Risk Factors Comparison 2025-02-20 to 2024-02-23 Form: 10-K

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Our business is subject to a number of risks and uncertainties, including those risks discussed at length below. These risks include, among others, the following: • We need to scale our infrastructure in advance of demand for our products and services, and our failure to generate sufficient demand for our products and services would have a negative impact on our business and our ability to attain profitability. • We face intense competition. If we do not continue to innovate and provide products and services that are useful to customers, including providers and patients, and partners, we may not remain competitive, which could harm our business and operating results. • If third- party payors, including managed care organizations, private health insurers and government health plans, do not provide adequate reimbursement for our tests, or seek to amend or renegotiate their fee reimbursement schedules, or if we are unable to comply with their requirements for reimbursement, our commercial success could be negatively affected ~~. • We have limited experience with the development and commercialization of our databases and our health information and genomic platforms~~ . • We may need to raise additional capital to fund our existing operations, develop additional products and services, commercialize new products and services or expand our operations. • If we fail to comply with federal and state laboratory licensing requirements or standards, we could lose the ability to perform our tests or experience disruptions to our business. • We rely on highly skilled personnel in a broad array of disciplines and, if we are unable to hire, retain or motivate these individuals, or maintain our corporate culture, we may not be able to maintain the quality of our services or grow effectively. • We rely on a limited number of suppliers or, in some cases, single suppliers, for some of our laboratory instruments and materials and may not be able to find replacements or immediately transition to alternative suppliers or service providers. • We rely on a limited number of product and service providers for data infrastructure and analytics capabilities, and any disruption of, or interference with, our use of data and workflow services could adversely affect our business, financial condition, and results of operations, and we may not be able to find replacements or immediately transition to alternative products or service providers. • Our projections are subject to significant risks, assumptions, estimates and uncertainties, including assumptions regarding adoption of our products and services. As a result, our projected revenues, market share, expenses and profitability may differ materially from our expectations in any given quarter or fiscal year. • Uncertainty in the development and commercialization of our enhanced or new tests or services could materially adversely affect our business, financial condition and results of operations. • We currently use, and in the future expect to increase our use of, information and rights from customers, strategic partners, and collaborators for several aspects of our operations, and if we cannot maintain current and enter new relationships with these parties with adequate access and authorization to such information, our business will suffer. • Our operating results could be subject to significant fluctuation, which could increase the volatility of our stock and warrant prices and cause losses to our stockholders. • We ~~have identified material weaknesses, some of which have a pervasive effect across the organization, and may identify additional material weaknesses or significant deficiencies, in our internal controls over financial reporting. Our failure to remedy these matters could result in a material misstatement of our financial statements. • We~~ may be unable to realize the level of the anticipated benefits that we expect from exiting businesses and restructuring our operations, which may adversely impact our business and results of operations. • ~~Future changes~~ **Changes** in FDA enforcement discretion for LDTs could subject our operations to much more significant regulatory requirements. • Compliance with the HIPAA security, privacy and breach notification regulations may increase our costs. • We face uncertainty related to healthcare reform, pricing, coverage and reimbursement, which could reduce our revenue. • Our inability to effectively protect our proprietary products, processes, and technologies, including the confidentiality of our trade secrets, could harm our competitive position. • Security breaches, privacy issues, loss of data and other incidents could compromise sensitive, protected, or personal information related to our business, could prevent it from accessing critical information, and could expose it to regulatory liability, which could adversely affect our business. Risks Related to Our Business, Industry and Operations We need to scale our infrastructure in advance of demand for our tests, and our failure to generate sufficient demand for our tests would have a negative impact on our business and our ability to attain profitability. Our success depends in large part on our ability to extend our market position, to provide customers with high- quality test reports quickly and at a lower price than our competitors, and to achieve sufficient test volume to realize economies of scale. In addition, we regularly evaluate and refine our testing process, often significantly updating our workflows, including with respect to exome sequencing and whole genome sequencing. In order to execute our business model, we intend to continue to invest heavily in order to significantly scale our infrastructure, including our testing capacity, particularly with respect to exome sequencing and whole genome sequencing to supplement our panel testing capabilities and information systems, expand our commercial operations, customer service, billing and systems processes and enhance our internal quality assurance program. We expect that much of this growth will be in advance of demand for our tests. Our current and future expense levels are to a large extent fixed and are largely based on investment plans and estimates of future revenue. Because the timing and amount of revenue from our tests is difficult to forecast, when revenue does not meet expectations, we may not be able to adjust our spending promptly or reduce spending to levels commensurate with our revenue. Even if we successfully scale our infrastructure and operations, there can be no assurance that tests will increase at levels consistent with the growth of our infrastructure. If we fail to generate demand commensurate with this growth or if we fail to scale our infrastructure sufficiently in advance of demand to successfully meet such demand, our business, prospects, financial condition and results of operations could be adversely affected. If we are not able to continue to generate substantial demand for our tests, our commercial success will be negatively affected. Our business model assumes that we will be able to generate significant test volume, particularly with respect to exome sequencing and whole

genome sequencing in addition to our panel testing offerings, and we may not succeed in continuing to drive adoption of our tests to achieve sufficient volumes. Inasmuch as detailed genetic data from exome and whole genome sequencing has only recently become available at relatively affordable prices, the continued pace and degree of clinical acceptance of the utility of such testing is uncertain. Specifically, it is uncertain how much genetic data will be accepted as necessary or useful, as well as how detailed that data should be, particularly since medical practitioners may have become accustomed to genetic testing that is specific to one or a few genes and may not embrace the utility of exome sequencing and whole genome sequencing. Given the substantial amount of additional information available from a broad- based testing panel such as ours, there may be distrust as to the reliability of such information when compared with more limited and focused genetic tests. To generate further demand for our tests, we will need to continue to make clinicians aware of the benefits of our tests, including the price, the breadth of our testing options, and the benefits of having additional genetic data available from which to make treatment decisions. A lack of or delay in clinical acceptance of our exome sequencing and whole genome sequencing testing, or our legacy broad- based panels testing, would negatively impact sales and market acceptance of our tests and limit our revenue growth and potential profitability. Genetic testing is expensive, and many potential customers may be sensitive to pricing. In addition, potential customers may not adopt our tests if adequate reimbursement is not available, or if we are not able to maintain low prices relative to our competitors. If we are not able to generate demand for our tests at sufficient volume, or if it takes significantly more time to generate this demand than we anticipate, our business, prospects, financial condition and results of operations could be materially harmed. If our laboratories become inoperable due to disasters, health epidemics or for any other reasons, we will be unable to perform tests and our business will be harmed. We perform all of our exome sequencing and whole genome sequencing tests at our production facilities in Gaithersburg, Maryland. Our laboratories and the equipment we use to perform our tests would be costly to replace and could require substantial lead time to replace and qualify for use. Our laboratories may be harmed or rendered inoperable by natural or man- made disasters, including flooding, fire and power outages, or by health epidemics, which may render it difficult or impossible for us to perform our tests for some period of time. The inability to perform our tests or the backlog that could develop if our laboratories are inoperable for even a short period of time may result in the loss of customers or harm our reputation. Although we maintain insurance for damage to our property and the disruption of our business, this insurance may not be sufficient to cover all potential losses and may not continue to be available to us on acceptable terms, if at all. Other companies or institutions may develop and market novel or improved technologies, which may make our technologies less competitive or obsolete. We operate in a rapidly evolving and highly competitive industry. There are a number of private and public companies that offer products or services or have announced that they are developing products or services that compete, or may one day compete, with our products or services. Some of our current and potential competitors possess greater brand recognition, financial and other resources and development capabilities than we do. As the fields of exome and genome analysis and health information become more widely known to the public, we anticipate that competition will further increase. We expect to compete with a broad range of organizations in the U. S. and other countries that are engaged in the development, production and commercialization of genetic testing and screening products, including exome and whole genome sequencing products, health information services, and analytics, and data science services, and other diagnostic products. These competitors include: • companies that offer clinical, research and data clinical services, molecular genetic testing and other clinical diagnostics, life science research and drug discovery services, data services and healthcare analytics, and consumer genetics products; • academic and scientific institutions; • governmental agencies; and • public and private research organizations. We may be unable to compete effectively against our competitors either because their products and services are superior or because they may have more expertise, experience, financial resources, or stronger business relationships. These competitors may have broader product lines and greater name recognition than we do. Furthermore, we must compete successfully in our existing markets, including exome and whole genome sequencing, but also in any new markets we expand into. Even if we successfully develop new marketable products or services, our current and future competitors may develop products and services that are more commercially attractive than ours, and they may bring those products and services to market earlier or more effectively than we are able to. If we are unable to compete successfully against current or future competitors, we may be unable to increase market acceptance for and sales of our tests and services, which could prevent us from increasing or sustaining our revenues or achieving sustained profitability. Our business environment is rapidly evolving and intensely competitive. Our businesses face changing technologies, shifting provider and patient needs, and frequent introductions of rival products and services. To compete successfully, we must accurately anticipate technology developments and deliver innovative, relevant and useful products, services, and technologies in a timely manner. As our businesses evolve, the competitive pressure to innovate will encompass a wider range of products and services. We must continue to invest significant resources in research and development, including through acquisitions and collaborations, joint ventures and partnerships, in order to enhance our current diagnostics and health information and data science technologies, and existing and new products and services based off these technologies. We have many competitors in different industries. Our current and potential domestic and international competitors range from large and established companies to emerging start- ups in addition to academic and scientific institutions, and public and private research organizations. Some competitors have longer operating histories than our Company in various sectors. They can use their experience and resources in ways that could affect our competitive position, including by making acquisitions, continuing to invest heavily in research and development and in talent, initiating intellectual property claims (whether or not meritorious), and continuing to compete aggressively for our customers and partners in the market for genetic testing and screening, health information and data science products and services. Our competitors may be able to innovate and provide products and services faster than we can or may foresee the need for products and services before we do. Our operating results may also suffer if our products and services are not responsive to the needs of our customers and partners. As technologies continue to develop, our competitors may be able to offer products and services that are, or that are seen to be, substantially similar to or better than our current products and services. This may force us

to compete in different ways and expend significant resources in order to remain competitive. If our competitors are more successful than us in developing compelling products and services for or in attracting and retaining customers or partners in the market for genetic testing and screening, health information and data science products and services, our operating results could be harmed. Our ability to increase the number of billable tests and our revenue therefrom will depend on our success in achieving reimbursement for our tests from third- party payors. Reimbursement by a payor may depend on a number of factors, including a payor' s determination that a test is appropriate, medically necessary, cost- effective, correctly billed, and has received prior authorization. The commercial success of our current and future products, if approved, will depend on the extent to which our customers receive coverage and adequate reimbursement from third- party payors, including managed care organizations and government payors (e. g., Medicare and Medicaid). Since each payor makes its own decision as to whether to establish a policy or enter into a contract to cover our tests, as well as the amount it will reimburse for a test, seeking these approvals is a time- consuming and costly process. In addition, the determination by a payor to cover and the amount it will reimburse for our tests will likely be made on an indication- by- indication basis and may consider our billing practices and reimbursements from other payors and from our patient billing programs. To date, we have obtained policy- level reimbursement approval or contractual reimbursement for some indications for our tests from most of the large commercial third- party payors in the U. S., and the Centers for Medicare & Medicaid Services (" CMS "). We believe that establishing adequate reimbursement from Medicare is an important factor in gaining adoption from healthcare providers. Our claims for reimbursement from third- party payors may be denied upon submission, and we must appeal the claims. The appeals process is time consuming and expensive and may not result in payment. In cases where there is not a contracted rate for reimbursement, there is typically a greater coinsurance or copayment requirement from the patient, which may result in further delay or decreased likelihood of collection. A significant portion of the payments for our tests are paid or reimbursed under insurance programs with third- party payors. Billing and reimbursement for diagnostic tests is highly complex and closely scrutinized by payors. In particular, billing and reimbursement for multi- gene panel tests and other complex diagnostic tests continues to pose a particular risk of payor audit and potential overpayment obligations. Accurate billing requires sophisticated internal procedures and systems controls and ongoing oversight to ensure compliance with payor requirements. To contain reimbursement and utilization rates, third- party payors often attempt to, or do in fact, amend or renegotiate their fee reimbursement schedules. Loss of revenue caused by third- party payor cost containment efforts or an inability to negotiate satisfactory reimbursement rates could have a material adverse effect on our revenue and results of operations. Furthermore, in cases where we or our partners have established reimbursement rates with third- party payors, we face additional challenges in complying with their procedural requirements for reimbursement. These requirements often vary from payor to payor and are reassessed by third- party payors on a regular basis, and we have needed additional time and resources to comply with them. We have also experienced, and may continue to experience, delays in or denials of coverage if we do not adequately comply with these requirements. Our third- party payors have also requested, and in the future may request, audits of the amounts paid to us. ~~We~~ **In the past, we** have been required to repay certain amounts to payors as a result of such audits ~~, including but not limited to the remaining $ 22 million of the $ 42 million settlement regarding certain overpayments to Legacy Sema4 allegedly received from a payor, and may be required to repay other payors for alleged overpayments due to lack of compliance with their reimbursement policies~~ . For more information regarding this matter, see Note ~~4~~ **3** , " Revenue Recognition " to our consolidated financial statements included within this Annual Report. In addition to potential repayment obligations, failure to comply with payor reimbursement policies could result in government enforcement actions and, potentially, exclusion from certain payor programs, which could have a material adverse effect on our business. We expect to continue to focus our resources on increasing adoption of, and expanding coverage and reimbursement for, our current tests and any future tests we may develop or acquire. If we fail to expand and maintain broad adoption of, and coverage and reimbursement for, our tests, our ability to generate revenue could be harmed and our future prospects and our business could suffer ~~. We have limited experience with the development or commercialization of clinical or research products in connection with the databases we manage and to which we have access, including our Centrellis ® platform. Our partners' usage of an advanced machine learning engine for therapeutic decision- making are at an early stage of development and usage under current and proposed collaborations, and we are continuing to develop new processes that may support the development of new therapeutics applications such as the delivery of personalized clinically actionable insights into clinical reports, clinical trial matching, real- world evidence trials, and clinical decision support, via an advanced programmable interface layer. Although our partners have invested significant financial resources to develop and utilize new technologies to support preclinical studies and other early research and development activities, and provide general and administrative support for these operations, our future success is dependent on our current and future partners' ability to successfully derive actionable insights from the database and our platform, and our partners' ability, where applicable, to obtain regulatory approval for new therapeutic solutions based off existing models or to obtain regulatory approval and marketing for, and to successfully commercialize, new therapeutics~~ . We use artificial intelligence in our business, and challenges with properly managing its use could result in reputational harm, competitive harm, and legal liability, and adversely affect our results of operations. We currently incorporate artificial intelligence (" AI ") solutions into our **workflows** ~~Centrellis ® platform to access, combine, curate and analyze health information, including longitudinal patient medical history data,~~ and these applications may become important in our operations over time **. Further, we are in the process of enhancing and broadening our offerings with AI technologies, and we are exploring potential third- party partnerships to help us offer more robust solutions for providers and patients** . Our competitors or other third parties may incorporate AI into their products and offerings more quickly or more successfully than us, which could impair our ability to compete effectively and adversely affect our results of operations. Additionally, if the content, analyses, or recommendations that AI applications assist in producing are or are alleged to be inaccurate, deficient, or biased, our business, financial condition and results of operations may be adversely affected. The use of AI applications has resulted in, and may in the future result in, cybersecurity incidents that implicate the personal medical

and genetic data of patients analyzed within such applications. Any such cybersecurity incidents related to our use of AI applications to analyze personal data could adversely affect our reputation and results of operations. AI also presents emerging ethical issues and if our use of AI becomes controversial, we may experience brand or reputational harm, competitive harm, or legal liability. The rapid evolution of AI, including potential government regulation of AI and its various uses, ~~will~~ **may** require significant resources to develop, test and maintain ~~our Centrellis ® platform,~~ offerings, services, and features to help us implement AI ethically in order to minimize unintended, harmful impact. We have incurred net losses and negative cash flows from operations since ~~its~~ **our** inception, with an accumulated deficit of $ 1. ~~3~~ **4** billion as of December 31, ~~2023~~ **2024** . ~~We expect to continue to generate significant operating losses for the foreseeable future~~ . We may seek to sell common or preferred equity or convertible debt securities, enter into ~~a~~ credit ~~facility~~ **facilities** or ~~another~~ -- **other** ~~form~~ **forms** of third- party funding or ~~seek other~~ debt financing **, or dispose of assets or businesses** . For example, we have an effective shelf registration statement that we filed with the SEC in August of 2022, registering $ 300 million **of** shares of our Class A common stock and other securities. As of December 31, ~~2023~~ **2024** , approximately $ ~~150~~ **102** million of securities remained available under this registration statement **. Further, we have entered into a sales agreement (the " Sales Agreement ") with TD Securities (USA) LLC (" TD Cowen ") pursuant to which we may, but are not obligated to, offer and sell, from time to time, shares of our Class A common stock with an aggregate offering price up to $ 75. 0 million through TD Cowen, as sales agent, subject to the terms and conditions described in the Sales Agreement and SEC rules and regulations (our " ATM offering "). As of December 31, 2024, approximately $ 26. 8 million of capacity remained available under this ATM offering** . We may also consider raising additional capital in the future to expand our business, to pursue strategic investments, to take advantage of financing opportunities or for other reasons, including to: • increase our sales and marketing efforts to drive market adoption of our current and future products and services; • fund development efforts for our current and future products and services; • expand our products and services into other disease indications and clinical applications; • acquire, license or invest in technologies; • acquire or invest in complementary businesses or assets; and • finance capital expenditures and general and administrative expenses. Our present and future funding requirements will depend on many factors, including: • our ability to achieve revenue growth; • our rate of progress in establishing payor coverage and reimbursement arrangements with commercial third- party payors and government payors; • the cost of expanding our laboratory operations and offerings, including our sales and marketing efforts; • our rate of progress in, and cost of the sales and marketing activities associated with, establishing adoption of our services for biopharma partners; • our rate of progress in, and cost of research and development activities associated with, products and services in research and early development; • the effect of competing technological, product and market developments; • costs related to international expansion; and • the potential cost of and delays in product development as a result of any regulatory oversight applicable to our products and services. The various ways we could raise additional capital carry potential risks. If we raise funds by issuing equity securities, dilution to our stockholders could result. Any preferred equity securities issued also could provide for rights, preferences or privileges senior to those of holders of our Class A common stock. If we raise funds by issuing debt securities, those debt securities would have rights, preferences and privileges senior to those of holders of our Class A common stock. The terms of debt securities issued or borrowings pursuant to a credit agreement could impose significant restrictions on our operations. If we raise funds through collaborations and licensing arrangements, we might be required to relinquish significant rights to our technologies or products and services or grant licenses on terms that are not favorable to us. Our credit agreement contains operating and financial restrictions that may limit our business and financing activities. Our credit agreement with Perceptive Credit Holdings IV, LP (" Perceptive ") contains operating and financial restrictions that may limit our business and financing activities. In particular, our credit agreement includes customary affirmative and negative covenants and events of default, including negative covenants that restrict, among other things, our ability to incur indebtedness and liens, dispose of property and make investments. In addition, the credit agreement requires us to maintain aggregate unrestricted cash of not less than $ 5. 0 million and minimum levels of quarterly core revenue through the third quarter of 2028. The operating and financial restrictions in the credit agreement, as well as any other financing arrangements that we may enter into, may limit our ability to finance our operations, or engage in, expand, or otherwise pursue our business activities and strategies. Our ability to comply with these or other covenants may be affected by events beyond our control, and future breaches of these or other covenants could result in a default under the credit agreement or any other financing arrangement. If not waived, future defaults could cause all of the outstanding indebtedness under our credit agreement or other financing arrangement to become immediately due and payable and terminate all commitments to extend further credit, if any. Furthermore, if we were unable to repay our credit agreement or other indebtedness then due and payable, secured lenders could proceed against the assets, if any, securing such indebtedness. A default would also likely significantly diminish the market price of our securities. If we do not have or are unable to generate sufficient cash to repay our debt obligations when they become due and payable, either upon maturity or in the event of a default, we may not be able to obtain additional debt or equity financing on favorable terms, if at all, which may negatively impact our ability to operate and continue our business as a going concern. Ethical, legal and social concerns related to the use of genomic medicine and health information analysis could reduce demand for our tests. Genomic medicine and health information analysis has raised ethical, legal and social issues regarding privacy rights and the appropriate uses of the resulting information. Domestic and international governmental and regulatory authorities could, for social or other purposes, such as data privacy, limit or regulate the use of health information or health information testing or prohibit testing for specific information derived from health information testing, including, for example, data on genetic predisposition to certain conditions, particularly for those that have no known cure. Similarly, these concerns may lead patients to refuse to use, or clinicians to be reluctant to order, genomic tests as part of health information assessment even if permissible, or lead patients to withhold or withdraw consent for our use of their data. These and other ethical, legal and social concerns may limit market acceptance of our tests or services or reduce the potential markets for our tests, or services, either of which could have an adverse effect on our business, research, financial condition or

results of operations. We are subject to Clinical Laboratory Improvement Amendments of 1988 (" CLIA "), a federal law that regulates clinical laboratories that perform testing on specimens derived from humans for the purpose of providing information for the diagnosis, prevention or treatment of disease. CLIA regulations establish specific standards with respect to personnel qualifications, facility administration, proficiency testing, quality control, quality assurance and inspections. CLIA certification is also required in order for us to be eligible to bill state and federal healthcare programs, as well as many private third- party payors, for our tests. We have current CLIA, College of American Pathologists ("~~"~~ CAP "~~"~~), and other certifications to conduct our tests at our laboratory in Maryland. To renew these certifications, we are subject to survey and inspection on a regular basis and at the request of the certifying bodies. Moreover, CLIA inspectors may make random inspections of our clinical reference laboratory. We would also be required to maintain in- state licenses if we were to conduct testing in other states. Several states require the licensure of out- of- state laboratories that accept specimens from certain states. In addition to having a laboratory license in New York, our clinical reference laboratory is approved on test- specific bases for the tests it runs as laboratory- developed tests (" LDTs "), by the New York State Department of Health (" NYDOH "). Other states may adopt similar licensure requirements in the future, which may require us to modify, delay or stop our operations in such jurisdictions. We may also be subject to regulation in foreign jurisdictions as we seek to expand international utilization of our tests or such jurisdictions adopt new licensure requirements, which may require review of our tests in order to offer them or may have other limitations such as restrictions on the transport of samples necessary for us to perform our tests that may limit our ability to make our tests available outside of the U. S. Complying with licensure requirements in new jurisdictions may be expensive, time- consuming, and subject us to significant and unanticipated delays. Failure to comply with applicable clinical laboratory licensure requirements or standards may result in a range of enforcement actions, including license suspension, limitation, or revocation, directed plan of action, onsite monitoring, civil monetary penalties, criminal sanctions, and cancellation of the laboratory' s approval to receive Medicare and Medicaid payment for our services, as well as significant adverse publicity. Any sanction imposed under CLIA, its implementing regulations, or state or foreign laws or regulations governing clinical laboratory licensure, or our failure to renew our CLIA certifications, a state or foreign license, or accreditation, could have a material adverse effect on our business, financial condition and results of operations. Even if we were able to bring our laboratory back into compliance, we could incur significant expenses and potentially lose revenue in doing so. The CAP maintains a clinical laboratory accreditation program. CAP asserts that its program is " designed to go well beyond regulatory compliance " and helps laboratories achieve the highest standards of excellence to positively impact patient care. While not required to operate a CLIA- certified laboratory, many private insurers require CAP accreditation as a condition to contracting with clinical laboratories to cover their tests. In addition, some countries outside the U. S. require CAP accreditation as a condition to permitting clinical laboratories to test samples taken from their citizens. We have a CAP accreditations for our laboratory. Failure to maintain CAP accreditation could have a material adverse effect on the sales of our tests and the results of our operations. ~~Due to the high degree of uncertainty regarding the implementation and impact of the CARES Act and other legislation related to COVID- 19, there can be no assurance that we will be able to comply with the applicable terms and conditions of the CARES Act and retain such assistance. On March 27, 2020, the CARES Act was signed into law, aimed at providing emergency assistance and health care for individuals, families, and businesses affected by the COVID- 19 pandemic and generally supporting the U. S. economy. The CARES Act, among other things, includes provisions relating to refundable payroll tax credits, deferment of employer social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, and modifications to the net interest deduction limitations. The CARES Act and similar legislation intended to provide assistance related to the COVID- 19 pandemic also authorized $ 175. 0 billion in funding to be distributed by the U. S. Department of Health and Human Services (the " HHS ") to eligible health care providers. This funding, known as the Provider Relief Fund, is designated to fund eligible healthcare providers' healthcare- related expenses or lost revenues attributable to COVID- 19. On December 27, 2020, the Consolidated Appropriations Act, 2021 was signed into law, which adds $ 3. 0 billion to the Provider Relief Fund. Payments from the Provider Relief Fund are subject to certain eligibility criteria, as well as reporting and auditing requirements, but do not need to be repaid to the U. S. government if recipients comply with the applicable terms and conditions. In 2020, we received $ 5. 4 million as part of the stimulus, comprised of $ 2. 6 million received under the PRF and $ 2. 8 million received under the ERC. In 2021, we received an additional $ 5. 6 million under the PRF distribution. Funds provided under the PRF distributions to healthcare providers are not loans and will not be required to be repaid; however, as a condition to receiving these payments, providers must agree to certain terms and conditions and submit sufficient documentation demonstrating that the funds are being used for healthcare- related expenses or lost revenue attributable to the COVID- 19 pandemic. Funds provided under the ERC distributions are refundable tax credits for 50 % of qualified wages paid to employees during the pandemic. A company is eligible for the ERC if (1) its operations have been fully or partially suspended because of COVID- 19, or (2) its gross receipts in a calendar quarter in 2020 declined by more than 50 % from the same period in 2019. At the time of applying for the ERC, we concluded that the eligibility requirements were met. However, due to a change in circumstances, we have re- evaluated our position and concluded that the funds received under the ERC needed to be repaid. Therefore, in July 2023, we remitted $ 2. 7 million of payment and reduced a liability initially recorded in other current liabilities on our balance sheets. Due to the high degree of uncertainty regarding the implementation of the CARES Act, the Consolidated Appropriations Act, 2021, other stimulus legislation and our revenue revisions, there can be no assurance that the terms and conditions of the PRF or other relief programs will not change or be interpreted in ways that affect our ability to comply with such terms and conditions in the future, which could affect our ability to retain such assistance. We will continue to monitor our compliance with the terms and conditions of the PRF, including demonstrating that the distributions received have been used for healthcare- related expenses or lost revenue attributable to COVID- 19. If we are unable to comply with current or future terms and conditions, our ability to retain some or all of the distributions received may be impacted, and we may be subject to actions including payment recoupment, audits and inquiries by governmental authorities,~~

~~and criminal, civil or administrative penalties. The COVID- 19 pandemic affected and any similar public health emergency in the future may materially and adversely affect our business and financial results. The COVID- 19 pandemic, together with related precautionary measures in response to the pandemic, materially disrupted our business during certain periods in 2021. Although our test volumes improved to what would be considered normalized market conditions during 2022 and we maintained normalized volumes during 2023, the COVID- 19 pandemic, or other similar public health emergencies in the future, may disrupt our business in the future and materially and adversely affect our business and financial results.~~ Risks Related to Our Business Model Our performance, including our research and development programs and laboratory operations, largely depends on our continuing ability to identify, hire, develop, motivate and retain highly skilled personnel for all areas of our organization, including software developers, geneticists, biostatisticians, bioinformaticians, data scientists, certified laboratory directors and technicians and other scientific and technical personnel to process and interpret our tests and related data. In addition, we may need to continue to expand our sales force with qualified and experienced personnel. Competition in our industry for qualified employees is intense, and we may not be able to attract or retain qualified personnel in the future due to the competition for qualified personnel among life science and technology businesses as well as universities and public and private research institutions, particularly in the geographies in which we operate. Further, we may be unable to obtain the necessary visas for foreign personnel to work in the U. S. In addition, our compensation arrangements, such as our equity award programs, may not always be successful in attracting new employees and retaining and motivating our existing employees. If we are not able to attract and retain the necessary personnel to accomplish our business objectives, we may experience constraints that could adversely affect our ability to scale our business, support our research and development efforts and our clinical laboratories. We believe that our corporate culture fosters innovation, creativity and teamwork. However, as our organization grows, we may find it increasingly difficult to maintain the beneficial aspects of our corporate culture. This could negatively impact our ability to retain and attract employees and our future success. The loss of any member or change in structure of our senior management team could adversely affect our business. Our success depends in large part upon the skills, experience and performance of key members of our executive management team and others in key leadership positions. The efforts of these persons will be critical to us as we continue to develop our technologies and test processes and focus on scaling our business. If we were to lose one or more key executives ~~, including our Chief Executive Officer, Katherine Stueland~~ , we may experience difficulties in competing effectively, developing our tests and technologies and implementing our business strategy. Only certain of our executives have employment contracts, and the majority of our employees are at- will, which means that either we or any employee may terminate their employment at any time or in the notice period set forth in an executive' s contract. In addition, we do not have long- term retention agreements in place with our executive officers. Furthermore, we compete against other leading companies in the diagnostics, health information, and data sciences markets for top talent. If such competitors offer better compensation or opportunities, there is no guarantee that we would be able to retain our key executives. We may not be able to manage our future growth effectively, which could make it difficult to execute our business strategy. Our expected future growth could create a strain on our organizational, administrative and operational infrastructure, including data and laboratory operations, quality control, customer service, marketing and sales, and management. We may not be able to maintain the quality of or expected turnaround times for our products or services or satisfy customer demand as it grows. We may need to continue expanding our sales force to facilitate our growth, and we may have difficulties locating, recruiting, training and retaining sales personnel. Our ability to manage our growth effectively will require us to continue to improve our operational, financial and management controls, as well as our reporting systems and procedures. As we grow, any failure of our controls or interruption of our facilities or systems could have a negative impact on our business and financial operations. International expansion of our business could expose us to business, regulatory, political, operational, financial and economic risks associated with doing business outside of the U. S ~~. and Canada~~ . When cleared, authorized or approved, we and our collaborators may market, sell, and distribute our products and services outside of the U. S., and our business would be subject to risks associated with doing business outside of the U. S., including an increase in our expenses and diversion of our management' s attention from the development of future products and services. Accordingly, our business and financial results in the future could be adversely affected due to a variety of factors, including: • multiple, conflicting and changing laws and regulations such as privacy, security and data use regulations, tax laws, export and import restrictions, economic sanctions and embargoes, employment laws, anticorruption laws, regulatory requirements, reimbursement or payor regimes and other governmental approvals, permits and licenses; • failure by us, our collaborators or our distributors to obtain regulatory clearance, authorization or approval for the use of our products and services in various countries; • additional potentially relevant third- party patent rights; • complexities and difficulties in obtaining intellectual property protection and enforcing our intellectual property; • difficulties in staffing and managing foreign operations, including repatriating foreign earned profits; • complexities associated with managing multiple payor reimbursement regimes, government payors or patient self- pay systems; • difficulties in negotiating favorable reimbursement negotiations with governmental authorities; • logistics and regulations associated with shipping samples, including infrastructure conditions and transportation delays; • limits in our ability to penetrate international markets if we are not able to conduct our clinical diagnostic services locally; • financial risks, such as longer payment cycles, difficulty collecting accounts receivable, the impact of local and regional financial crises on demand and payment for our products and services and exposure to foreign currency exchange rate fluctuations; • international regulations and license requirements that may restrict foreign investment in and operation of the internet, IT infrastructure, data centers and other sectors, and international transfers of data; • natural disasters, political and economic instability, including wars, terrorism and political unrest, and outbreak of disease; • boycotts, curtailment of trade and other business restrictions; and • regulatory and compliance risks that relate to maintaining accurate information and control over sales and distributors' activities that may fall within the purview of the Foreign Corrupt Practices Act of 1977 (the " FCPA "), its books and records provisions, or its anti- bribery provisions, Canada' s Corruption of Foreign Public Officials Act, or laws similar to the FCPA in other jurisdictions in which we may in the future

operate, such as the United Kingdom' s Bribery Act of 2010 and anti- bribery requirements of member states in the European Union (the " EU "). Any of these factors could significantly harm our future international expansion and operations and, consequently, our revenue and results of operations. Unfavorable U. S. or global economic conditions could adversely affect our business, financial condition or results of operations. Our results of operations could be adversely affected by general conditions in the global economy and financial markets. A severe or prolonged economic downturn or increase in inflation and interest rates could result in a variety of risks to our business, including weakened demand for our products and services, increased costs and expenses and a reduced ability to raise additional capital when needed on favorable terms, if at all. A weak declining or inflationary economy could also strain our collaborators and suppliers, resulting in supply disruption, or cause delays in their payments to us. For example, we have experienced and may continue to experience interruptions in the supply of the diagnostic testing materials necessary for our testing products and material and shipping cost increases. We also have significant supply contracts that are short- term and, as we enter into the renewal cycles for these contracts, we may face material price increases upon renewal. In particular, challenging macroeconomic conditions, including cost inflation, decreases in per capita income and levels of disposable income, increased and / or prolonged unemployment or a decline in consumer confidence, as well as limited or significantly reduced points of access of our tests, could have a material adverse effect on the demand for our tests. Under difficult economic conditions, consumers may seek to reduce discretionary spending by forgoing our tests. Decreased demand for our tests, could negatively affect our overall financial performance. Any of the foregoing could harm our business and we cannot anticipate all of the ways in which the current economic climate and financial market conditions could adversely impact our business, financial condition, or results of operations. We have sourced and will continue to source components of our diagnostic testing workflow, including sequencers and other laboratory equipment, reagents, lab supplies and other laboratory services and materials and related services, from third parties. Our failure to maintain a continued supply of our sequencers and other laboratory equipment, reagents, lab supplies and other laboratory services and materials, along with the right to use certain hardware and software and related services, would adversely impact our business, financial condition, and results of operations. In particular, while we are seeking to validate our tests on additional sequencing platforms, we have not, to date, validated a viable alternative sequencing platform on which our testing could be run in a commercially viable manner. These efforts will require significant resources, expenditures and time and attention of management, and there is no guarantee that we will be successful in implementing any such sequencing platforms in a commercially sustainable way. We also cannot guarantee that we will appropriately prioritize or select alternative sequencing platforms on which to focus our efforts, in particular given our limited product and research and development resources and various business initiatives, which could result in increased costs and delayed timelines or otherwise adversely impact our business and results of operations. Because we rely on third- party manufacturers, we do not control the manufacture of these components, including whether such components will meet our quality control requirements, nor the ability of our suppliers to comply with applicable legal and regulatory requirements. In many cases, our suppliers are not contractually required to supply these components to the quality or performance standards that we require. If the supply of components we receive does not meet our quality control or performance standards, we may not be able to use the components, or if we use them not knowing that they are of inadequate quality, which occasionally occurs with respect to certain reagents, our tests may not work properly or at all, or may provide erroneous results, and we may be subject to significant delays caused by interruption in production or manufacturing or to lost revenue from such interruption or from spoiled tests. In addition, any natural or other disaster, acts of war or terrorism, shipping embargoes, labor unrest, political instability, outbreak of disease or similar events at our third- party manufacturers' facilities that cause a loss of manufacturing capacity would heighten the risks that we face. In the event of any adverse developments with our sole suppliers, or if any of our sole suppliers modifies any of the components they supply to us, our ability to supply our products may be interrupted, and obtaining substitute components could be difficult or require us to re- design or re- validate our products. Our failure to maintain a continued supply of components, a supply that meets our quality control requirements, or changes to or termination of our agreements or inability to renew our agreements with these parties or enter into new agreements with other suppliers could result in the loss of access to important components of our tests and impact our test performance or affect our ability to perform our tests in a timely manner or at all, which could impair, delay or suspend our commercialization activities. In the event that we transition to a new supplier from any of our sole suppliers, doing so could be time- consuming and expensive, may result in interruptions in our ability to supply our products to the market, could affect the performance of our tests or could require that we re- validate our affected tests using replacement equipment and supplies, which could delay the performance of our tests, impact diagnostic solutions and heath information derived from such tests, and result in increased costs. Any of these occurrences could have a material adverse effect on our business, financial condition and results of operations. We currently rely upon third- party services for data storage and workflow management, including cloud storage solution providers, such as Microsoft Azure (" Azure "), Amazon Web Services (" AWS "), and ~~Google~~ **Oracle** Cloud ~~Platform~~ **Infrastructure** (" ~~GCP~~ **OCI** "). We rely on each of these providers to complete several vital workflows in our health information and data science service delivery. To varying degrees some of those services are proprietary to how each platform performs in connection with our current usage of the services. Nearly all of our data storage and analytics are conducted on, and the data and content we generate on our platforms are processed through, servers hosted by these providers, particularly Azure, AWS and ~~GCP~~ **OCI** . We also rely on email service providers, bandwidth providers, internet service providers and mobile networks to deliver communications to patients, physicians and partners and to allow patients, physicians and our partners to access various offerings from our platforms. If our third- party vendors are unable or unwilling to provide the services necessary to support our business, or if our agreements with such vendors are terminated, our operations could be significantly disrupted. Some of our vendor agreements may be unilaterally terminated by the licensor for convenience, including with respect to Azure, AWS or ~~GCP~~ **OCI** , and if such agreements are terminated, we may not be able to enter into similar relationships in the future on reasonable terms or at all. Any damage to, or failure of, our systems or the systems of our third- party data centers or our other

third- party providers could result in interruptions to the availability or functionality of database and platforms. As a result, we could lose health information data and miss opportunities to acquire and retain patients, physicians and partners including health systems and pharmaceutical and biotech companies, which could result in decreased revenue. If for any reason our arrangements with our data centers or third- party providers are terminated or interrupted, such termination or interruption could adversely affect our business, financial condition and results of operations. We exercise little control over these providers, which increases our vulnerability to problems with the services they provide. We could incur additional expense in arranging for new or redesigned facilities, technology, services and support. In addition, the failure of our third- party data centers or any other third- party providers to meet our capacity needs or any system failure as a result of reliance on third parties, including network, software or hardware failure, which causes a delay or interruption in our services and products, including our ability to handle existing or increased processing of data on our platforms, could have a material adverse effect on our business, revenues, operating results and financial condition. Our current and future products and services may never achieve significant commercial market acceptance. Our success depends on the market' s confidence that we can provide data- driven research and diagnostic products and services that improve clinical outcomes, lower healthcare costs and enable better product development by biopharma companies. Failure of our products and services, or those jointly developed with our collaborators, to perform as expected or to be updated to meet market demands could significantly impair our operating results and our reputation. We believe patients, health systems, clinicians, academic institutions and biopharma companies are likely to be particularly sensitive to defects, errors, inaccuracies and delays with our products and services. Furthermore, inadequate performance of these products or services may result in lower confidence in our services in general. We and our collaborators may not succeed in achieving significant commercial market acceptance for our current or future products and services due to a number of factors, including: • our ability to demonstrate the utility of our platforms and related products and services and their potential advantages over existing clinical AI technology, life sciences research, clinical diagnostic and drug discovery technologies to academic institutions, biopharma companies and the medical community; • our ability, and that of our collaborators, to perform clinical trials or other research to gather adequate evidence and / or to secure and maintain FDA and other regulatory clearance authorization or approval for our products or products developed based off our platform; • the agreement by third- party payors to reimburse our products or services, the scope and extent of which will affect patients' willingness or ability to pay for our products or services and will likely heavily influence physicians' decisions to recommend our products or services; • the rate of adoption of our platforms and related products and services by academic institutions, clinicians, patients, key opinion leaders, advocacy groups and biopharma companies; and • the impact of our investments in product and services, and technological innovation and commercial growth. Additionally, our customers and collaborators may decide to decrease or discontinue their use of our products and services due to changes in their research and development plans, failures in their clinical trials, financial constraints, the regulatory environment, negative publicity about our products and services, competing products or the reimbursement landscape, all of which are circumstances outside of our control. We may not be successful in addressing these or other factors that might affect the market acceptance of our products, services and technologies. Failure to achieve widespread market acceptance of our platform and related products and services would materially harm our business, financial condition and results of operations. **Our projections are subject to significant risks, assumptions, estimates and uncertainties, including assumptions regarding the adoption of our products and services. As a result, our projected revenues, market share, expenses and profitability may differ materially from our expectations in any given fiscal quarter or year. We operate in rapidly changing and competitive industries and our projections are subject to the risks and assumptions made by our management with respect to these industries. Operating results are difficult to forecast, as they generally depend on our assessment of the timing of adoption of our current and future products and services, which is uncertain. Furthermore, as we invest in the continued development of new businesses that have yet to achieve significant commercial success, whether because of competition or otherwise, we may not recover the often substantial up- front costs of developing and marketing those products and services or recover the opportunity cost of diverting management and financial resources away from other products or services. Additionally, our business may be affected by reductions in customer or partner demand as a result of a number of factors, which may be difficult to predict. Similarly, our assumptions and expectations with respect to margins and the pricing of our products and services may not prove to be accurate as a result of competitive pressures, customer or partner demands. This may result in decreased revenue, and we may be unable to adopt measures in a timely manner to compensate for any unexpected shortfall in revenue. This inability could cause our operating results in a given fiscal quarter or year to be higher or lower than expected. Any failure to achieve our projected operating results could harm the trading price of our securities and our financial position.** We have estimated the global market opportunity for our current and future products and services, and these markets may be smaller than we estimate. Our estimates of the global market opportunity for our current products and services and those under development are based on a number of internal and third- party estimates, including, the market opportunity for rare disease and pediatric developmental disorders, adult disorders and newborn screening. The estimates also depend on whether we or our collaborators are able to engage, diagnose or treat patients through or using our products and services, the number of potential clinical tests utilized per treatment course per patient, the ongoing engagement by patients, physicians and health systems on our platforms, and the assumed prices at which we can sell our current and future products and services for markets that have not been established. While we believe our assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, thereby reducing the predictive accuracy of these underlying factors. As a result, our estimates of the annual addressable market for our current or future products and services may prove to be incorrect. If the actual number of patients who would benefit from our products or services, the price at which we can sell future products and services or the annual addressable market for our products or services is smaller than we have estimated, it may impair our sales growth and have an adverse impact on our

business. Our success will depend in part on our ability to effectively introduce enhanced or new offerings, with a focus on expanding the clinical utility and application of exome and whole genome sequencing and developing solutions our health information platform can provide to partners. The development and launch of enhanced or new tests requires the completion of certain clinical development and commercialization activities that are complex, costly, time- intensive and uncertain, and requires us to accurately anticipate patients', clinicians', payors' and other counterparties' attitudes and needs as well as emerging technology and industry trends. This process is conducted in various stages, and each stage presents the risk that we will not achieve our goals. We have relatively limited experience developing and commercializing products and services outside of the diagnostics business, and we may not be successful in our current or future efforts to do so. We also have limited experience forecasting our future financial performance from our new products and services, and our actual results may fall below our financial guidance or other projections, or the expectations of analysts or investors, which could cause the price of our Class A common stock and warrants to decline. We may experience research and development, regulatory, marketing and other difficulties that could delay or prevent our introduction of enhanced or new tests and result in increased costs and the diversion of management' s attention and resources from other business matters, such as from our current product and service offerings, which currently represent the significant majority of our current revenues. For example, any tests that we may enhance or develop may not prove to be clinically effective in clinical trials or commercially, or may not meet our desired target product profile, be offered at acceptable cost and with the sensitivity, specificity and other test performance metrics necessary to address the relevant clinical need or commercial opportunity, our test performance in commercial experience may be inconsistent with our validation or other clinical data, we may not be successful in achieving market awareness and demand, whether through our own sales and marketing operations or through collaborative arrangements, healthcare providers may not order or use, or third-party payors may not reimburse for, any tests that we may enhance or develop, or we may otherwise have to abandon a test or service in which we have invested substantial resources. We cannot provide assurance that we can successfully complete the development of any new or enhanced product, or that we can establish or maintain the collaborative relationships that may be essential to our collaborators' goals, including clinical development or commercialization efforts. For example, the publication of clinical data in peer- reviewed journals is a crucial step in commercializing and obtaining reimbursement for certain diagnostic solutions such as the ones offered by us, and our inability to control when, if ever, results are published may delay or limit our ability to derive sufficient revenues from any diagnostic solution that is the subject of or component in a study. Peer-reviewed publications regarding our products may be limited by many factors, including delays in the completion of, poor design of, or lack of compelling data from, clinical studies, as well as delays in the review, acceptance and publication process. If our diagnostic solutions or the technology underlying our current and future diagnostic solutions do not receive sufficient favorable exposure in peer- reviewed publications, the rate of clinician adoption of our diagnostic solutions and positive reimbursement coverage determinations for our diagnostic solutions could be negatively affected. These and other factors beyond our control could result in delays or other difficulties in the research and development, approval, production, launch, marketing or distribution of enhanced or new tests and could adversely affect our competitive position and results of operations. Accessing, combining, curating, and analyzing health information, including longitudinal patient medical history data and genetic data, are core features of ~~the Centrellis ®~~ **our heath information** platform. The regulatory landscape around the storage, processing and deidentification of genetic data is evolving globally and greatly impacts the ability of us, our strategic partners and collaborators to process and use the data in connection with our products and services. We have limited resources to conduct our health information services, data analysis, life sciences research, clinical diagnostics and drug discovery operations and have not yet fully established infrastructure for sales, marketing or distribution in connection with our products and services. Our future success depends in part on our ability to maintain and grow our existing relationships and to establish new relationships. Many factors may impact the success of such collaborations, including our ability to perform our obligations, our collaborators' satisfaction with our products and services, our collaborators' performance of their obligations to us, our collaborators' internal priorities, resource allocation decisions and competitive opportunities, the ability to obtain regulatory approvals, disagreements with collaborators, the costs required of either party to the collaboration and related financing needs, and operating, legal and other risks in any relevant jurisdiction. Our ability to support such collaborations may also depend on factors outside of our control including the willingness of patients to engage with us and share their data, societal perspectives on privacy, and the willingness of health systems to establish collaborations, relationships and programs utilizing their data, all of which may impact the utility of these databases and the insights we will be able to generate from expanding datasets. In addition to reducing our revenue or delaying the development of our future products and services, the loss of one or more of these relationships may reduce our access to research, longitudinal patient health data, clinical trials or computing technologies that facilitate the collection and incorporation of new information into the databases we manage and to which we have access. All of the risks relating to product and service development, regulatory clearance, authorization or approval and commercialization described herein apply to us derivatively through the activities of our collaborators. We engage in conversations with companies regarding potential collaborations on an ongoing basis. These conversations may not result in a commercial agreement. Even if an agreement is reached, the resulting relationship may not be successful, and any products and services developed as part of the collaboration may not produce successful outcomes. Speculation in the industry about our existing or potential collaborations can be a catalyst for adverse speculation about us, or our products or services, which can adversely affect our reputation and our business. If our products and services do not perform as expected, we may not realize the expected benefits of such products and services. The success of our products depends on the market' s confidence that we can provide reliable products and services that enable high quality diagnostic testing and health information services with high sensitivity and specificity and short turnaround times. There is no guarantee that the accuracy and reproducibility we have demonstrated to date will continue as our product deliveries increase and our product and service portfolio expands. Our products and services use a number of complex and sophisticated biochemical and bioinformatics processes, many of which are

highly sensitive to external factors. An operational, technological or other failure in one of these complex processes or fluctuations in external variables may result in sensitivity or specificity rates that are lower than we anticipate or result in longer than expected turnaround times. In addition, labs are required to validate their processes before using our products for clinical purposes. These validations are outside of our control. If our products do not perform, or are perceived to not have performed, as expected or favorably in it to competitive products, our operating results, reputation, and business will suffer, and we may also be subject to legal claims arising from product limitations, errors, or inaccuracies. If our sales and development or other collaborations and commercial relationships are not successful and we are not able to offset the resulting impact through our own efforts or through agreements with new partners, our commercialization activities may be impaired, and our financial results could be adversely affected. Part of our business strategy is to develop relationships with health systems, biopharma companies, and other partners to utilize our products and to provide access to data. Developing and commercializing products with third parties reduces our control over such development and commercialization efforts and subjects us to the various risks inherent in a joint effort with a third party, such as delays, operational issues, technical difficulties and other contingencies outside of our influence or control. The financial condition of these third parties could weaken, or they could terminate their relationship with us and / or stop sharing data or other information; reduce their marketing efforts relating to our products; develop and commercialize, or otherwise utilize competing products in addition to or in lieu of our tests; merge with or be acquired by a competitor of us or a company that chooses to de- prioritize the efforts to utilize our products or provide us with adequate data; or otherwise breach their agreements with us. Further, we must expend resources to operationalize our existing collaborations with our health system partners, which requires substantial effort in areas such as integrations for testing workflow, electronic medical record, consents, marketing, and billing. To the extent we are not successful at operationalizing existing collaborations with health partners, we may not be able to further improve or pursue new agreements with additional partners. Furthermore, our partners may misappropriate our trade secrets or use our proprietary information in such a way as to expose us to litigation and potential liability, and our compliance risk may increase to the extent that we are responsible for our partners' activities. Disagreements or disputes with our health systems and other partners, including disagreements over customers, proprietary or other rights or our or their compliance with financial or other contractual obligations, might cause delays or impair the development or commercialization of our products, services, and technologies, lead to additional responsibilities for us with respect to new products, services and technologies, or result in litigation or arbitration, any of which would divert management attention and resources and be time- consuming and expensive. ~~As is typical for companies in our industry, we are continually evaluating and pursuing various strategic or commercial relationships, some of which may involve the sale and issuance of our Class A common stock, which could result in additional dilution of the percentage ownership of our stockholders and could cause the price of our Class A common stock and warrants to decline.~~ If our relationships are not successful, our ability to develop and improve of products, services and technologies, and to successfully execute our commercial strategy regarding such products, services and technologies, could be compromised. **Our** ~~If we are unable to deploy and maintain effective sales, marketing and medical affairs capabilities, we will have difficulty achieving market awareness and selling our products and services. To achieve commercial success for our tests and our future products and services, we must continue to develop and grow our sales, marketing and medical affairs organizations to effectively explain to healthcare providers the reliability, effectiveness and benefits of our current and future products and services as compared to alternatives. We may not be able to successfully manage our dispersed or inside sales forces or our sales force may not be effective. Because of the competition for their services, we may be unable to hire, partner with or retain additional qualified sales representatives or marketing or medical affairs personnel, either as our employees or independent contractors or through independent sales or other third- party organizations. Market competition for commercial, marketing and medical affairs talent is significant, and we may not be able to hire or retain such talent on commercially reasonable terms, if at all. We may never become profitable. We have incurred losses since our formation and we expect to continue to generate significant~~ operating ~~losses for the foreseeable future. We expect to continue investing significantly toward development and commercialization of our products and services and expect to continue efforts to reduce operating costs. If our revenue does not grow significantly, or if we are unable to achieve planned cost reductions, we will not be profitable. We cannot be certain that the revenue from the sale of any products or services based on our technologies will be sufficient to make us profitable. Our revenues and~~ results ~~of operations~~ may fluctuate significantly, depending on a variety of factors, including the following: • our success in marketing and selling, and changes in demand for, our tests, and the level of reimbursement and collection obtained for such tests; • seasonal and environmental variations affecting healthcare provider recommendations for our tests and patient compliance with healthcare provider recommendations, including without limitation holidays, weather events, and circumstances such as the outbreak of coronavirus or influenza that may limit patient access to medical practices for diagnostic tests and preventive services; • our success in collecting payments from third- party payors, patients and collaborative partners, variation in the timing of these payments and recognition of these payments as revenues; • the pricing of our tests, including potential changes in CMS or other reimbursement rates; • circumstances affecting our ability to provide our tests, including weather events, supply shortages, or regulatory or other circumstances that adversely affect our ability to manufacture our tests or process tests in our clinical laboratories; • circumstances affecting our ability to provide health information and data science services to biopharma partners, including software or hardware failures, insufficient capacity, regulatory changes or other circumstances that adversely affect the ability of us to deliver these services; • fluctuations in the amount and timing of our selling and marketing costs and our ability to manage costs and expenses and effectively implement our business; • our research and development activities; and • our ability to collect, use, and commercialize data in a changing regulatory environment at a time when the public is growing increasingly concerned about privacy. Our revenue growth rate could decline over time, and it may experience downward pressure on our operating margins in the future. Our revenue growth rate could decline over time as a result of a number of factors, including increasing competition and the continued expansion of our business into a variety of new fields. Changes in geographic mix and

product and service mix and an increasing competition for tests may also affect our revenue growth rate. We may also experience a decline in our revenue growth rate as our revenues increase to higher levels, if there is a decrease in the rate of adoption of our products, services, and technologies, among other factors. In addition to a decline in our revenue growth rate, we may also experience downward pressure on our gross operating margins resulting from a variety of factors, such as the continued expansion of our business into new fields, including new products and services, as well as significant investments in new areas, all of which may have margins lower than those that we generate from testing. We may also experience downward pressure on our gross operating margins from increasing competition and increased costs for many aspects of our business. We may also pay increased fees to our partners as well as increased acquisition costs. We may also face an increase in infrastructure costs, supporting other businesses. Additionally, our expenditures to promote new products and services or to distribute certain products and services or increased investment in our innovation efforts may affect our operating margins. Due to these factors and the evolving nature of our business, our historical revenue growth rate and historical gross operating margins may not be indicative of our future performance. ~~In the course of preparing Legacy Sema4' s financial statements as of December 31, 2020, we previously identified material weaknesses in our internal control over financial reporting. Certain of these material weaknesses remain unremediated as of December 31, 2023. For a discussion of these material weaknesses, see " Item 9A. Controls and Procedures. " Our management is actively engaged and committed to taking the steps necessary to remediate the control deficiencies that constituted the material weaknesses. However, we cannot guarantee that the steps we have taken or may subsequently take have been or will be sufficient to remediate the material weaknesses or ensure that our internal controls are effective. For a discussion of our remediation plan and actions, see " Item 9A. Controls and Procedures. " Furthermore, as a public company, we are required to comply with certain rules and requirements related to our disclosure controls and procedures and our internal control over financial reporting. Any failure to develop or maintain effective controls as a public company, any deficiencies found in the technology system we use to support our controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. For more information, see " Risks Related to Being a Public Company — Our internal controls over financial reporting may not be effective and our independent registered public accounting firm may not be able to certify as to their effectiveness, which could have a significant and adverse effect on our business and reputation. "~~ Our ability to use our net operating loss carry forwards and certain other tax attributes may be limited. As of December 31, ~~2023~~ **2024** , our total gross deferred tax assets were approximately $ ~~326~~ **318** million. Future realization of the tax benefits of existing temporary differences and carryforwards ultimately depends on the existence of sufficient taxable income within the carryforward period. As of December 31, ~~2023~~ **2024** and December 31, ~~2022~~ **2023** , the Company performed an evaluation to determine whether a valuation allowance was needed. Based on the Company' s analysis, which considered all available evidence, both positive and negative, the Company determined that it is more likely than not that a significant portion of its deferred tax assets will not be realized. Accordingly, the Company maintained a full valuation allowance as of December 31, ~~2023~~ **2024** and December 31, ~~2022~~ **2023** . Furthermore, under Section 382 of the Internal Revenue Code of 1986, as amended (the " Internal Revenue Code "), if a corporation undergoes an " ownership change, " the corporation' s ability to use its pre- change net operating loss carryforwards (" NOLs ") and other pre- change tax attributes (such as research tax credits) to offset its future taxable income may be limited. In general, an " ownership change " occurs if there is a cumulative change in its ownership by " 5 % shareholders " that exceeds 50 percentage points over a rolling three- year period. Our existing NOLs and tax credit carryovers may be subject to limitations arising from previous ownership changes, and if we undergo one or more ownership changes in connection with completed acquisitions, including the Business Combination or the Acquisition, or future transactions in our stock, our ability to utilize NOLs and tax credit carryovers could be further limited by Section 382 of the Internal Revenue Code. As a result, if we earn future taxable income, our ability to use our pre- change net operating loss and tax credit carryforwards to offset U. S. federal taxable income may be subject to limitations, which could potentially result in increased future tax liability to us. In addition, the Tax Cuts and Jobs Act limits the deduction for NOLs to 80 % of current year taxable income and eliminates NOL carrybacks. Further, there may also be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state liability. Risks Related to Our Key Relationships We rely on commercial delivery services to transport samples to our facilities in a timely and cost- efficient manner and if these delivery services are disrupted, our business could be harmed. Our core business depends on our ability to quickly and reliably deliver test results to our customers. We typically receive blood and saliva samples for analysis at our laboratory facilities within days of collection from the patient. Disruptions and errors in these delivery service and accessioning errors and breaches, whether due to error by the delivery service, labor disruptions, bad weather, natural disaster, terrorist acts or threats, outbreaks of disease or for other reasons, could adversely affect specimen integrity, our ability to process or store samples in a timely manner and to service our customers, and ultimately our reputation and our business. In addition, if we are unable to continue to obtain expedited delivery services on commercially reasonable terms, our operating results may be adversely affected. Risks Related to Acquisitions and Other Strategic Transactions ~~From time to time, we may decide to exit certain businesses or otherwise undertake restructuring, reorganization, or other strategic initiatives and business transformation plans to realign our resources with our growth strategies, operate more efficiently and control costs. The successful implementation of our restructuring activities may from time to time require us to effect business and asset dispositions, workforce reductions, management restructurings, decisions to limit investments in or otherwise exit businesses, facility consolidations and closures, and other actions, each of which may depend on a number of factors that may not be within our control. For example, as described in more detail elsewhere in this Annual Report, we enacted a plan to reduce our operating expenses during the fourth quarter of 2023, we exited our reproductive and women' s health testing business during the first quarter of 2023, and we exited our somatic tumor testing business during the fourth quarter of 2022. Any such effort to realign or streamline our organization may result in the recording of restructuring or other charges, such as asset impairment charges, contract and lease termination~~

~~costs, exit costs, termination benefits and other restructuring costs. Further, as a result of restructuring initiatives, we may experience a loss of continuity, loss of accumulated knowledge and proficiency, adverse effects on employee morale, loss of key employees and / or other retention issues during transitional periods. Reorganization and restructuring can impact a significant amount of management and other employees' time and focus, which may divert attention from operating and growing our business. Further, upon completion of any restructuring initiatives, our business may not be more efficient or effective than prior to the implementation of the plan and we may be unable to achieve anticipated operating enhancements or cost reductions, which would adversely affect our business, competitive position, operating results and financial condition.~~ We may seek to grow our business through additional acquisitions of complementary products or technologies and we may from time to time dispose of **or discontinue** businesses or assets, and the failure to manage these acquisitions or dispositions, or the failure to integrate acquired businesses with our existing business, could have a material adverse effect on our business, financial condition and operating results. From time to time, we may consider additional opportunities to acquire other products or technologies that may enhance our product platform or technology, expand the breadth of our markets or customer base, or advance our business strategies. In addition, we exited both our reproductive and women' s health testing business and our somatic tumor testing business, which involves the divestiture of these businesses, and we may consider disposing other assets or businesses in the future. Potential acquisitions involve numerous risks, including: • problems assimilating the acquired products or technologies; • issues maintaining uniform standards, procedures, controls and policies; • unanticipated costs associated with acquisitions; • diversion of management' s attention from our existing business; • risks associated with entering new markets in which we have limited or no experience; and • increased legal and accounting costs relating to the acquisitions or compliance with regulatory matters. We do not know if we will be able to identify any other acquisitions we deem suitable, whether we will be able to successfully complete any acquisitions on favorable terms or at all, or whether we will be able to successfully integrate any acquired products or technologies. Our potential inability to integrate any acquired products or technologies effectively may adversely affect our business, operating results and financial condition. Dispositions may similarly involve risks associated with the potential disruption of our ongoing business and distraction of our management team, and the anticipated benefits and cost savings of these transactions may not be realized fully, or at all, or take longer to realize than anticipated. In addition, dispositions may involve our continued financial involvement in a divested business, such as through continuing equity ownership, transition service agreements, guarantees, indemnities or other current or contingent financial obligations. Under these arrangements, performance by the acquired or divested business, or other conditions outside our control, could affect our future financial results. Risks Related to Legal, Regulatory and Compliance We may be subject to increased compliance risks as a result of our rapid growth, including our dependence on our sales, marketing and billing efforts. We have had to expand our training and compliance efforts in line with our increasing reliance on personnel in our sales, marketing and billing functions, and our expansion of these functions in line with the overall growth in our business. We continue to monitor our personnel, but we have in the past experienced, and may in the future experience, situations in which employees fail to strictly adhere to our policies. In addition, sales and marketing activities in the healthcare space are subject to various rules and regulations. Moreover, our billing and marketing messaging can be complex and nuanced, and there may be errors or misunderstandings in our employees communication of such messaging. Furthermore, we utilize text messaging, email, phone calls and other similar methods to communicate with patients who are existing or potential users of our products for various business purposes. These activities subject us to laws and regulations relating to communications with consumers, such as the CAN- SPAM Act and the Telephone Consumer Protection Act, violations of which could subject us to claims by consumers, who may seek actual or statutory damages, which could be material in the aggregate. As we continue to scale up our sales and marketing efforts in line with the growth in our business, in particular our increased pace of product launches as well as further geographical expansion, we face an increased need to continuously monitor and improve our policies, processes and procedures to maintain compliance with a growing number and variety of laws and regulations, including with respect to consumer marketing. To the extent that there is any violation, whether actual, perceived or alleged, of our policies or applicable laws and regulations, we may incur additional training and compliance costs, may receive inquiries from third- party payors or other third parties, or be held liable or otherwise responsible for such acts of non- compliance. Any of the foregoing could adversely affect our cash flow and financial condition. If we use hazardous materials in a manner that causes injury, we could be liable for resulting damages. Our activities currently require the use of hazardous chemicals and biological material. We cannot eliminate the risk of accidental contamination or injury to employees or third parties from the use, storage, handling or disposal of these materials. In the event of contamination or injury, we could be held liable for any resulting damages, and any liability could exceed our resources or any applicable insurance coverage we may have. Additionally, we are subject on an ongoing basis to federal, state and local laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. The cost of compliance with these laws and regulations may become significant, and our failure to comply may result in substantial fines or other consequences, and either could negatively affect our operating results. **Changes in FDA enforcement discretion for laboratory developed tests LDTs could subject our operations to much more significant regulatory requirements.** We currently offer an LDT version of certain tests. ~~The~~ **Historically, the** FDA has **exercised** a policy of enforcement discretion with respect to **most** LDTs, whereby the FDA ~~does~~ **did** not actively enforce its medical device regulatory requirements for such tests. However, **at various points** in ~~October 2014~~ **recent years** , ~~the~~ FDA **has indicated** ~~issued two draft guidance documents stating~~ that ~~the FDA intended to modify its~~ **it** ~~policy of~~ **intends to end** enforcement discretion ~~with respect to LDTs in a risk-based manner consistent with the existing classification of medical devices. Although the FDA halted finalization of the guidance in November 2016 to allow~~ for **many tests offered** ~~further public discussion on an appropriate oversight approach to LDTs and to give Congressional authorizing committees the opportunity to develop a legislative solution, it is unclear if Congress or the FDA will modify the current approach to the regulation of LDTs in a way that would subject our current or future services marketed~~ as LDTs **, and** to ~~the enforcement of~~ **require such tests to comply with certain** FDA regulatory

requirements. **Agency officials** ~~The FDA Commissioner and the Director of the Center for Devices and Radiological Health (" CDRH ")~~ have **previously** expressed significant concerns regarding **performance** disparities between some LDTs and in vitro diagnostics that have been reviewed, cleared, authorized or approved by the FDA **. Most recently, on April 29, 2024, the FDA published a final rule on LDTs, in which FDA outlines its plans to end enforcement discretion for many LDTs in five stages over a four- year period. In Phase 1 (effective May 6, 2025), clinical laboratories would be required to comply with medical device (adverse event) reporting, correction / removal reporting, and certain quality systems complaint handling requirements. In Phase 2 (effective May 6, 2026), clinical laboratories would be required to comply with all other device requirements (e. g., registration / listing, labeling, investigational use), except for remaining quality systems requirements and premarket review. In Phase 3 (effective May 6, 2027), clinical laboratories would be required to comply with all remaining applicable quality systems requirements. In Phase 4 (effective November 6, 2027), clinical laboratories would be required to comply with premarket submission requirements for high- risk tests (i. e., tests subject to premarket approval (PMA) requirement). Finally, in Phase 5 (effective May 6, 2028), clinical laboratories would be required to comply with premarket submission requirements for moderate- and low- risk tests (i. e., tests subject to de novo or 510 (k) requirement). The final rule potentially extends enforcement discretion for certain tests – e. g., LDTs approved by the New York State Department of Health, and LDTs first marketed prior to May 6, 2024 which are not modified or are modified in certain limited ways – from certain FDA regulatory requirements, provided certain important limitations have been met. We are actively reviewing the final rule to evaluate its applicability to our operations, and the extent to which we may be required to modify our operations to comply with its requirements. Multiple lawsuits have been filed challenging the FDA' s authority to regulate LDTs as medical devices under the Federal Food, Drug, and Cosmetic Act. The outcome of these lawsuits is uncertain at this time** . If the FDA were to determine that certain tests offered by us as LDTs are ~~not~~ **no longer eligible** ~~within the policy~~ for ~~LDTs~~ **enforcement discretion** for any reason, including new rules, policies or guidance, or due to changes in statute, our tests may become subject to extensive FDA requirements or our business may otherwise be adversely affected. If the FDA were to **actively regulate** ~~disagree with our LDT status or~~ **our** ~~modify its approach to regulating~~ LDTs, we could experience reduced revenue or increased costs, which could adversely affect our business, prospects, results of operations and financial condition. If required, the regulatory marketing authorization process required to bring our current or future LDTs into compliance may involve, among other things, successfully completing additional clinical validations and submitting to and obtaining clearance from the FDA for a premarket clearance (510 (k)) submission or authorization for a de novo **submission** or approval of a premarket approval **application** . Furthermore, pending legislative proposals, if ~~passed~~ **enacted** , such as the VALID Act, could create new or different regulatory and compliance burdens on us and could have a negative effect on our ability to keep products on the market or develop new products, which could have a material effect on our business. In the event that the FDA requires marketing authorization of our LDTs in the future, the FDA may not ultimately grant any clearance, authorization or approval requested by us in a timely manner, **may limit** ~~or~~ **our indication in a way that is not commercially desirable, or refuse to provide such authorization** at all. In addition, if the FDA inspects our laboratory in relation to the marketing of any FDA- authorized test, any enforcement action the FDA takes might not be limited to the FDA- authorized test carried by us and could encompass our other testing services ~~. Recently, the FDA has also taken a more active role in certain diagnostic areas, including the oversight of pharmacogenetic (" PGx ") tests. In 2019, the FDA contacted several laboratories to demand changes to PGx test reports and marketing materials. In February 2020, the FDA issued a statement indicating that it continues to have concerns about the claims that certain clinical laboratories make with respect to their PGx tests, and published tables that list PGx associations for which the FDA has determined that the data support therapeutic management recommendations, a potential impact on safety or response, or a potential impact on pharmacokinetic properties only, respectively. To date, however, the FDA has not provided any general guidance on the types of claims or other characteristics that will cause a PGx test to fall outside FDA' s enforcement discretion. As such, the extent to which the FDA will allow any laboratory to offer PGx tests in their current form without meeting FDA regulatory requirements for medical devices is unclear at this time~~ . Our business is subject to various complex laws and regulations applicable to clinical diagnostics. We could be subject to significant fines and penalties if we or our partners fail to comply with these laws and regulations. As a provider of clinical diagnostic products and services, we and our partners are subject to extensive and frequently changing federal, state, local and foreign laws and regulations governing various aspects of our business. In particular, the clinical laboratory and healthcare industry is subject to significant governmental certification and licensing regulations, as well as federal, state and foreign laws regarding: • test ordering and billing practices; • marketing, sales and pricing practices; • health information privacy and security, including HIPAA and comparable state laws; • insurance; • anti-markup legislation; • fraud and abuse; and • consumer protection. We are also required to comply with **applicable** FDA regulations, including with respect to our labeling and promotion activities. In addition, advertising and marketing of our clinical products are subject to regulation by the Federal Trade Commission (the " FTC "), and advertising of laboratory services is regulated by certain state laws. Violation of any FDA requirement could result in enforcement actions, such as seizures, injunctions, civil penalties and criminal prosecutions, and violation of any FTC or state law requirement could result in injunctions and other remedies, all of which could have a material adverse effect on our business. Most states also have similar regulatory and enforcement authority for devices. Additionally, most foreign countries have authorities comparable to the FDA and processes for obtaining marketing approvals. Obtaining and maintaining these approvals, and complying with all laws and regulations, may subject us to similar risks and delays as those we could experience under FDA, FTC and state regulation. We incur various costs in complying and overseeing compliance with these laws and regulations. The growth of our business and sales organization, the acquisition of additional businesses or products and services and our expansion outside of the U. S. may increase the potential of violating these laws, regulations or our internal policies and procedures. Healthcare policy has been a subject of extensive discussion in the executive and legislative branches of the federal and many state governments, and

healthcare laws and regulations are subject to change. Development of the existing commercialization strategy for our tests and planned development of products in our pipeline has been based on existing healthcare policies. We cannot predict what additional changes, if any, will be proposed or adopted or the effect that such proposals or adoption may have on our business, financial condition and results of operations. If we or our partners, fail to comply with these laws and regulations, it could incur significant fines and penalties and our reputation and prospects could suffer. Additionally, any such partners could be forced to cease offering our products and services in certain jurisdictions, which could materially disrupt our business. An adverse outcome could include us being required to pay treble damages, incur civil and criminal penalties, paying attorneys' fees, entering into a corporate integrity agreement, being excluded from participation in government healthcare programs, including Medicare and Medicaid, and other adverse actions that could materially and adversely affect our business, financial condition and results of operations. The HIPAA privacy, security and breach notification regulations, which include requirements implemented under the HITECH Act, establish federal standards with respect to the uses and disclosures of protected health information (" PHI "), by health plans, healthcare providers and healthcare clearinghouses. The HIPAA regulations generally prohibit the use and disclosure of PHI without patient authorization, unless the use or disclosure is for payment, treatment or healthcare operations purposes. In setting standards to protect the confidentiality, integrity and security of PHI, the regulations establish a regulatory framework that addresses a variety of subjects, including: • the circumstances under which uses and disclosures of PHI are permitted or required without a written authorization from the patient, including but not limited to treatment purposes, activities to obtain payments for our services, and our healthcare operations activities; • a patient' s rights to access, amend and receive an accounting of certain disclosures of PHI; • requirements to notify individuals if there is a breach of their PHI; • the contents of notices of privacy practices related to the use and disclosure of PHI; • administrative, technical and physical safeguards required of entities that use or receive PHI; • criteria related to the deidentification and aggregation of PHI; and • the use and protection of electronic PHI. We are also required to comply with applicable state privacy, security and breach notification laws and regulations, which may be more stringent than federal HIPAA requirements. In addition, for healthcare data transfers from other countries relating to citizens and / or residents of those countries, we are also required to comply with the laws of those countries. Furthermore, on December 1, 2022, the U. S. Department of Health and Human Services, Office for Civil Rights (" OCR ") issued a Bulletin highlighting the obligations of HIPAA covered entities and business associates with respect to the use of online tracking technologies **. OCR updated this Bulletin on March 18, 2024** . To the extent that a covered entity or business associate permits a tracking technology vendor to collect PHI of its customers, the parties must enter into a business associate agreement. In addition, the PHI collected may only be used for treatment or health care operation purposes, in accordance with HIPAA. The PHI cannot be used for marketing purposes that are not connected with treatment or health care operations absent a HIPAA compliant authorization from each customer whose information is being shared. Although HIPAA does not provide for private rights of action, HIPAA gives OCR and the Department of Justice the authority to assess significant fines and other penalties for wrongful use or disclosure of PHI, including potential civil and criminal fines and penalties. OCR may require an entity to enter into a settlement agreement which may include ongoing oversight and auditing of a company' s HIPAA compliance program. In addition, computer networks are always vulnerable to breach and unauthorized persons may in the future be able to exploit weaknesses in the security systems of our computer networks and gain access to PHI. Additionally, we share PHI with third- parties who are legally obligated to safeguard and maintain the confidentiality of PHI. Despite such protections, unauthorized persons may also be able to gain access to PHI stored in such third parties' computer networks. Any wrongful use or disclosure of PHI by us or such third- parties, including disclosure due to data theft or unauthorized access to us or such third- parties' computer networks, could subject us to fines or penalties that could adversely affect our business and results of operations. In addition, we distribute PHI to patients in physical form (e. g., test materials and / or test results), which introduces additional risk that human error will result in unauthorized disclosures of PHI. Although HIPAA does not expressly provide for a private right of action for damages, we could also be liable for damages under state privacy laws to private parties for the wrongful use or disclosure of confidential health information or other private personal information. We have implemented practices intended to meet the requirements of the HIPAA privacy, security and breach notification regulations, as required by law, but cannot guarantee that such practices fully satisfy all applicable requirements under HIPAA. In addition, the Company has experienced a number of " security incidents " (as defined under HIPAA) that involved the unauthorized disclosure of PHI. A subset of these incidents was determined to be reportable breaches requiring disclosure to OCR, as well as to the affected patients. Moreover, we cannot confirm that we have identified all previous incidents that could constitute reportable breaches, or that the mitigation steps undertaken in response to known breaches are adequate to satisfy applicable regulatory requirements and prevent any future unauthorized disclosures. As noted above, in addition to HIPAA, we are subject to myriad federal, state, and local requirements pertaining to the collection, retention, and disclosure of genetic material. While we endeavor to remain current with such requirements, we can provide no assurance that we are, or will remain, in compliance with all applicable requirements. Failure to comply with privacy and data security requirements could result in a variety of consequences, including significant fines and penalties as well as damage to our reputation, any of which could have a material adverse effect on our business. Some of our activities may subject the Company to risks under federal and state laws prohibiting ' kickbacks' and false or fraudulent claims. In addition to FDA marketing and promotion restrictions, several other types of state and federal healthcare fraud and abuse laws have been applied in recent years to restrict certain marketing practices in the healthcare product and service industry and to regulate billing practices and financial relationships with healthcare providers, hospitals and other healthcare providers. These laws include, among others, a federal law commonly known as the federal Anti- Kickback Statute, the federal False Claims Act, the federal physician self- referral law, known as the Stark Law, and corollary state laws. These laws constrain, among other things, the sales, marketing and other promotional activities of manufacturers of medical devices and providers of laboratory services by limiting the kinds of financial arrangements, including sales programs, free goods and services, consulting arrangements, speaker programs, compensated

service arrangements (including specimen collection and processing), and other non- monetary compensation (e. g., meals, gifts and other business courtesies), that may be used with hospitals, healthcare providers, laboratories and other potential purchasers or prescribers of medical devices and laboratory services. The federal and state fraud and abuse laws prescribe civil and, in some cases, criminal penalties (including fines) for noncompliance that can be substantial. In addition, various states have enacted false claim laws analogous to the federal laws that apply where a claim is submitted to any third- party payor and not only a governmental payor program. Moreover, any claim for reimbursement that is predicated on a violation of the Anti- Kickback Statute may constitute a " false claim " under the False Claims Act (discussed in further detail below). In 2018, Congress passed the Eliminating Kickbacks in Recovery Act (" EKRA "), as part of the Substance Use- Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act. Similar to the Anti- Kickback Statute, EKRA imposes criminal penalties for knowing or willful payment or offer, or solicitation or receipt, of any remuneration, whether directly or indirectly, overtly or covertly, in cash or in kind, in exchange for the referral or inducement of laboratory testing (among other healthcare services) unless a specific exception applies. However, unlike the Anti- Kickback Statute, EKRA is not limited to services covered by federal or state healthcare programs but applies more broadly to services covered by " healthcare benefit programs, " including commercial insurers. As currently drafted, EKRA potentially expands the universe of arrangements that could be subject to government enforcement under federal fraud and abuse laws. In addition, while the Anti- Kickback Statute, includes certain exceptions that are widely relied upon in the healthcare industry, including safe harbors applicable to certain employees and personal service contracts, and not all of those same exceptions apply under EKRA. EKRA expressly does not protect employee compensation that varies by the number of individuals referred to a laboratory, the number of tests performed by a laboratory, or the amount billed to or received from a health benefit program from individuals referred to a laboratory. Because EKRA is a relatively new law, there is no agency guidance and only two courts have addressed the application of EKRA and those courts reached opposite conclusions. One Court ruled that the commission- based compensation provisions of a laboratory employee' s contract did not violate EKRA while the other court expressly disagreed. Given the conflicting opinions, we cannot be assured that courts in our jurisdiction will reach the same conclusion or that the decision will not be overturned if there is an appeal. We cannot assure you that our relationships with healthcare providers, hospitals, customers, our own sales representatives, or any other party will not be subject to scrutiny or will survive regulatory challenge under EKRA or other anti- kickback laws. The False Claims Act prohibits **, among other things,** knowingly presenting (or causing the presentation of) a false claim for ~~reimbursement by a~~ **payment to the** federal **government** ~~health care program~~ . Violation of the False Claims Act can result in substantial penalties, including treble damages. Moreover, the False Claims Act permits enforcement by qui tam relators (i. e., whistleblowers), such as competitors, customers, or current / former employees, who will receive a portion of any settlement. As discussed above, violations of the Anti- Kickback statute can serve as the basis for enforcement under the False Claims Act. In addition, inaccurate or otherwise improper claims for reimbursement could constitute a false claim, meaning that we or our partners must carefully and accurately code claims for reimbursement, proactively monitor the accuracy and appropriateness of claims and payments received, diligently investigate any credible information indicating that we or our partners may have received an overpayment, and promptly return any overpayments. Medicare payments are subject to audit, including through the Comprehensive Error Rate Testing (" CERT "), program, and payments may be recouped by CMS if it is determined that they were improperly made. Currently, a small percentage of our revenues are generated by payments from Medicare. While we continually strive to comply with these complex requirements, interpretations of the applicability of these laws to marketing and billing practices are constantly evolving and even an unsuccessful challenge could cause adverse publicity and be costly to respond to, and thus could harm our business and prospects. In addition, while we have and will continue to enter into certain financial arrangements with referral sources, and we endeavor to ensure that such arrangements are designed to comply with applicable rules, laws and regulations, we can offer no assurance that such arrangements will not result in regulatory or enforcement scrutiny. Our failure to comply with applicable laws could result in various adverse consequences that could have a material adverse effect upon our business, including the exclusion of our products and services from government programs and the imposition of civil or criminal sanctions. Our business could be harmed by the loss, suspension or other restriction on a license, certification or accreditation, or by the imposition of a fine or penalties, under CLIA, our implementing regulations or other state, federal and foreign laws and regulations affecting licensure or certification, or by future changes in these laws or regulations. Federal law requires virtually all clinical laboratories to comply with CLIA, which generally involves becoming certified by the federal and state government for the testing that will be performed and complying with various operational, personnel, facilities administration, quality and proficiency testing requirements intended to ensure that testing services are accurate and reliable. CLIA certification is also a prerequisite to be eligible to bill state and federal healthcare programs, as well as many private third- party payors, for clinical diagnostic testing services. For example, as a condition of our CLIA certification, a laboratory may be subject to survey and inspection every other year, additional random inspections and surprise inspections based on complaints received by state or federal regulators. The biennial survey and inspection is conducted by CMS, a CMS agent or, if the laboratory holds a CLIA certificate of accreditation, a CMS- approved accreditation organization, such as CAP. Sanctions for failure to comply with CLIA requirements, including proficiency testing violations, may include suspension, revocation or limitation of a laboratory' s CLIA certificate, which is necessary to conduct business, as well as the imposition of significant civil, administrative or criminal sanctions against the lab, its owners and other individuals. In addition, we are subject to regulation under certain state laws and regulations governing laboratory licensure. Some states have enacted laboratory licensure and compliance laws that are more stringent than CLIA. Changes in state licensure laws that affect our ability to offer and provide research and diagnostic products and services across state or foreign country lines could materially and adversely affect our business. In addition, state and foreign requirements for laboratory certification may be costly or difficult to meet and could affect our ability to receive specimens from certain states or foreign countries. Any sanction imposed under CLIA, its implementing regulations or state or foreign laws or

regulations governing licensure, or our failure to renew a CLIA certificate, a state or foreign license or accreditation, could have a material adverse effect on our business. We may never obtain approval in the EU or in any other foreign country for any of our products or services and, even if we do, we or our partners and collaborators may never be able to commercialize them in another jurisdiction, which would limit our ability to realize their full market potential. In order to eventually market any of our current or future products and services in any particular foreign jurisdiction, we must establish compliance with numerous and varying regulatory requirements on a jurisdiction- by- jurisdiction basis regarding quality, safety, performance, privacy and efficacy. In addition, clinical trials or clinical investigations conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory clearance, authorization or approval in one country does not guarantee regulatory clearance, authorization or approval in any other country. Approval processes vary among countries and can involve additional product testing and validation and additional administrative review periods. Seeking foreign regulatory clearance, authorization or approval could result in difficulties and costs for us and our collaborators and require additional preclinical studies, clinical trials or clinical investigations which could be costly and time- consuming. Regulatory requirements and ethical approval obligations can vary widely from country to country and could delay or prevent the introduction of our products and services in those countries. The foreign regulatory clearance, authorization or approval process involves all of the risks and uncertainties associated with FDA clearance, authorization or approval. We currently have limited experience in obtaining regulatory clearance, authorization or approval in international markets. If we or our collaborators fail to comply with regulatory requirements in international markets or to obtain and maintain required regulatory clearances, authorizations or approvals in international markets, or if those approvals are delayed, our target market will be reduced and our ability to realize the full market potential of our products and services will be unrealized. Complying with numerous statutes and regulations pertaining to our business is an expensive and time- consuming process, and any failure to comply could result in substantial penalties. Our operations are subject to other extensive federal, state, local and foreign laws and regulations, all of which are subject to change. These laws and regulations currently include, among others: • HIPAA, which establishes comprehensive federal standards with respect to the privacy and security of protected health information and requirements for the use of certain standardized electronic transactions; • amendments to HIPAA under HITECH, which strengthen and expand HIPAA privacy and security compliance requirements, increase penalties for violators and expand vicarious liability, extend enforcement authority to state attorneys general, and impose requirements for breach notification; • the General Data Protection Regulation (" GDPR ") and UK Data Protection Act 2018 (" UK GDPR "), ~~,~~ which imposes strict privacy and security requirements on controllers and processors of European and UK personal data, including enhanced protections for " special categories " of personal data, including sensitive information such as health and genetic information of data subjects; • the CCPA, and similar consumer privacy laws in Colorado, Connecticut, Utah, and Virginia, which, among other things, regulate how subject businesses may collect, use, disclose and / or sell the personal information of consumers who reside in each state, affords rights to consumers that they may exercise against businesses that collect their information, and requires implementation of reasonable security measures to safeguard personal information of consumers; • ~~Laws~~ **laws** governing genetic counseling services, relating to, among other things, the adequacy of health care, the practice of medicine and other health professions (including the provision of remote care and cross- coverage practice), equipment, personnel, operating policies and procedures and the prerequisites for ordering laboratory tests. Some states have enacted regulations specific to providing services to patients via telehealth. Such regulations include, among other things, informed consent requirements that some states require providers to obtain from their patients before providing telehealth services. Health professionals who provide professional services using telehealth modalities must, in most instances, hold a valid license to practice the applicable health profession in the state in which the patient is located. In addition, certain states require a healthcare professional providing telehealth to be physically located in the same state as the patient. Any failure to comply with these laws and regulations could result in civil or criminal penalties against telehealth providers ~~.~~ **;** • ~~Clinical~~ **clinical** and human subjects research regulations, including but not limited to the federal Policy for Protection of Human Subjects (45 C. F. R. Part 46), the FDCA and its applicable implementing regulations at 21 C. F. R. Parts 11, 50, 54, 56, 58 and 812, and all equivalent legal requirements in other jurisdictions ~~.~~ **;** • the federal Anti- Kickback Statute, which prohibits knowingly and willfully offering, paying, soliciting or receiving remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce or in return for the referral of an individual, for the furnishing of or arrangement for the furnishing of any item or service for which payment may be made in whole or in part by a federal healthcare program, or the purchasing, leasing, ordering, arranging for, or recommend purchasing, leasing or ordering, any good, item or service for which payment may be made, in whole or in part, under a federal healthcare program; • EKRA, which prohibits payments for referrals to recovery homes, clinical treatment facilities, and laboratories and reaches beyond federal health care programs, to include private insurance; • the federal physician self- referral law, known as the Stark Law, which prohibits a physician from making a referral to an entity for certain designated health services covered by the Medicare program, including laboratory and pathology services, if the physician or an immediate family member has a financial relationship with the entity unless an exception applies, and prohibits an entity from billing for designated health services furnished pursuant to a prohibited referral; • the federal False Claims Act, which imposes liability on any person or entity that, among other things, knowingly presents, or causes to be presented, a false or fraudulent claim for payment to the federal government; • the federal Civil Monetary Penalties Law, which prohibits, among other things, the offering or transfer of remuneration to a Medicare or state healthcare program beneficiary if the person knows or should know it is likely to influence the beneficiary' s selection of a particular provider, practitioner or supplier of services reimbursable by Medicare or a state healthcare program, unless an exception applies; • the HIPAA fraud and abuse provisions, which create new federal criminal statutes that prohibit, among other things, defrauding health care benefit programs, willfully obstructing a criminal investigation of a healthcare offense and falsifying or concealing a material fact or making any materially false statements in connection with the payment for healthcare benefits, items or services; • other federal and state fraud and abuse laws, such as anti- kickback laws, prohibitions on self- referral, fee- splitting restrictions, insurance

fraud laws, anti- markup laws, prohibitions on the provision of tests at no or discounted cost to induce physician or patient adoption, and false claims acts, which may extend to services reimbursable by any third- party payor, including private insurers; • the 21st Century Cures Act information blocking prohibition, which prohibits covered actors from engaging in certain practices that are likely to interfere with the access, exchange, or use of electronic health information; • the Physician Payments Sunshine Act and similar state laws that require reporting of certain payments and other transfers of value made by applicable manufacturers, directly or indirectly, to or on behalf of covered recipients including physicians (defined to include doctors of medicine, osteopathy, dentists, optometrists, podiatrists and chiropractors), physician assistants, nurse practitioners, clinical nurse specialists, certified registered nurse anesthetists, anesthesiologist assistants, certified nurse midwives and teaching hospitals as well as ownership and investment interests held by physicians and their immediate family members; • state laws that limit or prohibit the provision of certain payments and other transfers of value to certain covered healthcare providers; • the prohibition on reassignment of Medicare claims, which, subject to certain exceptions, precludes the reassignment of Medicare claims to any other party; • state laws that prohibit other specified practices, such as billing clinicians for testing that they order; waiving coinsurance, copayments, deductibles and other amounts owed by patients; billing a state Medicaid program at a price that is higher than what is charged to one or more other payors; • similar foreign laws and regulations that may apply to us in the countries in which we operate or may operate in the future; and • laws that relate to maintaining accurate information and control over activities that may fall within the purview of the U. S. Foreign Corrupt Practices Act, its books and records provisions, or anti- bribery provisions. We have adopted policies and procedures designed to comply with these laws and regulations. While the Company continues to develop and improve its compliance program, we acknowledge that further development will be necessary to help mitigate enforcement risk. Our compliance may also be subject to governmental review and, in the event of a violation of certain legal requirements, any deficiencies in our policies, procedures, and controls may subject us to increased sanctions that could materially affect our business **. Furthermore, the U. S. Supreme Court recently reversed its longstanding approach under the Chevron doctrine, which provided for judicial deference to regulatory agencies. As a result of this decision, we cannot be sure whether there will be increased challenges to existing agency regulations or how lower courts will apply the decision in the context of other regulatory schemes without more specific guidance from the U. S. Supreme Court. For example, the U. S. Supreme Court' s decision could significantly impact healthcare, privacy, AI and anti- corruption practices and other regulatory regimes with which we are required to comply. Any such regulatory developments could result in uncertainty about and changes in the ways such regulations apply to us, and may require additional resources to ensure our continued compliance** . In addition, the growth of our business and our expansion outside of the U. S. may increase the potential of violating these laws or our internal policies and procedures. The risk of us being found in violation of these or other laws and regulations is further increased by the fact that many have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management' s attention from the operation of our business. If our operations are found to be in violation of any of these laws and regulations, we may be subject to any applicable penalty associated with the violation, including significant administrative, civil and criminal penalties, damages, fines, imprisonment, exclusion from participation in Federal healthcare programs, refunding of payments received by us and curtailment or cessation of our operations, which may impact existing contracts with key payors, collaborators, health systems, and commercial partners. Any of the foregoing consequences could seriously harm our business and our financial results. Healthcare reform laws, including the Patient Protection and Affordable Care Act (" ACA, ") and the Protecting Access to Medicare Act of 2014 (" PAMA, ") are significantly affecting the U. S. healthcare and medical services industry. Existing legislation, and possible future legal and regulatory changes, including potential repeal or modification of the ACA, elimination of penalties regarding the individual mandate for coverage, or approval of health plans that allow lower levels of coverage for preventive services, could materially change the structure and finances of the health insurance system and the methodology for reimbursing medical services, drugs and devices, including our current and future products and services. The ACA has also been the subject of various legal challenges, and if the plaintiffs in any case challenging the ACA are ultimately successful, insurance coverage for our tests could be materially and adversely affected. Any change in reimbursement policy could result in a change in patient cost- sharing, which could adversely affect a provider' s willingness to prescribe and patient' s willingness and ability to use our tests and any other product or service we may develop. Healthcare reforms, which may intend to reduce healthcare costs, may have the effect of discouraging third- party payors from covering certain kinds of medical products and services, particularly newly developed technologies, or other products or tests we may develop in the future. We cannot predict whether future healthcare reform initiatives will be implemented at the federal or state level or the effect any such future legislation or regulation will have on it. The taxes imposed by new legislation, cost reduction measures and the expansion in the government' s role in the U. S. healthcare industry may result in decreased profits to us, which may adversely affect our business, financial condition and results of operations. PAMA presents significant uncertainty for future CMS reimbursement rates for our tests. Because Medicare currently covers a significant number of patients, any reduction in the CMS reimbursement rate for our tests would negatively affect our revenues and our business prospects. Under PAMA, unless delayed by an act of Congress, CMS reimbursement rates for clinical diagnostic laboratory tests are updated every three years, or annually for clinical laboratory tests that are considered " advanced diagnostic laboratory tests ". The CMS reimbursement rates for clinical diagnostic laboratory tests are updated based on the volume- weighted median of private payor rates for each clinical diagnostic laboratory test based on data submitted by certain applicable laboratories. Further, laboratories that fail to report or erroneously report required payment information may be subject to substantial civil money penalties. There can be no assurance under PAMA that adequate CMS reimbursement rates will continue to be assigned to our tests. Congress could modify or repeal PAMA in the future or CMS could modify regulations under PAMA, and any such action could have the effect of reducing the CMS

reimbursement rate for our tests. Further, it is possible that Medicare or other federal payors that provide reimbursement for our tests may suspend, revoke or discontinue coverage at any time, may require co- payments from patients, or may reduce the reimbursement rates payable to us. Any such action could have a negative impact on our revenues. Product and professional liability suits against us could result in expensive and time- consuming litigation, payment of substantial damages and increases in our insurance rates. The sale and use of our solutions, products and services could lead to product or professional liability claims, including class action lawsuits. We may also be subject to liability for errors in the test results including health information it provides to healthcare providers or patients or for a misunderstanding of, or inappropriate reliance upon, the information it provides. Claims could also arise out of clinical studies we may conduct or any of our other activities. A product or professional liability claim could result in substantial damages, be costly and time consuming to defend, and cause material harm to our business, reputation or financial condition. We cannot assure you that our liability insurance would protect our assets from the financial impact of defending a product or professional liability claim. Any claim brought against us, with or without merit, could increase our liability insurance rates or prevent it from securing insurance coverage in the future. Errors, defects, or mistakes in our products or services, and operations could harm our reputation, decrease market acceptance of our products or services. We are creating new products and services, many of which are initially based on largely untested technologies. As all of our products and services progress, we or others may determine that it made product or service- level scientific or technological mistakes. The diagnostic and testing processes utilize a number of complex and sophisticated molecular, biochemical, informatics, and mechanical processes, many of which are highly sensitive to external factors. An operational or technological failure in one of these complex processes or fluctuations in external factors may result in less efficient processing or variation between testing runs. Refinements to our processes may initially result in unanticipated issues that reduce the efficiency or increase variability. In particular, sequencing, which is a key component of these processes, could be inefficient with higher- than- expected variability thereby increasing total sequencing costs and reducing the number of samples we can process in a given time period. Therefore, inefficient or variable processes can cause variability in our operating results and damage our reputation. In addition, our laboratory operations could result in any number of errors or defects. Our quality assurance system may fail to prevent it from inadvertent problems with samples, sample quality, lab processes including sequencing, software, data upload or analysis, raw materials, reagent manufacturing, assay quality or design, or other components or processes. In addition, our assays may have quality or design errors, and we may have inadequate procedures or instrumentation to process samples, assemble our proprietary primer mixes and commercial materials, upload and analyze data, or otherwise conduct our laboratory operations. If we provide products or services with undiscovered errors to our customers, our clinical diagnostics may falsely indicate a patient has a disease or genetic variant, fail to assess a patient' s risk of getting a disease or having a child with a disease, or fail to detect disease or variant in a patient who requires or could benefit from treatment or intervention. We believe our customers are likely to be particularly sensitive to product and service defects, errors and delays, including if our products and services fail to indicate the presence of residual disease with high accuracy from clinical specimens or if we fail to list or inaccurately indicate the presence or absence of disease in our test report or analysis. In drug discovery, such errors may interfere with our collaborators' clinical studies or result in adverse safety or efficacy profiles for their products in development. This may harm our customers' businesses and may cause it to incur significant costs, divert the attention of key personnel, encourage regulatory enforcement action against it, create a significant customer relations problem for us and cause our reputation to suffer. We may also be subject to warranty and liability claims for damages related to errors or defects in our products or services. Any of these developments could harm our business and operating results. We are subject to increasingly complex taxation rules and practices, which may affect how we conduct our business and our results of operations. As our business grows, we are required to comply with increasingly complex taxation rules and practices. We are subject to tax in multiple U. S. tax jurisdictions and may be subject to foreign tax jurisdictions in the future. The development of our tax strategies requires additional expertise and may impact how we conduct our business. Our future effective tax rates could be unfavorably affected by changes in, or interpretations of, tax rules and regulations in the jurisdictions in which we do business or by changes in the valuation of our deferred tax assets and liabilities. Furthermore, we provide for certain tax liabilities that involve significant judgment. We are and may be subject to the examination of our tax returns by federal, state and foreign tax authorities. If our tax strategies are ineffective or it is not in compliance with domestic and international tax laws, as applicable, our financial position, operating results and cash flows could be adversely affected. Risks Related to Our Intellectual Property Our inability to effectively protect our proprietary products, processes, and technologies, could harm our competitive position. We currently rely upon trade secret protection and copyright, as well as non- disclosure agreements and confidentiality and intellectual property ownership provisions in agreements with our consultants , collaborators, vendors and other third parties, confidentiality and proprietary rights agreements, including invention assignment provisions, with our employees, and, to a limited extent, patent protection, to protect our confidential and proprietary information. As our competitors have utilized and are expected to continue utilizing similar methods and have aggregated and are expected to continue to aggregate similar databases of genetic testing information, our success will depend upon our ability to develop proprietary methods and databases and to defend any advantages afforded by our methods and databases relative to our competitors. If we do not protect our intellectual property adequately, competitors may be able to use our methods and databases and thereby erode any competitive advantages we may have. We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our proprietary technologies are covered by valid and enforceable patents or are effectively maintained as trade secrets. In this regard, we have applied, and we intend to continue applying, for patents covering such aspects of our technologies as we deem appropriate. However, we expect that potential patent coverage we may obtain will not be sufficient to prevent substantial competition. In this regard, we believe it is probable that others will independently develop similar or alternative technologies or design around those technologies for which we may obtain patent protection. In addition, any patent applications we file may be rejected during examination and may not result in issued patents, or may be invalidated or narrowed

in scope after they are issued. Questions as to inventorship or ownership may also arise. Any finding that our patents or applications are unenforceable could harm our ability to prevent others from practicing the related technology, and a finding that others have inventorship or ownership rights to our patents and applications could require us to obtain certain rights to practice related technologies, which may not be available on favorable terms, if at all. It would be expensive, if we initiate lawsuits to protect or enforce our patents or trade secrets, or defend against third- party IP claims, and if we lose, we may lose some of our intellectual property rights. Furthermore, these lawsuits may divert the attention of our management and technical personnel. We expect to continue relying substantially upon trade secrets and proprietary know- how protection for our confidential and proprietary information, and we have taken security measures to maintain such protection for this information. These measures, however, may not provide adequate protection for our trade secrets, know- how or other confidential information. Among other things, we seek to protect our trade secrets and confidential information by entering into confidentiality agreements with employees and consultants. There can be no assurance that any confidentiality agreements that we have with our employees and consultants will provide meaningful protection for our trade secrets and confidential information or will provide adequate remedies in the event of unauthorized use or disclosure of such information. Accordingly, there also can be no assurance that our trade secrets will not become known. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time- consuming, and the outcome is unpredictable. In addition, trade secrets may be independently developed by others in a manner that could prevent legal recourse by us. If any of our confidential or proprietary information, such as our trade secrets, were to be disclosed or misappropriated, or if any such information was independently developed by a competitor, our competitive position could be harmed. Any inability to effectively protect our proprietary technologies under certain jurisdictions and legal regimes could harm our competitive position. Our success and ability to compete in certain jurisdictions and under certain legal regimes depend to a large extent on our ability to develop proprietary products and technologies and to maintain adequate protection of our intellectual property in the U. S. and other countries; this becomes increasingly important as we expand our operations and enter into strategic collaborations with partners to develop and commercialize products outside of the U. S. The laws of some foreign countries do not protect proprietary rights to the same extent as the laws of the U. S., and we may encounter difficulties in establishing and enforcing its proprietary rights in some jurisdictions. In addition, the proprietary positions of companies developing and commercializing tools for molecular diagnostics, including our own, generally are uncertain and involve complex legal and factual questions. This uncertainty may materially affect our ability to defend or obtain patents or to address the issues arising under patents and patent applications owned or controlled by our collaborators and licensors. Any of these factors could adversely affect our ability to obtain commercially relevant or competitively advantageous patent protection for our products. If patent regulations or standards are modified, such changes could have a negative impact on our business. From time to time, the U. S. Supreme Court, other federal courts, the U. S. Congress or the U. S. Patent & Trademark Office (“ USPTO ”) may change the standards of patentability and validity of patents within the screening and diagnostics space, and any such changes could have a negative impact on our business. There have been several cases involving “ gene patents ” and diagnostic claims that have been considered by the U. S. Supreme Court. In March 2012, the Supreme Court in Mayo Collaborative Services v. Prometheus Laboratories, Inc, found a patented diagnostic method claim unpatentable because the relationship between a metabolite concentration and optimized dosage was a patent- ineligible “ law of nature. ” In June 2013, the Supreme Court ruled in ACLU v. Myriad Genetics, Inc, that an isolated genomic DNA sequence is not patent eligible, but ~~complimentary~~ **complementary** DNA, or “ cDNA, ” is eligible. The Prometheus and Myriad decisions, as well as subsequent case law, affect the legal concept of subject matter eligibility by seemingly narrowing the scope of the statute defining patentable inventions. In December 2014 and again in 2019, the USPTO published revised guidelines for patent examiners to apply when examining process claims for patent eligibility in view of several recent Supreme Court decisions, including Mayo, Association for Molecular Pathology v. Myriad Genetics, Inc., and Alice Corporation Pty. Ltd. v. CLS Bank International, and others. The guidance indicates that claims directed to a law of nature, a natural phenomenon, or an abstract idea that do not meet the eligibility requirements should be rejected as non- statutory, patent ineligible subject matter. While these guidelines may be subject to review and modification by the USPTO over time, we cannot assure you that our intellectual property strategy or patent portfolio will not be negatively impacted by the decisions described above, rulings in other cases or changes in guidance or procedures issued by the USPTO. Additional substantive changes to patent law, whether new or associated with the America Invents Act which substantially revised the U. S. patent system, may affect our ability to obtain, enforce or defend our patents. Accordingly, it is not clear what, if any, impact these substantive changes will ultimately have on the cost of prosecuting our patent applications, our ability to obtain patents based on our discoveries and our ability to enforce or defend our issued patents, all of which could have a material adverse effect on our business. If we are not able to adequately protect our trade secrets and other proprietary information, including the databases we manage and to which we have access, the value of our technology and products could be significantly diminished. We rely on trade secret and proprietary know- how protection for our confidential and proprietary information and have taken security measures to protect this information. These measures, however, may not provide adequate protection. For example, we have a policy of requiring our consultants, advisors and collaborators, including, for example, our strategic collaborators with whom we seek to develop and commercialize products, to enter into non- disclosure agreements and our employees to enter into confidentiality and proprietary rights and, in certain cases non- compete agreements. However, breaches of our physical or electronic security systems, or breaches caused by our employees who failing to abide by their confidentiality obligations during or upon termination of their employment with us, could compromise these protection efforts. Any action we take to enforce our rights may be time- consuming, expensive, and possibly unsuccessful. Even if successful, the resulting remedy may not adequately compensate us for the harm caused by the breach. These risks are heightened in countries where laws or law enforcement practices may not protect proprietary rights as fully as in the U. S. or Europe. Any unauthorized use or disclosure of, or access to, our trade secrets, know- how or other proprietary information, whether accidentally or through willful

misconduct, could have a material adverse effect on our programs and our strategy, and on our ability to compete effectively. If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest, and our business may be adversely affected. Failure to maintain our trademark registrations, or to obtain new trademark registrations in the future, could limit our ability to protect our trademarks and impede our marketing efforts in the countries in which we operate. We may not be able to protect our rights to trademarks and trade names which we may need to build name recognition with potential partners or customers in our markets of interest. As a means to enforce our trademark rights and prevent infringement, we may be required to file trademark claims against third parties or initiate trademark opposition proceedings. This can be expensive and time- consuming, and possibly unsuccessful. our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented, declared generic or determined to infringe on other marks. Our pending trademark applications in the U. S. and in other foreign jurisdictions where we may file may not be successful. Even if these applications result in registered trademarks, third parties may challenge these trademarks in the future. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively, and our business may be adversely affected. Litigation or other proceedings resulting from either third- party claims of patent infringement, or asserting infringement by third parties of our technology, could be costly, time- consuming, and could limit our ability to commercialize our products or services. Our success depends in part on our non- infringement of the patents or intellectual property rights of third parties, and our ability to successfully prevent third parties from infringing our intellectual property. We operate in a crowded technology area in which there has been substantial litigation and other proceedings regarding patent and other intellectual property rights in the genetic diagnostics industry. Third parties, including our competitors, have asserted and may in the future assert that we are infringing their intellectual property rights. We may also become subject to and / or initiate future intellectual property litigation as our product portfolio and the level of competition in our industry grow. Because the USPTO maintains patent applications in secrecy until a patent application publishes or the patent is issued, we have no way of knowing if others may have filed patent applications covering technologies used by it or our partners. Additionally, there may be third- party patents, and other intellectual property rights relevant to our technologies that may block us from commercializing our technologies. From time- to- time, we have received correspondence from third parties alleging to hold intellectual property rights that could block our development or commercialization of products. While none of these inquiries to date have had any material effect on us, we may receive inquiries in the future that could have a material effect on our business. Even if third- party claims are without merit, defending a lawsuit may result in substantial expense to us and may divert the attention of management and key personnel. In addition, we cannot provide assurance that we would prevail in any such suits to the extent necessary to conduct our business according to our strategic plan or that the damages or other remedies, if any, awarded against us would not be substantial. Claims of intellectual property infringement may require that we, or our strategic partners, enter into unsustainably high royalty or license agreements with third parties that may only be available on unacceptable terms, if at all. In addition, we could experience delays in product introductions or sales growth while we attempt to develop non- infringing alternatives. These claims could also result in injunctions against the further development and commercial sale of services or products containing our technologies, which would have a material adverse effect on our business, financial condition and results of operations. We cannot predict whether, or offer any assurance that, the patent infringement claims may initiate in the future will be successful. We are and may become subject to counterclaims by patent infringement defendants. Our patents may be declared invalid or unenforceable, or narrowed in scope. Even if we prevail in an infringement action, we cannot assure you that it would be adequately compensated for the harm to our business. If we are unable to enjoin third- party infringement, our revenues may be adversely impacted and we may lose market share; and such third- party product may continue to exist in the market, but fail to meet our regulatory or safety standards, thereby causing irreparable harm to our reputation as a provider of quality products, which in turn could result in loss of market share and have a material adverse effect on our business, financial condition and our results of operations. In addition, our agreements with some of our customers, suppliers, and other entities with whom we do business require us to defend or indemnify these parties to the extent they become involved in patent infringement claims, including the types of claims described in this risk factor. We have agreed, and may in the future agree, to defend or indemnify third parties if we determine it to be in the best interests of our business relationships. If we are required or agree to defend or indemnify third parties in connection with any infringement claims, we could incur significant costs and expenses that could adversely affect our business, financial condition and results of operations. Our use of open- source software could subject our business to possible litigation or cause us to subject our platform to unwanted open- source license conditions that could negatively impact our sales. A limited but meaningful portion of our platforms and products incorporate open- source software, and we will incorporate open- source software into other offerings or products in the future. Such open- source software is generally licensed by its authors or other third parties under open- source licenses. There is little legal precedent governing the interpretation of certain terms of these licenses, and therefore the potential impact of these terms on our business is unknown and may result in unanticipated obligations regarding our products and technologies. If an author or other third party that distributes such open- source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations. In addition, if we combine our proprietary software with open- source software in a certain manner, under some open- source licenses, we could be required to release the source code of our proprietary software, which could substantially help our competitors develop products that are similar to or better than our products. We rely on strategic collaborative and licensing arrangements with third parties to develop intellectual property. We may not be able to successfully establish and maintain such intellectual property. The development and commercialization of our products and services rely, directly or indirectly, upon strategic collaborations and licensing agreements with third parties. Such arrangements provide us with intellectual property and other business rights crucial to our product development and commercialization. We have incorporated licensed technology into our tests. Our dependence on licensing, collaboration and other similar agreements with

third parties may subject it to a number of risks. There can be no assurance that any current contractual arrangements between us and third parties or between our strategic partners and other third parties will be continued on materially similar terms and will not be breached or terminated early. Any failure to obtain or retain the rights to necessary technologies on acceptable commercial terms could require us to re- configure our products and services, which could negatively impact their commercial sale or increase the associated costs, either of which could materially harm our business and adversely affect our future revenues and ability to achieve sustained profitability. We expect to continue and expand our reliance on collaborative and licensing arrangements. Establishing new strategic collaborations and licensing arrangements is difficult and time- consuming. Discussions with potential collaborators or licensors may not lead to the establishment of collaborations on favorable terms, if at all. To the extent we agree to work exclusively with one collaborator in a given area, our opportunities to collaborate with other entities could be limited. Potential collaborators or licensors may reject collaborations with it based upon their assessment of our financial, regulatory or intellectual property position or other factors. Even if we successfully establish new collaborations, these relationships may never result in the successful commercialization of any product or service. In addition, the success of the projects that require collaboration with third parties will be dependent on the continued success of such collaborators. There is no guarantee that our collaborators will continue to be successful and, as a result, we may expend considerable time and resources developing products or services that will not ultimately be commercialized. Risks Related to Cybersecurity, Privacy and Information Technology Interruption, interference with, or failure of our information technology and communications systems could hurt our ability to effectively provide our products and services, which could harm our reputation, financial condition, and operating results. The availability of our products and services and fulfillment of our customer contracts depend on the continuing operation of our information technology and communications systems. Our systems are vulnerable to damage, interference, or interruption from terrorist attacks, natural disasters, the effects of climate change (such as sea level rise, drought, flooding, wildfires, and increased storm severity), power loss, telecommunications failures, computer viruses, ransomware attacks, computer denial of service attacks, phishing schemes, or other attempts to harm or access our systems. Some of our data centers are located in areas with a high risk of major earthquakes or other natural disasters. Our data centers are also subject to break- ins, sabotage, and intentional acts of vandalism, and, in some cases, to potential disruptions resulting from problems experienced by facility operators. Some of our systems are not fully redundant, and disaster recovery planning cannot account for all eventualities. The occurrence of a natural disaster, closure of a facility, or other unanticipated problems at our data centers could result in lengthy interruptions in our service. In addition, our products and services are highly technical and complex and may contain errors or vulnerabilities, which could result in interruptions in or failure of our services or systems. Security breaches, privacy issues, loss of data and other incidents could continue to compromise sensitive, protected, or personal information related to our business, could prevent it from accessing critical information, and could expose it to regulatory liability, which could adversely affect our business. In the ordinary course of our business, our collection and storing of PHI also includes more sensitive data, such as genetic information, as well as personally identifiable information, genetic information, credit card information, financial information, intellectual property and proprietary business information owned or controlled by us or our customers, payors and other parties. We manage and maintain our applications and data utilizing a combination of on-site systems, managed data center systems and cloud- based systems. We also communicate PHI and other sensitive patient data through our various customer tools and platforms, and in physical form. In addition to storing and transmitting sensitive data that is subject to multiple legal protections, these applications and data encompass a wide variety of business- critical information including research and development information, commercial information, and business and financial information. We continue to face a number of risks relative to protecting this critical information, including loss of access risk, inappropriate disclosure, inappropriate modification, and the risk of our being unable to adequately monitor and modify our controls over our critical information. Any technical problems that may arise in connection with the data that we access and our systems, including those that are hosted by third- party providers, could result in interruptions to our business and operations or exposure to security vulnerabilities. These types of problems may be caused by a variety of factors, including infrastructure changes, intentional or accidental human actions or omissions, software errors, malware, viruses, security attacks, fraud, spikes in customer usage and denial of service issues. From time to time, large third- party web hosting providers have experienced outages or other problems that have resulted in their systems being offline and inaccessible. Such outages could materially impact our business and operations. Although we take what we believe to be reasonable and appropriate measures, including a formal, dedicated enterprise security program, to protect sensitive information from various compromises (including unauthorized access, disclosure, or modification or lack of availability), our information technology and infrastructure may be vulnerable to attacks by hackers or viruses or breached due to employee error, malfeasance, lost or stolen technology, or other disruptions. Any such breach or interruption could compromise our networks and the information stored therein could be accessed by unauthorized parties, altered, publicly disclosed, lost or stolen. Further, some of our customer tools and platforms are currently accessible through a portal and there is no guarantee that we can protect our portal from a security breach. Unauthorized access, loss or dissemination could also disrupt our operations (including our ability to conduct our analyses, provide test results, bill payors or patients, process claims and appeals, provide customer assistance, conduct research and development activities, collect, process and prepare company financial information, provide information about our tests and other patient and physician education and outreach efforts through our website, and manage the administrative aspects of our business) and damage our reputation, any of which could adversely affect our business. In addition to data security risks, we also face privacy risks. For example, as noted above, pursuant to guidance recently issued by OCR, HIPAA covered entities and business associates who permit tracking technology vendors to collect PHI from their patients must enter into a HIPAA compliant business associate agreement with that vendor or obtain advance consent. We have utilized, and may continue to utilize, tracking technologies on one or more of our websites, and may not be able to do so in a manner that is consistent with what HIPAA requires. Should we actually violate, or be perceived to have violated, any privacy promises our business makes to patients or consumers, we could be subject to a

complaint from an affected individual or interested privacy regulator, such as OCR, the FTC, a state Attorney General, an EU Member State Data Protection Authority, or a data protection authority in another international jurisdiction. This risk is heightened given the sensitivity of the data we collect. Any security compromise that causes an apparent privacy violation could also result in legal claims or proceedings; liability under federal, state, foreign, or multinational laws that regulate the privacy, security, or breach of personal information, such as but not limited to the HIPAA, HITECH, state data security and data breach notification laws, the EU' s GDPR, the UK Data Protection Act of 2018; and related regulatory penalties. Penalties for failure to comply with a requirement of HIPAA or HITECH vary significantly, and, depending on the knowledge and culpability of the HIPAA- regulated entity, may include civil monetary penalties of up to $ 1. 5 million per calendar year for each provision of HIPAA that is violated. A person who knowingly obtains or discloses individually identifiable health information in violation of HIPAA may face a criminal penalty of up to $ 50, 000 and up to one- year imprisonment. The criminal penalties increase if the wrongful conduct involves false pretenses or the intent to sell, transfer or use identifiable health information for commercial advantage, personal gain or malicious harm. Penalties for unfair or deceptive acts or practices under the FTC Act or state UDAP, statutes may also vary significantly. There has been unprecedented activity in the development of data protection regulation around the world. As a result, the interpretation and application of consumer, health- related and data protection laws in the U. S., Europe and elsewhere are often uncertain, contradictory and in flux. The GDPR applies to any entity established in the EU as well as extraterritorially to any entity outside the EU that offers goods or services to, or monitors the behavior of, individuals who are located in the EU. The GDPR imposes strict requirements on controllers and processors of personal data, including enhanced protections for " special categories " of personal data, which includes sensitive information such as health and genetic information of data subjects. The GDPR also grants individuals various rights in relation to their personal data, including the rights of access, rectification, objection to certain processing and deletion. The GDPR provides an individual with an express right to seek legal remedies if the individual believes his or her rights have been violated. Failure to comply with the requirements of the GDPR or the related national data protection laws of the member states of the EU, which may deviate from or be more restrictive than the GDPR, may result in significant administrative fines issued by EU regulators. Maximum penalties for violations of the GDPR are capped at 20 million euros or 4 % of an organization' s annual global revenue, whichever is greater. Additionally, the implementation of GDPR has led other jurisdictions to either amend or propose legislation to amend their existing data privacy and cybersecurity laws to resemble the requirements of GDPR. For example, on June 28, 2018, California adopted the CCPA. The CCPA regulates how certain for- profit businesses that meet one or more CCPA applicability thresholds collect, use, and disclose the personal information of consumers who reside in California. Among other things, the CCPA confers to California consumers the right to receive notice of the categories of personal information that will be collected by a business, how the business will use and share the personal information, and the third parties who will receive the personal information; the CCPA also confers rights to access, delete, or transfer personal information; and the right to receive equal service and pricing from a business after exercising a consumer right granted by the CCPA. In addition, the CCPA allows California consumers the right to opt out of the " sale " of their personal information, which the CCPA defines broadly as any disclosure of personal information to a third party in exchange for monetary or other valuable consideration. The CCPA also requires a business to implement reasonable security procedures to safeguard personal information against unauthorized access, use, or disclosure. California amended the law in September 2018 to exempt all PHI collected by certain parties subject to HIPAA, and further amended the law in September 2020 to clarify that de- identified data as defined under HIPAA will also be exempt from the CCPA. The California Attorney General' s final regulations implementing the CCPA took effect on August 14, 2020. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches resulting from a business' s failure to implement and maintain reasonable data security procedures that is expected to increase data breach litigation. In addition, California voters recently approved the California Privacy Rights Act of 2020 (" CPRA, ") that went into effect on January 1, 2023. The CPRA among other things, amends the CCPA to give California residents the ability to limit the use of their sensitive information provides for penalties for CPRA violations concerning California residents under the age of 16, and establishes a new California Privacy Protection Agency to implement and enforce the law. Other jurisdictions in the U. S. are beginning to propose and enact laws similar to the CCPA. Some observers have noted that the CCPA could mark the beginning of a trend toward more stringent privacy legislation, which could increase our potential liability and adversely affect our business, results of operations, and financial condition. It is possible the GDPR, CCPA and other emerging U. S. and international data protection laws may be interpreted and applied in manner that is inconsistent with our practices. If so, this could result in government- imposed fines or orders requiring that we change our practices, which could adversely affect our business. In addition, these privacy laws and regulations may differ from country to country and state to state, and our obligations under these laws and regulations vary based on the nature of our activities in the particular jurisdiction, such as whether we collect samples from individuals in the local jurisdiction, perform testing in the local jurisdiction, or process personal information regarding employees or other individuals in the local jurisdiction. In the U. S., the SEC has adopted rules for mandatory disclosure of cybersecurity incidents suffered by public companies, as well as cybersecurity governance and risk management. Complying with these various laws and regulations could cause us to incur substantial costs or require it to change our business practices and compliance procedures in a manner adverse to our business. Any failure or perceived failure by us to comply with these laws may also subject us to enforcement action or litigation, any of which could harm our business. We can provide no assurance that it is or will remain in compliance with diverse privacy and data security requirements in all of the jurisdictions in which we do business. Failure to comply with privacy and data security requirements could result in a variety of consequences, or damage to our reputation, any of which could have a material adverse effect on our business. Data privacy and security concerns relating to our technology and our practices could damage our reputation, subject it to significant legal and financial exposure, and deter current and potential users or customers from using our products and services. Software bugs or defects, security breaches, and attacks on our systems could result in the

improper disclosure and use of user data and interference with our users and customers' ability to use our products and services, harming our business operations and reputation. Concerns about our practices with regard to the collection, use, disclosure, or security of personal information or other data- privacy- related matters, even if unfounded, could harm our reputation, financial condition, and operating results. Our policies and practices may change over time as expectations regarding privacy and data change. Our products and services involve the storage and transmission of protected health information and other personal information, proprietary information, and bugs, theft, misuse, defects, vulnerabilities in our products and services, and security breaches expose us to a risk of loss of this information, improper use and disclosure of such information, litigation, and other potential liability. Systems and control failures, security breaches, failure to comply with our privacy policies, and / or inadvertent disclosure of user data could result in government and legal exposure, seriously harm our reputation and brand and, therefore, our business, and impair our ability to attract and retain users or customers. We expect to continue to expend significant resources to maintain security protections that shield against bugs, theft, misuse, or security vulnerabilities or breaches. We experience cyber- attacks and other attempts to gain unauthorized access to our systems on a regular basis. We may experience future security issues, whether due to employee error or malfeasance or system errors or vulnerabilities in our or other parties' systems, which could result in significant legal and financial exposure. Government inquiries and enforcement actions, litigation, and adverse press coverage could harm our business. We may be unable to anticipate or detect attacks or vulnerabilities or implement adequate preventative measures. Attacks and security issues could also compromise trade secrets and other sensitive information, harming our business. While we have dedicated significant resources to privacy and security incident response capabilities, including dedicated worldwide incident response teams, our response process may not be adequate, may fail to accurately assess the severity of an incident, may not respond quickly enough, or may fail to sufficiently remediate an incident. As a result, we may suffer significant legal, reputational, or financial exposure, which could harm our business, financial condition, and operating results. We depend on our scientific computing and information technology and management systems and any failure of these systems could harm our business. We depend on scientific computing and information technology and management systems, including third- party cloud computing infrastructure, operating systems and AI platforms, for significant elements of our operations, including our laboratory information management system, clinical database, analytical platform, laboratory workflow tools, customer and collaborator reporting and related functions. We also depend on our proprietary workflow software to support new product and service launches and regulatory compliance. We use complex software processes and bioinformatic pipelines to manage samples and evaluate sequencing result data. These are subject to initial design or ongoing modifications which may result in unanticipated issues that could cause variability in patient results, leading to service disruptions or errors, resulting in liability. We have installed, and expect to expand, a number of enterprise software systems that affect a broad range of business processes and functional areas, including systems laboratory operations, handling human resources, financial controls and reporting, contract management, regulatory compliance and other infrastructure operations, and patient consent and information management. In addition to these business systems, we have installed, and intend to extend, the capabilities of both our preventative and detective security controls by augmenting the monitoring and alerting functions, the network design and the automatic countermeasure operations of our technical systems. These information technology and telecommunications systems support a variety of functions, including laboratory operations, test validation, sample tracking, quality control, customer service support, billing and reimbursement, research and development activities, scientific and medical curation and general administrative activities. In addition, our third- party billing and collections provider depends upon technology and telecommunications systems provided by outside vendors. Information technology and telecommunications systems are vulnerable to damage from a variety of sources, including telecommunications or network failures, malicious internal or external human acts and natural disasters. Moreover, despite network security and back- up measures, some of our servers are potentially vulnerable to physical or electronic break- ins, computer viruses and similar disruptive problems. Despite the precautionary measures we have taken to prevent unanticipated problems that could affect our information technology and telecommunications systems, failures or significant downtime of these systems or those used by our collaborators or subcontractors could prevent it from conducting our comprehensive screening analysis, clinical diagnostics and drug discovery, preparing and providing reports to researchers, clinicians and our collaborators, billing payors, handling physician inquiries, conducting research and development activities and managing the administrative aspects of our business. Any disruption or loss of information technology or telecommunications systems on which critical aspects of our operations depend could have an adverse effect on our business and our reputation, and we may be unable to regain or repair our reputation in the future. Our ability to transfer data stored outside of the U. S. could be limited by international regulations or other action by foreign governments, which could adversely affect our business. Some of the data we process in the ordinary course of our business may be stored outside of the U. S. In order to process such data, we may need to transfer them to countries other than those where they are stored. Should a foreign government adopt a regulation restricting the international transfer of such data, we may not be able to process them, which could adversely impact our business. **Risks Related to Being a Public Company** We ~~will~~ incur ~~increased~~ **significant** costs and demands on management as a result of compliance with laws and regulations applicable to public companies, which could harm our operating results. As a public company, we incur significant legal, accounting and other expenses, including costs associated with public company reporting requirements. In addition, the Sarbanes- Oxley Act of 2002 (the " Sarbanes- Oxley Act ") as well as rules implemented by the SEC and the Nasdaq Stock Market (" Nasdaq ") impose a number of requirements on public companies, including with respect to corporate governance practices. The SEC and other regulators have continued to adopt new rules and regulations and make additional changes to existing regulations that require the company' s compliance. In addition, the Dodd- Frank Wall Street Reform and Consumer Protection Act (the " Dodd- Frank Act "), enacted in 2010, includes significant corporate governance and executive- compensation- related provisions. Our management and other personnel will need to devote a substantial amount of time to these compliance and disclosure obligations. If these requirements divert the attention of our management and personnel from other

aspects of our business concerns, they could have a material adverse effect on our business, financial condition and results of operations. Moreover, these rules and regulations applicable to public companies substantially could increase our legal, accounting and financial compliance costs, require that we hire additional personnel and make some activities more time consuming and costly. A market for our securities may not continue, which would adversely affect the liquidity and price of our securities. The price of our securities may fluctuate significantly due to general market and economic conditions. An active trading market for our securities may not be sustained. In addition, the price of our securities can vary due to general economic conditions and forecasts, our general business condition and the release of our financial reports. You may be unable to sell your securities when desired or at an acceptable price unless an active trading market can be sustained. If we do not meet the expectations of investors, stockholders or financial analysts, the market price of our securities may decline. If we do not meet the expectations of investors or securities analysts, the market price of our securities may decline. In addition, fluctuations in the price of our securities could contribute to the loss of all or part of your investment. If an active market for our securities does not continue, the trading price of our securities could be volatile and subject to wide fluctuations in response to various factors, some of which are beyond our control. Any of the **risk** factors ~~listed below~~ **noted in this Annual Report** could have a material adverse effect on your investment in our securities and our securities may trade at prices significantly below the price you paid for them. In such circumstances, the trading price of our securities may not recover and may experience a further decline. Factors affecting the trading price of our securities may include: • actual or anticipated fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us; • changes in the market' s expectations about our operating results; • the public' s reaction to our press releases, our other public announcements and our filings with the SEC; • speculation in the press or investment community; • announcements of technological innovation, new products, acquisitions, strategic alliances, significant agreements by us or competitors; • success of competitors; • our operating results falling below our financial guidance or other projections or failing to meet the expectation of securities analysts or investors in a particular period; • changes in financial estimates and recommendations by securities analysts concerning us or the market in general; • operating and stock price performance of other companies that investors deem comparable to us; • our ability to market new and enhanced products on a timely basis; • changes in laws and regulations affecting our business; • commencement of, or involvement in, litigation involving us; • changes in our capital structure, such as future issuances of securities or the incurrence of additional debt; • the volume of shares of our Class A common stock available for public sale; • any major change in our Board or management; • sales of substantial amounts of Class A common stock by our directors, officers or significant stockholders or the perception that such sales could occur; • the expiration of ~~the~~ **any** market stand- off or contractual lock- up agreements; • the realization of any of the risk factors described herein; • additions or departures of key personnel; • failure to comply with the requirements of the Nasdaq; • failure to comply with the Sarbanes- Oxley Act or other laws or regulations; • actual, potential or perceived control, accounting or reporting problems; • changes in accounting principles, policies and guidelines; and • general economic and political conditions such as recessions, ~~rising~~ **fluctuating** inflation ~~and~~ **,** interest **and tariff** rates, uncertainty with respect to the U. S. federal budget **, rising global tensions** , global conflicts such as the war in Ukraine ~~and the war in Israel~~ , fuel prices, international currency fluctuations and acts of war or terrorism. Broad market and industry factors may materially harm the market price of our securities irrespective of our operating performance. The stock market in general and Nasdaq have experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. The trading prices and valuations of these stocks, and of our securities, may not be predictable. A loss of investor confidence in the market for the stocks of other companies which investors perceive to be similar to us could depress our stock price regardless of our business, prospects, financial conditions or results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future. In the past, securities class action litigation has often been initiated against companies following periods of volatility in their stock price. In particular, on September 7, 2022, a shareholder class action lawsuit was filed in the U. S. District Court for the District of Connecticut against the Company and certain of the Company' s current and former officers. ~~Further~~ **In addition** , on ~~February 7~~ **November 28** , 2023, a stockholder ~~commenced~~ **filed** a lawsuit in the **U. S. District Court for the District of** Delaware ~~Court of Chancery~~ against, among other parties, certain of the Company' s current and former **officers and** directors **and** ~~. In addition,~~ on ~~November 28~~ **June 25, 2024, a substantially similar stockholder derivative suit was filed in federal court in the District of Connecticut. For more information, see Note 10, " Purchase Commitments and Contingencies " in the consolidated financial statements included in this Annual Report. This type of litigation could result in substantial costs and divert our management' s attention and resources, and could also require us to make substantial payments to satisfy judgments or to settle litigation. For example, on December 2, 2024, we settled a lawsuit that a stockholder commenced in the Delaware Court of Chancery on February 7** , 2023 ~~, a stockholder filed a lawsuit in the U. S. District Court for the District of Delaware~~ against, among other parties, certain of the Company' s current and former ~~officers and~~ directors ~~. For more information~~ , ~~see~~ **for approximately $ 21 million. See also** Note ~~11~~ **10** , " Purchase Commitments and Contingencies " in the consolidated financial statements included in this Annual Report ~~. This type of litigation could result in substantial costs and divert our management' s attention and resources, and could also require us to make substantial payments to satisfy judgments or to settle litigation~~ . If securities or industry analysts cease publishing research or reports about us, our business, or our market, or if they change their recommendations regarding our Class A common stock adversely, then the price and trading volume of our Class A common stock could decline. The trading market for our Class A common stock is influenced by the research and reports that industry or securities analysts publish about us, our business, our market, or our competitors. If any of the analysts who cover us change their recommendation regarding our stock adversely, or provide more favorable relative recommendations about our competitors, the price of our Class A common stock would likely decline. If any analyst who covers us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our stock price or trading volume to decline. Changes in

laws, regulations or rules, or a failure to comply with any laws, regulations or rules, may adversely affect our business, investments and results of operations. We are subject to laws, regulations and rules enacted by national, regional and local governments and Nasdaq. In particular, we are required to comply with certain SEC, Nasdaq and other legal or regulatory requirements. Compliance with, and monitoring of, applicable laws, regulations and rules may be difficult, time consuming and costly. Those laws, regulations or rules and their interpretation and application may also change from time to time and those changes could have a material adverse effect on our business, investments and results of operations. In addition, a failure to comply with applicable laws, regulations or rules, as interpreted and applied, could have a material adverse effect on our business and results of operations. Anti- takeover provisions contained in our Charter and Bylaws, as well as provisions of Delaware law, could impair a takeover attempt. Our Third Amended and Restated Certificate of Incorporation, as amended (our " Charter "), contains provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. We are also subject to anti- takeover provisions under Delaware law, which could delay or prevent a change of control. Together, these provisions may make more difficult the removal of management and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities. These provisions will include: • no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • a classified board of directors with three- year staggered terms, which could delay the ability of stockholders to change the membership of a majority of the Board; • the requirement that directors may only be removed from the Board for cause; • the right of our Board to elect a director to fill a vacancy created by the expansion of our Board or the resignation, death or removal of a director in certain circumstances, which prevents stockholders from being able to fill vacancies on our Board; • a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders; • a prohibition on stockholders calling a special meeting and the requirement that a meeting of stockholders may only be called by a majority of the board, our chairman of the board or our chief executive officer and may not be called by any other person, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; • the requirement that changes or amendments to certain provisions of our Charter must be approved by holders of at least two- thirds of our Class A common stock; and • advance notice procedures that stockholders must comply with in order to nominate candidates to our Board or to propose matters to be acted upon at a meeting of stockholders, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer' s own slate of directors or otherwise attempting to obtain control of us. The JOBS Act permits " emerging growth companies " like us to take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies. We currently qualify as an " emerging growth company " as defined in Section 2 (a) (19) of the Securities Act, as modified by the Jumpstart Our Business Startups Act (**the** " JOBS **Act** "). As such, we take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies for as long as we continue to be an emerging growth company, including: (i) the exemption from the auditor attestation requirements with respect to internal control over financial reporting under Section 404 of the Sarbanes- Oxley Act; (ii) the exemptions from say- on- pay, say- on- frequency and say- on- golden parachute voting requirements; and (iii) reduced disclosure obligations regarding executive compensation in our periodic reports. As a result, our stockholders may not have access to certain information they deem important. We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year: (a) following September 1, 2025, the fifth anniversary of the initial public offering of CMLS; (b) in which we have total annual gross revenue of at least $ 1. 235 billion; or (c) in which we are deemed to be a large accelerated filer, which means the market value of our Class A common stock that is held by non- affiliates exceeds $ 700. 0 million as of the prior June 30th, and (ii) the date on which we have issued more than $ 1. 0 billion in non- convertible debt during the prior three- year period. In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the exemption from complying with new or revised accounting standards provided in Section 7 (a) (2) (B) of the Securities Act as long as we are an emerging growth company. An emerging growth company can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non- emerging growth companies, but any such election to opt out is irrevocable. We have elected to avail ourselves of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we, as an emerging growth company, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This may make comparison of our financial statements with another public company that is neither an emerging growth company nor an emerging growth company that has opted out of using the extended transition period difficult or impossible because of the potential differences in accounting standards used. Additionally, we are a " smaller..... as of the prior June 30. We cannot predict if investors will find our Class A common stock less attractive because we rely on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may be more volatile ~~result~~ **Additionally** ,we **are a** ~~will no longer be able to avail ourselves of certain reduced reporting requirements applicable to smaller reporting companies starting with our first quarterly report in 2025.We currently take advantage of certain of the scaled disclosures available to~~ " smaller reporting ~~companies~~ **company** ~~,~~ " as defined in Item 10 (f) (1) of Regulation S- K.Smaller reporting companies may take advantage of certain reduced disclosure obligations,including,among other things,providing only two years of consolidated financial statements. ~~However,based on~~ **We will remain a smaller reporting company until the last day of the fiscal year in which (i)** the market value of our Class A common stock held by non- affiliates **exceeds $ 250 million** as of **the prior** June ~~28~~ **30** , ~~2024~~ **or** (**ii) our annual revenues exceeded $ 100 million during such completed fiscal year and** the **market value** ~~last business day~~ of our **Class A common stock held by** ~~most recently completed second fiscal quarter),we will no~~ **non** ~~longer be eligible to rely on~~ **- affiliates exceeds $ 700 million as of** the **prior June 30.** . Our internal controls over financial reporting may not be effective

which could have a significant and adverse effect on our business and reputation. As a public company, we are required to comply with the SEC' s rules implementing Sections 302 and 404 of Sarbanes- Oxley Act, which require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of internal control over financial reporting. To comply with the requirements of being a public company, we are required to provide management' s assessment on internal controls, and we may need to undertake various actions, such as implementing additional internal controls and procedures and hiring additional accounting or internal audit staff. Further, as an emerging growth company, our independent registered public accounting firm is not required to formally attest to the effectiveness of our internal controls over financial reporting pursuant to Section 404 until the date we are no longer an emerging growth company. At such time, our independent registered public accounting firm may issue a report that is adverse in the event that it is not satisfied with the level at which the controls of the company are documented, designed or operating. Testing and maintaining these controls can divert our management' s attention from other matters that are important to the operation of our business. If we identify material weaknesses in the internal control over financial reporting of the company or are unable to comply with the requirements of Section 404 or assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal controls over financial reporting when we no longer qualify as an emerging growth company, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our Class A common stock could be negatively affected, and we could become subject to investigations by the SEC or other regulatory authorities, which could require additional financial and management resources. Our Charter and our Bylaws designate the Court of Chancery of the State of Delaware and federal court within the State of Delaware as the exclusive forum for certain types of actions and proceedings that our stockholders may initiate, which could limit a stockholder' s ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees. Our Charter and our Amended and Restated Bylaws (as amended, our " Bylaws ") designate the Court of Chancery of the State of Delaware and federal court within the State of Delaware as the exclusive forum for certain types of actions and proceedings that our stockholders may initiate, which could limit a stockholder' s ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees. Our Charter and our Bylaws provide that, subject to limited exceptions, the Court of Chancery of the State of Delaware and federal court within the State of Delaware will be exclusive forums for any: • derivative action or proceeding brought on our behalf; • action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers, stockholders, employees or agents to us or our stockholders; • action asserting a claim against the us or any of our directors, officers, stockholders, employees or agents arising pursuant to any provision of the General Corporation Law, our Charter or our Bylaws or as to which the General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware: • action to interpret, apply, enforce or determine the validity of our Charter or our Bylaws; or • other action asserting a claim against us or any of our directors, officers, stockholders, employees or agents that is governed by the internal affairs doctrine. These provisions do not apply to actions brought to enforce a duty or liability created under the Exchange Act or any other claim for which federal courts have jurisdiction. Furthermore, in accordance with our Bylaws, unless we consent in writing to the selection of an alternative forum, the federal district courts of the U. S. will be, to the fullest extent permitted by law, the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented these provisions in our Charter and our Bylaws. These provisions may limit a stockholder' s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the provisions contained in our Charter and our Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition. The stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations promulgated thereunder. Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented to our exclusive forum provisions. These provisions may limit a stockholders' ability to bring a claim, and may result in increased costs for a stockholder to bring a claim in a judicial forum of their choosing for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees. Risks Related to Our Common Stock and Warrants The ownership of our outstanding Class A common stock is concentrated, with certain of our stockholders owning significant percentages of our outstanding shares. Icahn School of Medicine at Mount Sinai (" ISMMS "), ~~OPKO Health, Inc. (" OPKO "),~~ entities affiliated with Casdin Partners Master Fund, L. P. (" Casdin Partners "), and Corvex Management, L. P. (" Corvex Management ") are some of our significant stockholders, which owned approximately **10** ~~11 %, 11~~ %, 12 % **,** and ~~10~~ **9** %, respectively, of our outstanding shares of our Class A common stock as of December 31, ~~2023~~ **2024** . In addition ~~, Mr. Richard C. Pfenniger, Jr., one of our directors also serves as a director of OPKO~~ , Mr. Eli D. Casdin, one of our directors, is affiliated with Casdin Partners and CMLS Holdings, LLC (" CMLS Holdings "), which owned approximately 1 % of our outstanding shares of our Class A common stock as of December 31, ~~2023~~ **2024** , and Mr. Keith Meister, one of our directors, is affiliated with Corvex Management and CMLS Holdings. These stockholders may choose to dispose of some or all of the shares of our Class A common stock held by them. Any disposal of shares of Class A common stock by any of these stockholders, or the perception that these sales could occur, could cause the market price of our stock or warrants to decline. We may amend the terms of the public warrants in a manner that may be adverse to holders with the approval by the holders of at least 50 % of the then- outstanding public warrants. As a result, the exercise price of a holder' s public warrants could be increased, the exercise period could be shortened and the number of shares of our Class A common stock purchasable upon exercise of a public warrant could be decreased, all without the approval of that warrant holder. Our public warrants were issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us.

The warrant agreement provides that the terms of the public warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval by the holders of at least 50 % of the then- outstanding public warrants to make any change that adversely affects the interests of the registered holders. Accordingly, we may amend the terms of the public warrants in a manner adverse to a holder if holders of at least 50 % of the then- outstanding public warrants approve of such amendment. Although our ability to amend the terms of the public warrants with the consent of at least 50 % of the then- outstanding public warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the public warrants, convert the warrants into cash or stock, shorten the exercise period or decrease the number of shares of common stock purchasable upon exercise of a public warrant. We may redeem unexpired public warrants prior to their exercise at a time that is disadvantageous to warrant holders, thereby making their public warrants worthless. We have the ability to redeem outstanding public warrants at any time after they become exercisable and prior to their expiration, at a price of $ 0. 33 per public warrant; provided that the last reported sales price of our Class A common stock equals or exceeds $ 594. 00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30 trading- day period ending on the third trading day prior to the date on which we give notice of such redemption to the warrant holders. If and when the public warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. We will use our best efforts to register or qualify such shares of common stock under the blue - sky laws of the state of residence in those states in which the warrants were offered by us. Redemption of the outstanding public warrants could force the warrant holders: (i) to exercise their public warrants and pay the exercise price therefor at a time when it may be disadvantageous for them to do so; (ii) to sell their public warrants at the then- current market price when they might otherwise wish to hold their public warrants; or (iii) to accept the nominal redemption price which, at the time the outstanding public warrants are called for redemption, is likely to be substantially less than the market value of their public warrants. None of the private placement warrants will be redeemable by us so long as they are held by CMLS Holdings LLC, or its permitted transferees. Additionally, none of the private warrants issued to Perceptive are redeemable by us so long as the warrants are held by Perceptive, or its permitted transferees. Our warrants are exercisable for our Class A common stock, which will increase the number of shares eligible for future resale in the public market and result in dilution to our stockholders. As of December 31, ~~2023~~ **2024** , our public warrants were exercisable for ~~452~~ **457** , ~~272~~ **323** shares of Class A common stock at $ 379. 50 per share, **and** our private warrants were exercisable for ~~214~~ **209** , ~~243~~ **192** shares of Class A common stock at $ 379. 50 per share ~~, and our private warrants issued to Perceptive were exercisable for 800, 000 shares of Class A common stock at $ 3. 18 per share~~ . The additional shares of our Class A common stock issuable upon exercise of our warrants will result in dilution to the then existing holders of our Class A common stock and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of our Class A common stock. Our warrants are accounted for as liabilities and the changes in value of our warrants could have a material effect on our financial results. Included on our consolidated balance sheet as of December 31, ~~2023~~ **2024** , are liabilities related to our public and private warrants which are each remeasured at fair value at each balance sheet date, with a resulting non- cash gain or loss related to the change in the fair value being recognized in earnings in the statement of operations. As a result of the recurring fair value measurement, our financial statements and results of operations may fluctuate quarterly, based on factors, which are outside of our control. Due to the recurring fair value measurement, we expect that we will recognize non- cash gains or losses on our warrants each reporting period in our results of operations and that the amount of such gains or losses could be material. ~~For example, during 2023, we recognized $ 0. 2 million in non- cash gains on the fair value of our warrants due to the change in fair market value.~~ If the price of our Class A common stock decreases, we expect we would recognize non- cash gains on our warrants in future reporting periods. Future resales of our Class A common stock could cause the market price of our Class A common stock to drop significantly, even if our business is doing well. Sales of a substantial number of shares of our Class A common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our Class A common stock. We had ~~25~~ **28** , ~~978~~ **016** , ~~863~~ **545** shares of Class A common stock outstanding as of December 31, ~~2023~~ **2024** . We have filed a registration statement which registers the offer and sale from time to time by certain selling stockholders of up to 10, 803, 779 shares of our Class A common stock ~~, although the 2, 873, 738 shares of our Class A common stock registered on behalf of OPKO pursuant to this registration statement will be subject to certain transfer restrictions pursuant to the shareholder agreements that were entered into in connection with the Acquisition~~ . To the extent shares of our Class A common stock are sold into the market pursuant to an effective registration statement, under Rule 144 under the Securities Act or otherwise, particularly in substantial quantities ~~and following the end of the transfer restrictions provided for in the shareholder agreements in the case of OPKO and the other stockholders party to such shareholder agreements,~~ the market price of our Class A common stock could decline. There is no guarantee that the public warrants will ever be in the money, and they may expire worthless and the terms of our public warrants may be amended. The exercise price for the public warrants is $ 379. 50 per share of Class A common stock. There is no guarantee that the public warrants will ever be in the money prior to their expiration, and as such, the public warrants may expire worthless. We cannot guarantee that we will be able to satisfy the continued listing standards of Nasdaq going forward and if we fail to satisfy the continued listing requirements of Nasdaq, including the minimum closing bid price requirement, Nasdaq may take steps to delist our Class A common stock. Our Class A common stock and public warrants are listed on the Nasdaq **Global Select Market** under the symbols " WGS " and " WGSWW, " respectively. However, we cannot ensure that we will be able to satisfy the continued listing standards of Nasdaq, including the minimum closing bid price requirement, going forward. If we cannot satisfy the continued listing standards going forward, The Nasdaq Stock Market may commence delisting procedures against us, which could result in our Class A common stock or public warrants being removed from listing on Nasdaq. If either of our Class A common stock or public warrants were to be delisted, the liquidity of our Class

A common stock or warrants could be adversely affected and the market price of our Class A common stock or warrants could decrease. Delisting could also adversely affect our securityholders' ability to trade or obtain quotations on our securities because of lower trading volumes and transaction delays. These factors could contribute to lower prices and larger spreads in the bid and ask price for our securities. Investors may also not be able to resell their Class A common stock or warrants at or above the price they paid for such securities or at all.