (3,836)	$ (39,914)	$ (16,399)
Further adjustments to EBITDA:				
CEO transition costs[(1)]	637	—	2,831	—
Acquisition and integration related expenses[(2)]	3,204	—	4,376	—
Stock-based compensation expense	12,215	8,841	22,968	16,615
Restructuring charges	—	1,544	—	3,942
Impairment charges[(3)]	20,041	—	20,041	—
IP litigation costs[(4)]	4,460	1,962	7,443	6,243
Other significant expenses, net[(5)]	—	2,358	—	3,960
Adjusted EBITDA (non-GAAP)	$ 10,675	$ 10,869	$ 17,745	$ 14,361

(1) For the three months ended June 30, 2025, CEO transition costs include executive retention costs. For the six months ended June 30, 2025, CEO transition costs include severance costs, executive retention costs, and executive search costs. There were no such costs for the three and six months ended June 30, 2024.

(2) For the three and six months ended June 30, 2025, acquisition and integration related expenses include consulting and legal fees, severance costs, and employee retention costs.

(3) For the three and six months ended June 30, 2025, impairment charges include losses from InVisionFirst®-Lung intangible asset impairment and inventory write-off, and impairment of disposal groups held for sale. There were no such costs for the three and six months ended June 30, 2024.

(4) For the three and six months ended June 30, 2025 and June 30, 2024, IP litigation costs include legal fees.

(5) For the three and six months ended June 30, 2024, other significant (income) expenses, net, includes site closure costs, severance costs, and fees related to non-recurring legal matters. There were no such costs for the three and six months ended June 30, 2025.

Liquidity and Capital Resources

To date, we have financed our operations primarily through cash generated from operations, public and private sales of debt and equity securities, and bank debt borrowings.

The following table presents a summary of our consolidated cash flows for operating, investing and financing activities for the six months ended June 30, 2025 and 2024 as well as balances of cash and cash equivalents and working capital:

	Six Months Ended June 30,	
($ in thousands)	**2025**	**2024**
Net cash (used in) provided by:		
Operating activities	$ (4,997)	$ (12,023)
Investing activities	(5,754)	21,838
Financing activities	(201,484)	2,782
Net change in cash and cash equivalents, including cash classified within current assets held for sale	(212,235)	12,597
Less: net change in cash classified within current assets held for sale	(54)	—
Net change	(212,289)	—
Cash and cash equivalents, beginning of period	367,012	342,488
Cash and cash equivalents, end of period	$ 154,723	$ 355,085
Working Capital [(1)], end of period	$ 292,433	$ 294,244

[(1)] Defined as current assets less current liabilities.

Cash Flows from Operating Activities

Cash used in operating activities during the six months ended June 30, 2025 was $5.0 million compared to $12.0 million in the same period in 2024. This $7.0 million decrease was primarily driven by our operating results (net loss adjusted for depreciation, amortization of intangibles, and other non-cash charges), which resulted in $2.8 million of lower cash used in operating activities year-over-year and a $9.8 million decrease in cash used resulting from net changes in operating assets and liabilities. The decrease in cash used related to our operating activities was primarily driven by an improvement in gross profit of $12.5 million. In addition, timing of cash receipts and cash payments in the ordinary course of business caused operating cash flow to fluctuate from period to period.

Cash Flows from Investing Activities

During the six months ended June 30, 2025, cash used in investing activities was $5.8 million compared to cash provided by investing activities $21.8 million in the same period in 2024. This change was primarily due to a $29.4 million decrease in proceeds from maturities of marketable securities, a decrease in purchases of property and equipment of $7.8 million, and $6.0 million for the acquisition of Pathline.

Cash Flows from Financing Activities

During the six months ended June 30, 2025, cash used in financing activities was $201.5 million compared to cash provided by financing activities of $2.8 million in the same period in 2024. This change was primarily due to $201.3 million cash used for the repayment of the convertible senior notes.

Liquidity Outlook

We had $154.7 million in unrestricted cash and cash equivalents as of June 30, 2025 in addition to $9.0 million of marketable securities available to support current operational liquidity needs. We anticipate that the cash on hand, marketable securities and cash collections are sufficient to fund our near-term capital, and operating needs for at least the next 12 months. Operating needs include, but are not limited to, the planned costs to operate our business, including amounts required to fund working capital, capital expenditures, continued research and development efforts, and potential strategic acquisitions and investments.

Capital Expenditures

We forecast capital expenditures in order to execute on our business plan and maintain growth; however, the actual amount and timing of such capital expenditures will ultimately be determined by the volume of business. We currently anticipate that our capital expenditures for the year ending December 31, 2025 will be in the range of $30.0 million to $35.0 million. During the six months ended June 30, 2025, we purchased, with cash, approximately $10.8 million of capital equipment, software and leasehold improvements. We have funded and plan to continue funding these capital expenditures with cash.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with United States generally accepted accounting principles ("GAAP") requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Our Management routinely makes judgments and estimates about the effects of matters that are inherently uncertain. Please refer to our critical accounting policies as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024 and Note 2. Summary of Significant Accounting Policies, in the accompanying notes to the unaudited Consolidated Financial Statements for a complete description of our significant accounting policies.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risks, including changes in interest rates and foreign currency exchange rates.

Interest Rate Risk

In January 2021, we issued $345.0 million aggregate principal amount of the 2028 Convertible Notes. The 2028 Convertible Notes have a fixed annual interest rate of 0.25%; therefore, we do not have economic interest rate exposure with respect to the 2028 Convertible Notes. However, the fair value of the 2028 Convertible Notes is exposed to interest rate risk. Generally, the fair market value will increase as interest rates fall and decrease as interest rates rise. In addition, the fair value is affected by our common stock price. The fair value will generally increase as our common stock price increases and will generally decrease as our common stock price declines. We carry the 2028 Convertible Notes at face value less unamortized debt discount and debt issuance costs on our balance sheet, and we present the fair value for required disclosure purposes only.

The primary objective of our investment activities is to preserve principal while at the same time maximizing yields without significantly increasing risk. To achieve this objective, we invest in highly liquid and high-quality U.S. government and other highly credit rated debt securities. Our investments are exposed to market risk due to fluctuations in interest rates, which may affect our interest income and the fair market value of our investments. To minimize our exposure due to adverse shifts in interest rates, we invest in short-term securities with short maturities. If a 1% change in interest rates were to have occurred on June 30, 2025, this change would not have had a material effect on the fair value of our investment portfolio as of that date. Due to the short holding period of our investments, we do not believe that we have a material financial market risk exposure and do not expect our operating results or cash flows to be materially affected by a sudden change in market interest rates. While we believe our marketable securities do not contain excessive risk, we cannot provide absolute assurance that in the future our investments will not be subject to adverse changes in market value.

Foreign Currency Exchange Risk

We have operations in Cambridge, United Kingdom. Our international revenues and expenses denominated in foreign currencies (primarily British Pounds), expose us to the risk of fluctuations in foreign currency exchange rates against the U.S. dollar. We do not hedge foreign currency exchange risks and do not currently believe that these risks are significant.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized, and reported within the time periods specified in the SEC rules and forms, and that such information is accumulated and communicated to our Management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, Management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

As required by SEC Rule 15d-15, our Management carried out an evaluation, under the supervision and with the participation of our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of the end of the period covered by this report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended June 30, 2025 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 the Company is engaged in legal proceedings in the ordinary course of business. For further information on legal proceedings, please refer to Note 12. Commitments and Contingencies, in the notes to the unaudited Consolidated Financial Statements.

ITEM 1A. RISK FACTORS

You should carefully consider each of the risk factors described in Part I, Item 1A, "Risk Factors" contained in our Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the SEC on February 18, 2025, and in Part II, Item 1A, "Risk Factors" in our Quarterly Report on Form 10-Q as filed with the SEC on April 29, 2025, as well as the other information set forth in this Quarterly Report on Form 10-Q. The information presented below updates, and should be read in conjunction with, the risk factors disclosed in our Annual Report on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table sets forth information concerning our purchases of common stock for the periods indicated:

Period of Repurchase	Total Number of Shares Purchased[1]	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
April 1, 2025 - April 31, 2025	108,049	$ 9.49	—	—
May 1, 2025 - May 31, 2025	5,180	$ 6.39	—	—
June 1, 2025 - June 30, 2025	25,375	$ 7.42	—	—
Total	138,604		—	—

[1] The Company's 2023 Equity Incentive Plan (the "2023 Plan") was adopted on May 25, 2023 and amended on May 22, 2025. The 2023 Plan replaced the Amended and Restated Equity Incentive Plan, as most recently amended on May 25, 2017 (the "Prior Plan"). Both the 2023 Plan and the Prior Plan allow participants to surrender already-owned shares having a fair market value equal to the required withholding tax related to the vesting of restricted stock. Pursuant to a share withholding election made by participants in connection with the vesting of such awards, all of which were outside of a publicly announced repurchase plan, we acquired from such participants the shares noted in the table above to satisfy tax withholding obligations related to the vesting of their restricted stock. The average prices listed in the above table are averages of the fair market prices at which we valued shares withheld for purposes of calculating the number of shares to be withheld.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Insider Trading Plans

During our last fiscal quarter, the following officers, as defined in Rule 16a-1(f), adopted a Rule 10b5-1 trading arrangement as defined in Regulation S-K Item 408, as follows:

On June 5, 2025, Alicia Olivo, our Executive Vice President, General Counsel and Business Development, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of an aggregate of up to 50,801 shares of our common stock. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is estimated to be from October 4, 2025 to June 30, 2026, or earlier if all transactions under the trading arrangement are completed.

On May 28, 2025, Warren Stone, our President and Chief Operating Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of an aggregate of up to 160,908 shares of our common stock. The trading arrangement

is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is estimated to be from November 13, 2025 to April 30, 2026, or earlier if all transactions under the trading arrangement are completed.

ITEM 6. EXHIBITS

Exhibit Number	Description of Exhibit	Location
3.1	Articles of Incorporation, as amended	Incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019 as filed with the SEC on February 28, 2020 (File No. 001-35756).
3.2	Amended and Restated Bylaws, as amended	Incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015, as filed with the SEC on November 6, 2015 (File No. 001-35756).
3.3	Amendment to the Amended and Restated Bylaws of NeoGenomics, Inc.	Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K as filed with the SEC on April 8, 2025 (File No. 001-35756).
10.1	Employment Agreement effective April 1, 2025, by and between NeoGenomics, Inc. and Anthony Zook.	Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the SEC on March 31, 2025 (File No. 001-35756).
10.2	Special Advisor Agreement between NeoGenomics, Inc. and Christopher Smith, effective April 1, 2025.	Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K as filed with the SEC on January 10, 2025 (File No. 001-35756).
10.3	Separation Agreement, dated as of April 27, 2025, between NeoGenomics Inc. and Melody Harris.	Incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, as filed with the SEC on April 29, 2025 (File No. 001-35756).
10.4	First Amendment of the NeoGenomics, Inc. 2023 Equity Incentive Plan, as approved by the Company's stockholders on May 22, 2025	Incorporated by reference to Annex A of the Company's Proxy Statement on Form DEF 14A as filed with the SEC on April 8, 2025 (File No. 001-35756).
31.1	Certification by Principal Executive Officer pursuant to Rule 13a-14(a)/ 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Provided herewith.
31.2	Certification by Principal Financial Officer pursuant to Rule 13a-14(a)/ 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Provided herewith.
32.1	Certification by Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Provided herewith.
101.INS	XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)	Provided herewith.
101.SCH	XBRL Taxonomy Extension Schema Document	Provided herewith.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Provided herewith.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Provided herewith.
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document	Provided herewith.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Provided herewith.

104	Cover Page Interactive File (formatted as inline XBRL and contained within Exhibit 101)	Provided herewith.

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.

Date: July 29, 2025

NEOGENOMICS, INC.

By:	*/s/ Anthony P. Zook*
Name:	Anthony P. Zook
Title:	Director and Chief Executive Officer

By:	*/s/ Jeffrey S. Sherman*
Name:	Jeffrey S. Sherman
Title:	Chief Financial Officer

EXHIBIT 31.1

CERTIFICATIONS

I, Anthony P. Zook, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NeoGenomics, Inc.;

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

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

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 29, 2025

/s/ Anthony P. Zook

Anthony P. Zook

Director and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATIONS

I, Jeffrey S. Sherman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NeoGenomics, Inc.;

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

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

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)), and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 29, 2025

/s/ Jeffrey S. Sherman
Jeffrey S. Sherman
Chief Financial Officer

EXHIBIT 32.1

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

In connection with this Quarterly Report of NeoGenomics, Inc. (the "Company") on Form 10-Q as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his or her knowledge:

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

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

Date: July 29, 2025

/s/ Anthony P. Zook
Anthony P. Zook
Director and Chief Executive Officer

Date: July 29, 2025

/s/ Jeffrey S. Sherman
Jeffrey S. Sherman
Chief Financial Officer

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.