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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025

OR

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

Commission File Number 001-40538

ALPHA TEKNOVA, INC.

(Exact name of registrant as specified in its charter)

Delaware	**94-3368109**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
2451 Bert Dr. Hollister, CA	**95023**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (831) 637-1100

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.00001 per share	TKNO	The Nasdaq Stock Market LLC

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

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

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

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

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

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

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant, based on the closing price of the shares of common stock on June 30, 2025 was $53,521,256.

The number of shares of Registrant's Common Stock outstanding as of February 27, 2026 was 53,587,662.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Proxy Statement relating to the 2026 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. Such Proxy Statement, or an amendment to this Annual Report on Form 10-K, will be filed with the Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended December 31, 2025.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this Annual Report on Form 10-K, including statements relating to our financial condition, results of operations, plans, objectives, future performance and business, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "would," "potential," "likely," or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to, statements about:

- general economic, market or business conditions as well as those in the specific industry and markets in which our business operates which may impact customer demand for our products;
- our ability to meet our publicly announced guidance or other expectations about our business;
- our future financial performance, including our revenue, costs of revenue, and operating expenses;
- our ability to grow profitability;
- our ability to expand our operations and increase capacity;
- our anticipated uses of cash in the short and long terms and the sufficiency of our sources of liquidity;
- our ability to defend against claims and mitigate adverse results from any legal proceedings against us and the merits of any claims or suits against us;
- our recent history of losses and our ability to continue as a going concern;
- our ability to limit our accounts receivable and credit risk exposure;
- our future investments, if any, in additional facilities to facilitate our expected growth;
- our future uses of capital to pursue potential acquisitions, if any, that further or accelerate our strategy;
- our future use of equity or debt financings to execute our business strategy;
- our ability to take advantage of certain exemptions from various reporting requirements generally applicable to public companies;
- our expectations regarding the period during which we qualify as an emerging growth company under the Jumpstart Our Business Startups Act of 2012 (the JOBS Act);
- the impact of any pandemic, epidemic, or outbreak of infectious disease, natural disasters, geopolitical unrest, war, terrorism, public health issues or other catastrophic events may have on our business and our ability to actively manage our response to these types of events;
- our future adoption of critical accounting policies and estimates;
- our ability to increase the scale and capacity of, or otherwise effectively adjust, our manufacturing processes and systems in response to market demands;
- the impact of increased competition from additional companies entering the market and the availability of more advanced technologies in the market;
- our ability to hire and retain key personnel;
- our ability to obtain capital on favorable terms, or at all;
- our ability to generate future revenue growth in market segments such as emerging therapeutic and diagnostic modalities;
- the impact of increased costs on our operations, including materials, labor, inflation, and interest rates;
- our ability to use cash on hand to meet current and future financial obligations, including funding our operations, debt service requirements, and capital expenditures;

- the enforceability of our exclusive forum provisions in our amended and restated certificate of incorporation;
- our customers' sensitivity to product nonconformances, defects, and errors;
- the availability of exemption of our products from compliance with the U.S. Food, Drug and Cosmetic Act (FDCA);
- our ability to secure and maintain a stable supply of raw materials in the future;
- our ability to maintain a corporate culture that contributes to our success;
- the marketability of our products across a wide range of markets and the probability of success or revenue opportunity in our target markets;
- regulatory developments in the United States (U.S.) and other countries;
- the impact of revenue recognition rules and other factors on our financial results;
- our ability to obtain, maintain, and enforce intellectual property protection for our current and future products, including our ability to protect our trade secrets, trademarks, and trade names; and
- the ongoing expenses associated with being a public company.

We have based the forward-looking statements contained in this Annual Report on Form 10-K primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, prospects, business strategy, and financial needs. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, assumptions, and other factors described in the section titled "Risk Factors" and elsewhere in this Annual Report on Form 10-K. Other sections of this Annual Report on Form 10-K describe additional factors that could adversely impact our business and financial performance. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Annual Report on Form 10-K. This Annual Report on Form 10-K therefore does not contain an exhaustive list of all potential risks. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject, based upon information available to us as of the date of this Annual Report on Form 10-K. While we believe that information forms a reasonable basis for such statements, it may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and investors are cautioned not to rely upon them unduly.

The forward-looking statements in this Annual Report on Form 10-K are made as of the date hereof. We undertake no obligation to update any forward-looking statements after the date of this Annual Report on Form 10-K or to conform such statements to actual results or revised expectations, except as required by law.

You should read this Annual Report on Form 10-K and the documents to which we refer herein and have filed as exhibits completely and with the understanding that our actual future results, levels of activity, performance, and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

RISK FACTOR SUMMARY

Below is a summary of the principal factors that make an investment in our common stock speculative or risky. This summary does not address all of the risks that we face. Additional discussion of the risks summarized in this risk factor summary, and other risks that we face, can be found below beginning at "Risks Related to Our Business and Strategy" within Item 1A., "Risk Factors" and should be carefully considered, together with other information in this Annual Report on Form 10-K and our other filings with the Securities and Exchange Commission before making investment decisions regarding our common stock.

- We have incurred operating losses in the past and may incur losses in the future.
- Our operating results may fluctuate significantly in the future, making them difficult to predict, and they could fall below expectations or any guidance we may provide.
- We have invested a significant amount of capital in our manufacturing facilities. Our efforts to scale our manufacturing capabilities in these facilities could be disruptive and adversely affect our results of operations and financial condition. We may not realize some or all of the anticipated benefits of this investment in the time frame anticipated, or at all.
- Natural disasters (including earthquakes, fire, and drought), geopolitical unrest, war, terrorism, public health issues or other catastrophic events, some possibly related to the increasing effects of climate change, could disrupt the supply, production, delivery, or demand of our products, which could negatively affect our operations and performance.
- If we cannot maintain our current relationships with customers, if we fail to sustain recurring sources of revenue with our existing customers, or if we fail to enter into new customer relationships, our future operating results will be adversely affected.
- We compete with life science, pharmaceutical, and biotechnology companies, some of which are our customers, who are substantially larger than we are and potentially capable of developing new approaches that could make our products and technology obsolete or develop their own internal capabilities that compete with our products, making it difficult for us to implement our strategies for revenue growth.
- Our future capital needs are uncertain and we may need to seek additional financing in the future, which we may not be able to secure on favorable terms, if at all.
- Future acquisitions, if any, may expose us to risks that could adversely affect our business, and we may not achieve the anticipated benefits of acquisitions of businesses or technologies.
- Our estimates of market sizes and opportunity may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, our business could fail to grow at similar rates, if at all.
- We and our customers' respective business operations are and will continue to be subject to extensive laws and regulations, and assessing the applicability and relevant requirements of, and maintaining compliance with, these laws and regulations can be expensive and time-consuming.
- We rely on assumptions, estimates, and data to calculate certain of our key metrics, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.
- We rely primarily on trade secret laws, as well as confidentiality and non-disclosure agreements, and other contractual protections, to protect our intellectual property. If we are unable to protect the confidentiality of our intellectual property, the value of our technology and products could be materially adversely affected.
- The terms of our Second Amended and Restated Credit Agreement entered into on March 3, 2025, may restrict our current and future operations, particularly our ability to respond to changes or to take certain actions. If we fail to comply with the covenants and other obligations under the Second Amended and Restated Credit Agreement, the lender may be able to accelerate amounts owed under the facilities and may foreclose upon the assets securing our obligations.

- Telegraph Hill Partners Management Company LLC, through its affiliates, controls us, and its interests may conflict with ours or yours in the future.
- Our shares of common stock are listed on the Nasdaq Global Market, and we are a "controlled company" within the meaning of the rules and listing standards of The Nasdaq Stock Market LLC (Nasdaq). As a result, we qualify for, and intend to rely on, exemptions from certain corporate governance requirements. Our stockholders therefore do not have the same protections as those afforded to stockholders of companies that are subject to such governance requirements.
- Material weaknesses in our internal control over financial reporting may cause us to fail to timely and accurately report our financial results or result in a material misstatement of our financial statements.
- The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an "emerging growth company" or if we cease to be a "smaller reporting company".
- Provisions of our corporate governance documents could make acquiring us more difficult and may prevent attempts by our stockholders to replace or remove our current directors or management, even if beneficial to our stockholders.

PART I

Item 1. Business.

Overview

Alpha Teknova, Inc. (referred to herein as the Company, Teknova, we, us or our) is a leading producer of critical reagents for the discovery, development, and commercialization of novel therapies, vaccines, and molecular diagnostics. Our more than 3,000 customers span the continuum of the life sciences market and include leading pharmaceutical and biotechnology companies, contract development and manufacturing organizations, in vitro diagnostics franchises, and academic and government research institutions. Our Company is built around our knowledge, methods, and know-how in our manufacturing processes and infrastructure, which are highly adaptable and configurable. These proprietary processes enable us to manufacture and deliver high-quality, custom, made-to-order products with short turnaround times and at scale, across all stages of our customers' product development, including commercialization.

We have substantial expertise in manufacturing customer-specified formulations and have demonstrated the ability to manufacture and deliver our products to customers quickly. Due to our expertise in raw materials sourcing, chemical formulation, and quality control, developed over more than two decades, we are typically able to move a new custom product into production in a matter of weeks from order receipt. This can allow our customers to receive their products in weeks as compared to months from alternative suppliers operating in traditional production environments. Our processes are designed to handle a diverse array of customer-requested inputs, which may vary by volume, chemical formulation, quality specifications, container types, and transportation requirements, enabling broad use of our products across the life sciences market. Our proprietary capabilities and products underpin the value we provide to customers across their product development and commercialization activities and allow us to scale with our clients as they grow, supporting their need for materials in greater volumes and that meet increasingly stringent regulatory requirements.

We offer three primary product types: pre-poured media plates for cell growth and cloning; liquid microbial culture media and supplements for cellular expansion; and molecular biology reagents for sample manipulation, resuspension, and purification. We typically begin working with customers in the discovery phase of development, in which they use our off-the-shelf (catalog) formulations for initial experimentation. As customers' product development progresses and they begin to need products with improved performance, in greater volumes, or that meet GMP requirements (see below), they routinely go on to order higher value, custom, or GMP-grade products. We believe the bespoke nature of our portfolio makes us a critical, trusted supplier to our customers.

Due to extensive validation and customer loyalty owing, in part, to fast turnaround times for our custom products, our customers frequently integrate them as components into the lifecycle of their own products and, we believe, are therefore unlikely to substitute Teknova's components with alternatives. As a result, our customer relationships typically span many years and help drive recurring business. Moreover, we are committed to delivering high levels of customer satisfaction through continued investment in our customer service, operating infrastructure, quality systems, and manufacturing processes. During 2025, we achieved an annual customer retention rate of approximately 95% for customers purchasing more than $10,000 annually, which represented approximately 15% of our customer base and approximately 85% of our annual revenue during that period. We believe the Teknova brand is well established in the U.S. life sciences industry as a result of our track record of delivering high quality, custom products and providing superior customer service.

We participate in multiple market segments because customers use our products across the life sciences, including in high growth areas like cell and gene therapy research, development, and production. Over time, the U.S. Food and Drug Administration (FDA) has approved a number of cell and gene therapies in the U.S. as has the European Union (EU) according to reports from the Alliance for Regenerative Medicine. The cell and gene therapy sector continued to see regulatory approvals throughout 2025 both in the U.S. and EU, supported by a robust pipeline of companies expected to submit regulatory applications in 2026, as reported by the Alliance for Regenerative Medicine.

We believe our prospects for growth will also benefit from developments in other fields, including mRNA, vaccines, liquid biopsy, and genomics. We believe the key industry factors that will drive our future growth include:

- the need for custom reagents for purification in the development of emerging therapeutic modalities such as cell and gene therapies, mRNA, and next-generation antibodies, such as antibody drug conjugates, and multi-specific antibodies;
- the growing demand for a single, adaptable, end-to-end provider that can offer both "research use only" (RUO) as well as "good manufacturing practice" (GMP) grade, custom, made-to-order products with short turnaround times;
- the importance of GMP-grade products in a development and manufacturing process that is subject to complex and stringent regulatory requirements;
- the demand for suppliers capable of quickly scaling production volumes up and down in response to customer needs; and
- the increasing demand to move to single-use bioreactors, which results in increased use of build sizes less than 2,000 liters.

The nature of many of our products and their uses require that they be manufactured by highly skilled personnel in contamination-controlled environments, following exacting procedures to ensure quality. We manufacture our products at our facilities in Hollister, California, which were purpose-built to address our customers' needs for custom-made, RUO, or GMP-grade input components.

Our Portfolio

Our products are used across all stages of biopharmaceutical and diagnostic development workflows from discovery to commercialization. They include essential formulations for common research applications and highly customized formulations for customer-specific applications in genomics and bioproduction. Our customers also use our GMP-grade products as components in diagnostic kits and in the development and production of therapeutics.

Product Categories

We have two primary product categories: Lab Essentials and Clinical Solutions. Our products cross all stages of clinical development, from early research through commercialization.

Lab Essentials

We are a leader in providing highly complex chemical formulations for use in biological research and drug discovery. Our core Lab Essentials products consist of commonly used, catalog solutions and customer-specified formulations. During discovery, our products are used regularly in small, bench-scale experiments. As customers optimize their processes and begin to scale up in volume, they tend to order more custom products. Our Lab Essentials products include essential formulations for common research applications and highly customized formulations for customer-specific applications in fields such as next generation sequencing, spatial biology, liquid biopsy, and bioproduction. We sometimes refer to our Lab Essentials products as RUO. For the year ended December 31, 2025, our Lab Essentials business contributed 76.6% of our total revenue, of which approximately 75% was attributable to catalog products and the remaining 25% attributable to custom products.

Clinical Solutions

We are ISO 13485:2016 certified, enabling us to meet the Quality System Regulation (QSR) of products for use in diagnostic and therapeutic applications. Our Clinical Solutions products are custom products used in the development and production of protein therapies, gene therapies, mRNA vaccines, and diagnostic kits. We sometimes refer to our Clinical Solutions products as "GMP" or "GMP-grade". Since offering GMP-grade products, we have achieved substantial growth in the number of customers seeking these products annually. For the year ended December 31, 2025, our Clinical Solutions business contributed 18.9% of our total revenue, of which approximately 90% was attributable to custom products and the remaining 10% attributable to catalog products.

Product Types

We offer three primary product types: pre-poured media plates for cell growth and cloning; liquid microbial culture media and supplements for cellular expansion; and molecular biology reagents for sample manipulation, resuspension, and purification, among other applications. Within each of the three product types, we offer products from each of our two primary product categories, except pre-poured media plates, which we only offer in our Lab Essentials product category.

Pre-poured Media Plates

We have an extensive selection of standard and specialty pre-poured media plates for a wide variety of applications including bacteria, fungi, and nematode growth. Pre-poured media plates, also referred to as agar plates, are the industry standard for growing microorganisms. The agar contains nutrients for the microorganism to grow and often contains compounds, such as antibiotics, to identify and select for microorganisms of interest. Microbes are spread on agar media to produce colonies, which are identical sets or clones of the original microorganism. The use of media plates is essential in the drug development process as it enables scientists to perform discovery experiments, express proteins, select cells for further expansion, and monitor the sterility of a bioproduction environment. Our ability to manufacture specialty pre-poured media plates across a wide range of formulations and plate formats makes them suitable for the most complex biological experiments and high throughput robotic applications.

Liquid Microbial Culture Media and Supplements

Liquid microbial culture media and supplements are used to expand, or grow, a particular microbial or bacterial cell of interest under controlled conditions. Liquid microbial culture media is composed of essential nutrients, such as amino acids and carbohydrates, growth factors, and hormones. To maintain the media, supplements (such as growth factors and sugars) are added over time. Expansion of microbial or bacterial cell lines is fundamental to the production of enzymes, antibodies, vaccines, and protein therapeutics. Different cells, based on species or cell type, require different nutrients for efficient growth. The ability to customize liquid microbial culture media and supplements for a specific cell line is necessary to optimize bioproduction purity and yield. Given our customers' desire to optimize microbial culture processes early in development, combined with our ability to offer low production volumes for custom formulations, and then to scale production over time, we believe we are a critical supplier for microbial culture development and optimization. In addition, we are a leader in the production of bacterial liquid culture media and supplements, which are critical inputs into mRNA vaccine and cell and gene therapy production processes.

Molecular Biology Reagents

Molecular biology reagents are a cornerstone of biological research, molecular diagnostics, drug development, and bioproduction. Molecular biology reagents are used routinely for a wide variety of applications, including, but not limited to: washing samples; resuspending samples; purifying nucleic acids or proteins; analyzing samples; cell lysis; and sample management. Our diverse offering simplifies widely used biological protocols for our customers. As customers begin to scale production volumes and require increased manufacturing precision, customers frequently seek to specify formulations and product packaging requirements—which we specialize in providing—to achieve their goals of increasing product performance and realizing manufacturing efficiencies.

Competitive Strengths

Expertise in Complex, Custom Chemical Formulation Manufacturing

We work closely with our customers to provide highly customized formulations across a variety of workflows. Our customers routinely specify the raw material source, chemical composition, packaging, labeling, and quality control specifications required for their desired product. Through three decades of capital investment and process optimization, we have created a production system designed to develop and manufacture customer-specified formulations, which we believe enables us to produce and quality control custom products faster than our competitors. We leverage our proprietary chemical formulation and production expertise, supported by a product

database consisting of the formulations of thousands of previously made products. This database, along with our experienced staff, allows us to quickly determine the optimal production process and meet the associated complexity requirements for custom orders. We believe our ability to rapidly customize has contributed significantly to the adoption of our products.

Quality and Regulatory Expertise Drives Deep Customer Relationships

The life sciences industry is subject to rigorous regulatory scrutiny in areas such as quality, reliability, and performance. Our customers rely on us to meet these high standards while also facilitating the development of novel, innovative products. During the early stages of product development, we manufacture formulations specified by our customers to aid in the optimization of therapeutic or diagnostic production processes. Our customers frequently validate these custom-made research and GMP-grade components into their production processes, allowing them to remain with us as a supplier as they scale up from research to commercial production. As a result of the extensive validation and regulatory requirements applicable to these therapeutic and diagnostic products, we believe these components are often used for the life of a product, as evidenced by our high customer retention rates. We are focused on developing and fostering long-term relationships with our customers, which has resulted in increased purchasing volumes from our customers over time.

Industry-Leading Delivery Time for Custom Products

Our operations, built upon our proprietary manufacturing processes developed over 30 years, enable adaptable, versatile, and rapid production of complex chemical formulations. Our production process is designed to handle diverse inputs in volume and product type, allowing us to deliver custom, made-to-order products for our clients across the life sciences industry. We seek to collaborate with our customers to gain visibility into their product development and purchasing requirements and are positioned to react quickly to meet their needs. Due to our expertise in raw materials sourcing, product creation, chemical formulation, and quality control, we are typically able to move a new custom product into production in a matter of weeks from order receipt. In addition, we can provide custom solutions at low minimum volumes and increase in scale by up to 100-fold within the same production environment. This means our customers can receive their products in weeks rather than months compared to other suppliers operating in traditional production environments. In 2025, we shipped approximately 79% of our custom RUO products fewer than three weeks from order placement.

For the year ended December 31, 2025, only two of our suppliers individually each made up 10% or more of our total inventory purchases, and these suppliers comprised 56% of our total inventory purchases in the aggregate. One of these suppliers, a distributor, accounted for 31% of total inventory purchases and the other supplier accounted for 25% of total inventory purchases. For the year ended December 31, 2024, two of our suppliers each made up 10% or more of our total inventory purchases, and these suppliers comprised 49% of our total inventory purchases in the aggregate. One of these suppliers, a distributor, accounted for 38% of our total inventory purchases and the other supplier accounted for 11% of total inventory purchases, respectively.

Well-Positioned in Evolving Cell and Gene Therapy Market

We work closely with our cell and gene therapy customers to provide customized, made-to-order formulations across a variety of workflows. Our products are critical components frequently used in the research and development of cell-and-gene-therapy-derived pharmaceuticals and vaccines. In particular, we are a leading provider of research and GMP-grade bacterial cell culture media and specialized chromatography solutions—reagents required for cell and gene therapies—which we believe positions us especially well to capture share in these growing markets.

A report by Fletcher Spaght, commissioned for us and dated October 6, 2020, predicts that, compared to spending during phase 1 clinical trials, average spend by customers developing cell and gene therapies increases by 1.4 times during phase 2 trials, 3.2 times during phase 3 trials and 29.8 times during commercial production, following FDA approval. Our data shows that in calendar year 2025, of our approximately 95 customers purchasing more than $5,000 annually and active in cell and gene therapy development, which includes mRNA, 49% of them purchased $5,000 or more annually of only catalog products from us, 20% purchased $5,000 or more annually of catalog and custom products, and 31% purchased $5,000 or more annually of catalog, custom, and GMP-grade products. We therefore believe our customers will spend more with us over time as cell and gene therapies move

through the FDA approval process and they purchase more custom RUO- and GMP-grade products. Combined with our existing strengths and planned investments in areas valued by developers of cell and gene therapies, which we discuss elsewhere in this Annual Report on Form 10-K, we therefore aim to significantly increase our overall revenue from sales to customers active in cell and gene therapy in the years ahead.

Experienced Leadership and Talented Workforce

Our senior management team has deep experience across the life sciences, diagnostics, and biopharmaceutical market segments. Our senior management team has served in numerous leadership roles at both large, multinational organizations and small growth companies. Our employees provide tailored support, guidance, and service for our customers. We believe the quality and experience of our personnel is critical to our ability to maintain collaborative, long-standing relationships with our customers.

Our Markets

We participate in multiple market segments, because customers use our products across the life sciences industry, including in areas like cell and gene therapy research, development, and production. We believe our prospects for growth will also benefit from developments in other fields, including the validation of mRNA and their possible use in therapies, continued significant investment in liquid biopsy, and growing interest in molecular diagnostics and genomics. Within these market segments, we have benefited from and expect to continue to benefit from favorable industry preferences for customized products, high quality, and short turnaround times. Among the key factors underpinning the long-term attractiveness of our market opportunity are the expansion of cell and gene therapy, the development and deployment of mRNA therapies, and the growing acceptance of molecular diagnostics and genomics.

The following are some of the other factors benefiting our core markets:

- **Research and Development Funding.** Although investment in certain sectors, such as early-stage biopharma organizations, was lower in calendar year 2025 compared to calendar year 2024, it was higher compared to calendar years 2023 and 2022. As such, we believe that R&D spending in the life sciences will continue to grow in the long-term, as it has in the past. As a supplier of critical reagents that enable the discovery, development, and production of biopharmaceutical products such as drug therapies, novel vaccines, and molecular diagnostics, we expect to benefit from investment in R&D over time.
- **Development of New Therapeutic and Diagnostic Modalities.** Innovation and R&D activity in our addressable markets is driving the development of a plethora of new therapeutic and diagnostic modalities. Considering the success of the COVID-19 vaccines and liquid biopsy diagnostics, we expect continued R&D investment will address other opportunities in vaccines, therapeutics, and diagnostics over time.
- **Favorable Demographic Trends.** We believe the global demand for healthcare is significantly increasing due to factors such as aging populations, better access to healthcare systems and care, and an increased occurrence of chronic illness.

In addition to opportunities in our core markets, we believe there are additional factors that will drive long-term growth including:

Cell and Gene Therapy

As a supplier to approximately 95 leading cell and gene therapy organizations, which includes mRNA, we are well positioned to benefit from long-term growth in this market through our high quality, custom, and made-to-order products. Factors driving this long-term growth will include, we believe, an increasing incidence of previously untreatable cancers and other chronic diseases, a corresponding rise in the number of clinical trials, and FDA approvals of cell and gene therapy products.

We support the development of these therapies by providing customer-specified chemical formulations for bioprocessing, scale-up, and commercialization. Our products are used early in the product development cycle. We believe our product portfolio and our expertise in custom formulations allow us to work closely with our customers at the early stages of product development to optimize manufacturing processes for their particular therapies, and then to scale as their production needs evolve. Therefore, we are able to play an integral role in therapeutic development and, ultimately, commercialization. We believe that because our products are often customized for a specific therapy and then validated, it is unlikely these customers would switch suppliers once their therapies enter clinical trials. For the year ended December 31, 2025, approximately 24% of our total revenue was from cell and gene therapy customers.

As a leader in bacterial cell culture media and supplements, lysis buffers, and nucleic acid and protein purification reagents, we are a supplier to the mRNA vaccine and therapeutics market and are well positioned to benefit from the increasing use of mRNA vaccines and therapies over time. We believe the demand for mRNA will continue to increase and therefore drive the need for more customized, research and GMP-grade bacterial cell culture media and associated formulations. The short development timeline and proven effectiveness of the COVID-19 mRNA vaccines have demonstrated the promise of mRNA therapies. The production process for mRNA requires the use of bacteria for plasmid production and a substantial number of chemical formulations for producing, purifying, and re-suspending nucleic acid sequences.

Growth in Molecular Diagnostics and Genomics Markets

According to third-party research, the global molecular diagnostics market was estimated to have been at $31.9 billion in 2025 and is projected to reach $81.6 billion by 2032, while the global genomics market is expected to grow from an estimated $21.8 billion in 2025 to $72.5 billion by 2033. We expect this growth to continue to drive demand for our research- and clinical- grade reagents in the long-term because diagnostics and genomic market leaders use our formulations as critical components in their manufacturing processes and saleable kits. For example, synthetic biology, enzyme, and antibody manufacturers often use our bacterial cell culture media and related cell lysis and purification buffers to produce their cell lines or proteins of interest. A number of our customers in the life science tools and molecular diagnostic market segments, such as spatial transcriptomics, single cell sequencing, and liquid biopsy, use our molecular biology reagents as critical subcomponents in the kits they sell to their end users.

Our Strategy

Our goal is to provide our customers the products necessary to accelerate their therapeutic and diagnostic development efforts, from basic research to commercialization of therapies that improve human health. The key elements of our business strategy to achieve this goal include:

Increase Integration of Our Products into Our Customers' Workflows

Building lasting relationships and embedding our products within our customers' key workflows are at the core of our strategy. During the early stages of product development, we manufacture formulations specified by our customers to aid in the optimization of therapeutic or diagnostic production processes. Our customers validate these custom-made research and GMP-grade components into their production processes, and because of the extensive validation required for customers' therapeutic and diagnostic products, we believe these components are often used for the life of a product, as evidenced by our customer retention rates. As customers move from catalog to custom and, ultimately, to clinical production, their total expenditure increases. Based on our sales data from 2025, customers who purchased our custom products spent approximately 25 times more on average per account with us than those who solely purchased catalog products. Over the same period, our customers who purchased our GMP-grade products, purchased 44 times more per account with us than those who solely purchased catalog products and approximately 2 times more than those who purchased catalog and custom research-grade products. These purchase multiples by account type fluctuate from year-to-year based on mix of customers and market conditions. In 2025, of customers who purchased $5,000 or more from us, 77% purchased catalog products, 14% also purchased custom products, and 9% also purchased GMP-grade products. We aim to increase the proportion of our customers purchasing custom products and GMP-grade in addition to catalog products by building lasting relationships and embedding our products within our customers' key workflows as our customers' product development matures.

Provide Superior Customer Service Through Operational Excellence

We are committed to providing superior customer service and fulfilling the expectations of our customers by making the investments required to perpetuate our operational excellence. We have extended our rapid custom production capability by further investing in automation, facilities, and operating infrastructure to substantially increase the manufacturing capacity at our facilities, improve operating efficiency, and reduce turnaround time for our custom research and GMP-grade products. We believe these investments position us for future growth by allowing us to continue to exceed our customers' expectations in quality and turnaround time and enabling us to maintain lasting relationships with our customers as they advance their products through key phases of product development. In 2025, we shipped approximately 89% of our catalog RUO products a week or less from order placement.

Selective Geographic Expansion and Strategic Partnership Development

In 2025, revenue from sales to customers in the U.S. represented 94.4% of our total revenue. We believe a substantial opportunity exists to expand our geographic reach into markets outside of the U.S. that offer strong long-term growth potential, including select markets in Europe. Based on our knowledge of the industry, we believe the local supply base in Europe is not able to produce customer-specified formulations with the diversity and scale necessary to satisfy the corresponding demand, with the short turnaround times customers expect. Accordingly, in the medium to long term, we plan to broaden our addressable market and expand our customer base by pursuing one or more of the following strategies: (i) establishing new relationships with distribution partners in Europe; (ii) supporting the development of localized manufacturing capabilities; and (iii) acquiring existing operating businesses.

We may also explore partnerships, collaborations, or acquisitions in both existing and adjacent market segments within or outside the U.S. to add complementary capabilities, expand our product offerings, and accelerate entry into new markets and locations domestically. These initiatives may involve developing and strengthening relationships with distributors, resellers, and other channel partners, and investing in marketing support to enhance partner productivity and market reach. However, there can be no assurance that we will be successful in identifying, negotiating, or integrating such opportunities, or that any such relationships or acquisitions will result in increased revenue or market share.

Competition

We operate in a highly competitive environment with a diverse base of competitors, many of whom focus on specific regions, products and/or customer segments. Many of the companies selling or developing competitive products, which in some cases are also large customers of ours, have greater financial, personnel, R&D, manufacturing, and marketing resources than we do. We also compete with other smaller, niche competitors and specialized companies that focus on certain areas of the life sciences market, although we believe they lack the critical infrastructure and rigorous quality systems in which we have invested in since our initial public offering in 2021. A portion of our target customers have established in-house production capabilities to manufacture products that are substantially similar to our products. In-house production may be perceived to be a less costly or more desirable alternative to purchasing our products for some customers due to prior investments in production infrastructure and workforce.

Our Lab Essentials and Clinical Solutions products compete, based on turnaround time, performance, and quality, with products offered by numerous large, established life science companies such as Thermo Fisher, Millipore (Merck KGaA), Cytiva (Danaher), and Hardy Diagnostics, as well as smaller, companies such as GeminiBio, Boston BioProducts, and Biologos. We are differentiated by our ability to offer customer-specified RUO and GMP formulations with short turnaround times in volumes and product characteristics matching customer needs, our Teknova brand reputation established over 30 years, and our technical expertise.

Government Regulation

We market the products we manufacture as ancillary reagents and materials that our customers can use for research purposes or in the further manufacture of their products, which may include therapies, vaccines, and molecular diagnostics. As ancillary reagents and materials, our products are not subject to regulation under the U.S.

"Federal Food, Drug and Cosmetic Act", and therefore none of our current products are registered with the FDA. We do not make any claims related to the safety, effectiveness, or diagnostic utility of any of our products because they are not intended for clinical, therapeutic, or diagnostic use, but only as components in these applications.

At the same time, the quality of our ancillary reagents and materials is critical to our biopharmaceutical and other life sciences customers who are subject to extensive regulation by the FDA, and by corresponding regulatory authorities in other countries, regarding the conduct of clinical trials and the marketing approval for and commercialization of products for diagnostic and therapeutic uses. The regulatory oversight of our customers necessitates that they impose rigorous quality requirements on us, as their supplier, through supplier qualification processes, quality agreements, and routine customer audits. We therefore choose to maintain a quality system compliant with our customers' requirements and expectations, including records of our manufacturing, testing, and quality control activities, and we must be able to provide our customers with corresponding records on a periodic basis, upon their request. These customers may seek to requalify us on a regular basis to ensure our quality system, processes, and facilities continue to meet their needs and requirements outlined in relevant customer agreements.

Because quality is so important to our customers, and because many of them may further process and validate the products they purchase from us, we voluntarily built our quality system to comply with specific sections of the ISO 13485:2016 standards established by the International Organization for Standardization (ISO). We are certified to manufacture our products in accordance with those standards. We sell products that we manufacture and process with additional, even more exacting quality and validation controls as "Clinical Solutions" or "GMP-grade," specifically to meet the needs of customers who use our materials in the further manufacture of their diagnostic, vaccine, or therapeutic products.

Compliance with "Research Use Only" Labeling Guidance

In November 2013, the FDA issued Final Guidance for Industry and Food and Drug Administration Staff on "Distribution of In Vitro Diagnostic Products Labeled for Research Use Only or Investigational Use Only" (RUO/IUO Guidance). The RUO/IUO Guidance, while generally not legally binding, explains that the FDA will review the totality of the circumstances when evaluating whether equipment and testing components are properly labeled as RUO. Merely including a labeling statement that a product is intended for research use only will not necessarily exempt the product from FDA regulation or oversight, if the circumstances surrounding the distribution of the product indicate that the manufacturer intends its product to be used for clinical, therapeutic, or diagnostic use. These circumstances may include written or verbal marketing claims or links to articles regarding a product's performance in clinical applications, a manufacturer's provision of technical support for clinical validation or clinical applications, or solicitation of business from clinical laboratories, all of which could be considered evidence of intended uses that conflict with RUO labeling. We do not market any of our products for use in clinical, therapeutic, or diagnostic settings. We believe that all of the products we label and sell as intended for "Research Use Only" are properly labeled and marketed as such in accordance with the RUO/IUO Guidance. If the FDA were to determine, based on the totality of circumstances, that any of our products are intended for diagnostic or therapeutic purposes, then those products would be considered medical products and would require approval from the FDA prior to their commercialization.

Environmental Laws and Regulations

We are subject to federal, state, and local laws and regulations relating to the protection of human health and the environment. In the conduct of our business, we handle, store, and dispose of certain chemicals and biohazardous waste. The laws and regulations applicable to our operations include provisions that regulate the discharge of materials into the environment. Some of these environmental laws and regulations impose "strict liability," rendering a party liable without regard to negligence or fault on the part of such party. Such environmental laws and regulations may expose us to liability for environmental contamination, including remediation costs, natural resource damages and other damages as a result of the conduct of, or conditions caused by, us or others or for acts that complied with all applicable laws at the time such acts were performed. In addition, where contamination may be present, it is not uncommon for neighboring landowners and other third parties to file claims for personal injury, property damage, and recovery of response costs. Although it is our policy to use generally accepted operating and disposal practices in accordance with applicable environmental laws and regulations, hazardous substances or wastes may have been disposed or released on, under, or from properties owned, leased, or

operated by us or on, under, or from other locations where such substances or wastes have been taken for disposal. These properties may be subject to investigation, remediation, and monitoring requirements under federal, state, and local environmental laws and regulations.

We believe that our operations comply in all material respects with applicable environmental laws and regulations. However, failure to comply with these environmental laws and regulations may result in the imposition of administrative, civil, and criminal penalties or other liabilities. Because the requirements imposed by such laws and regulations may frequently change and new environmental laws and regulations may be adopted, we are unable to predict the cost of compliance with such requirements in the future, or the effect of such laws on our capital expenditures, results of operations or competitive position.

Intellectual Property

Our success depends, in part, on our ability to obtain and maintain intellectual property protection for our products and trade secrets, to operate our business without infringing, misappropriating or otherwise violating the intellectual property rights of others, and to defend and enforce our intellectual property rights.

We rely on trade secrets, including know-how, confidential information, unpatented technologies, and other proprietary information, to strengthen or enhance our competitive position, and prevent competitors from reverse engineering or copying our technologies. We maintain, as trade secrets, information relating to our current products and our products currently in development, as well as information related to our business strategy, client lists, and business methods. However, trade secrets and confidential know-how are difficult to protect. To avoid inadvertent and improper disclosure of trade secrets, and to avoid the risks of former employees using these trade secrets to gain future employment, it is our policy to require employees, consultants, and independent contractors to assign to us all rights to intellectual property they develop in connection with their employment with or services for us. We also protect our existing and developing intellectual property expressly through confidentiality provisions in agreements with third parties. There can be no assurance, however, that these agreements will provide meaningful protection for our trade secrets or other intellectual property or proprietary information, or afford adequate remedies in the event of the unauthorized use or disclosure of such trade secrets or other intellectual property or proprietary information. We also seek to preserve the integrity and confidentiality of our trade secrets and other confidential information by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in the measures we take to protect and preserve our trade secrets, such measures can be breached, and we may not have adequate remedies for any such breaches. In addition, our trade secrets may otherwise become known or be independently discovered by competitors.

We intend to pursue additional intellectual property protection to the extent we believe it would advance our business objectives. Despite our efforts to protect our intellectual property rights, these rights may not be respected in the future or may be circumvented or challenged (and potentially invalidated) in a legal proceeding in any jurisdiction where we have intellectual property rights. In addition, the laws of various foreign countries may not afford the same protections or assurances to the same extent as the laws in the U.S. See the section titled “Risk Factors—Risks Related to Our Intellectual Property” for additional information regarding these and other risks related to intellectual property.

Human Capital

As of December 31, 2025, we had 158 employees, all of which were full-time. This includes 88 employees in our operations organization, 45 in administrative functions, 15 in sales and marketing and 10 in engineering and research and development. None of our employees are represented by a labor union or are subject to a collective bargaining agreement.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing, and motivating our existing and future employees. The principal purposes of our equity incentive plans are to attract, retain, and motivate selected employees, consultants, and directors through the granting of stock-based compensation awards.

Facilities

Our headquarters are located in Hollister, California, where we lease approximately 190,000 square feet of commercial, office, manufacturing, and warehouse space at five separate locations in the same vicinity, which we refer to collectively as our Hollister campus. Our Hollister campus includes dedicated space for us to carry out product formulation, dispensing, packaging, and quality control of our products, including approximately 12,500 square feet of clean room space. Space used to store our finished goods inventory, ship our products, and house our engineering and quality departments is also located at our Hollister campus, along with a receiving warehouse and raw materials storage. Our management offices, labs, engineering, and customer service groups are also located at the Hollister campus.

We believe that the facilities we currently lease are adequate to meet our needs for the immediate future, and that, should it be needed, additional space can be acquired or leased to accommodate future growth.

Corporate Information

The Company was founded in 1996 and initially incorporated in California on May 30, 2000, under the name "eTeknova, Inc." On January 11, 2019, the Company filed a certificate of merger and merged with and into Alpha Teknova, Inc., a Delaware corporation, which continued as the surviving entity bearing the corporate name of "Alpha Teknova, Inc."

In June 2021, we completed the initial public offering of our common stock (IPO). Our common stock trades on the Nasdaq Global Market under the symbol "TKNO". Following the IPO and as of the date of this Annual Report on Form 10-K, Telegraph Hill Partners Management Company LLC (Telegraph Hill Partners), through its affiliates Telegraph Hill Partners IV, L.P. (THP IV LP), THP IV Affiliates Fund, LLC (THP IV LLC), Telegraph Hill Partners V, L.P. (THP V LP), and THP V Affiliates Fund, LLC (THP V LLC, and collectively with THP IV LP, THP IV LLC, THP V, LP and THP V LLC, THP), continues to be our controlling stockholder.

Our principal executive offices are located at 2451 Bert Dr., Hollister, California 95023. Our telephone number is (831) 637-1100. Our website address is www.teknova.com. Information contained on, or that can be accessed through, our website is not part of and is not incorporated by reference in, or a part of, this or any other report we file with, or furnish to, the United States Securities and Exchange Commission (SEC).

The name "Teknova", "teknova:", and the "Teknova Science Matters" logos, and other registered or common law trademarks or service marks of Alpha Teknova, Inc. appearing in this Annual Report on Form 10-K are the property of Alpha Teknova, Inc. Other trademarks and tradenames referred to in this Annual Report on Form 10-K are the property of their respective owners. Solely for convenience, trade names, trademarks, and service marks referred to in this Annual Report on Form 10-K may appear without the ® or TM symbols. Such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to such trade names, trademarks, and service marks.

Item 1A. Risk Factors.

Risks Related to Our Business and Strategy

We have incurred operating losses in the past and may incur losses in the future.

We have incurred operating losses in the past, may incur operating losses in the future and may never achieve or maintain profitability. For the years ending December 31, 2025 and 2024, we incurred net losses of $17.3 million and $26.7 million, respectively. We have incurred and will continue to incur costs in connection with legal, accounting, and other administrative expenses related to operating as a public company and we expect that our operating expenses will increase modestly with the growth of our business. Since our inception, we have financed our operations primarily through revenue from our products, the sale of our equity securities, and debt. While our revenue has generally grown over the last several years, including 2025 compared to 2024, it decreased in 2023 compared to 2022. If our revenue declines or fails to grow at a rate sufficient to offset our operating expenses, we will not be able to achieve and maintain profitability in future periods. We may never be able to generate sufficient

revenue to achieve or maintain profitability, and our more recent growth and historical profitability should not be considered predictive of our future performance.

Our operating results may fluctuate significantly in the future, making them difficult to predict, and they could fall below expectations or any guidance we may provide.

Our quarterly and annual operating results may fluctuate significantly, making them difficult to predict. These fluctuations may not fully reflect the underlying performance of our business. They may occur due to a variety of factors, including, but not limited to:

- changes in capital market investment in or governmental and academic funding of, life sciences research and development or changes that impact the budgets and budget cycles of our customers;
- demand from our largest customers may not meet our expectations regarding volume and price in any given time period;
- the level of demand for our products, which may vary significantly, and our ability to maintain or increase penetration in our existing markets and expand into new markets;
- customers accelerating, canceling, reducing, or delaying orders, including as a result of developments related to their pre-clinical studies and clinical trials, or plans for commercialization;
- the relative quality, performance, and reliability of our products;
- our ability to maintain ISO 13485:2016 certification;
- changes in governmental regulations or the regulatory posture toward our business and the businesses of our customers;
- the volume, pricing, and mix of the products and services we sell or changes in the production or sales costs related to our offerings;
- the success of product enhancements we or others in our industry make;
- future accounting pronouncements or changes in our accounting policies;
- difficulties encountered by our commercial carriers in delivering our products, whether as a result of external factors such as weather or internal issues such as labor disputes;
- general market conditions and other factors, including factors unrelated to our operating performance or the operating performance of our competitors or customers; and
- the other factors described in this “Risk Factors” section.

The impact of any one of the factors set out above, or the cumulative effects of a combination of such factors, could result in significant fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparisons of our operating results on a period-to-period basis may not be meaningful. Furthermore, our historical results are not necessarily indicative of results expected for any future period, and quarterly results are not necessarily indicative of the results to be expected for the full year or any other period, and accordingly should not be relied upon as indicative of future performance.

As a result of variability and unpredictability, we may also fail to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall short of the expectations of analysts or investors or any guidance we may provide, or if the guidance we provide falls short of the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met or exceeded any publicly stated guidance we may have provided and could in turn negatively impact our business, financial condition, results of operations, cash flows, and prospects.

We have invested a significant amount of capital in our manufacturing facilities. We may not realize some or all of the anticipated benefits of this investment in the time frame anticipated, or at all.

We have invested a significant amount of capital in our manufacturing facilities in both equipment and infrastructure to substantially increase the effective manufacturing capacity at our facilities, improve operating efficiency through the use of automation, and reduce delivery time for our custom Lab Essentials and Clinical Solutions products. Our ability to increase our manufacturing capacity is dependent upon a number of uncertainties inherent in all new manufacturing operations, including but not limited to ongoing compliance with regulatory requirements and the pace of bringing production equipment and processes online with the capability to manufacture high-quality products at scale. If we experience any problems or delays in meeting our projected timelines for expansion of operating capacity or efficiency, if the actual production capacity yielded by our recent expansion efforts does not meet our projections, or if additional investment is needed, our business, financial condition, results of operations, cash flows, and prospects may suffer.

If our products do not possess the required or expected quality characteristics or perform as expected, or if the reliability of the technology on which our products are based is questioned, we could experience lost revenue, delayed or reduced market acceptance of our products, increased costs, and damage to our reputation.

Our success depends in large measure on the market's confidence that we can provide reliable, high-quality reagents that our customers can use for the development and commercialization of therapies, novel vaccines, and molecular diagnostics. We believe that customers in our target markets are particularly sensitive to product nonconformances, defects, and errors given the potential for impact on their own products and processes, which in many cases are regulated. Our reputation and the public image of our products and capabilities may be impaired if our products fail to perform as expected.

Although we operate a rigorous quality control system, nonconformances, defects, or errors could nonetheless occur or be present in products that we release for shipment to customers. Our operating results depend on our ability to execute and, when necessary, improve our quality management strategy and systems, our ability to effectively train and maintain our employee base with respect to quality management, and our ability to consistently meet international quality standards, including those set out in ISO 13485:2016 and meet the product specifications and quality requirements specified in agreements with customers. A failure of our quality control systems could result in problems with facility operations, the manufacture or delivery of our products, or our ability to maintain our ISO certification. These and related problems could arise for a variety of reasons, including equipment malfunctions, the failure to follow specific manufacturing and quality control and assurance protocols and procedures or other human error, defects in our engineering, design, manufacturing, and delivery processes, problems with third-party components or raw materials, environmental factors, and damage to, or loss of, our quality systems. The consequences could affect production of a particular batch or series of batches of products, requiring the disposal of those products or a stop to production altogether. Furthermore, some of the products we manufacture are subsequently incorporated into products that are sold by other life sciences companies; we have no control over any aspect of those products.

Although we have established internal procedures to reduce the risks that may arise from product quality issues, there can be no assurance that we will be able to eliminate or mitigate occurrences of these issues and associated liabilities. In addition, identifying the root cause of quality issues, particularly those affecting reagents and third-party components, may be difficult, which increases the time needed to address quality issues as they arise and increases the risk that similar problems could recur. Finding solutions to quality issues can be expensive and we may incur significant costs or lost revenue in connection with, for example, shipment holds, product recalls or replacements, or the disposal of unsaleable products.

In addition, if we or our suppliers fail to meet applicable quality standards and if our products experience, or are perceived to experience, a material nonconformance, defect, or error, our products could be recalled or we may be unable to timely deliver products to our customers, which in turn could damage our relationships with new and existing customers and our reputation for quality and service. Although we continually take steps to improve our quality procedures, we cannot guarantee that we will not experience quality assurance issues with our products in the future. Any such failure could, among other things, lead to increased costs, delayed or lost revenue, delayed or reduced market acceptance, damage to our relationships with new and existing customers and our reputation, diversion of development resources, legal claims, reimbursement to customers, other customer claims, damage to and possible termination of existing customer relationships, increased insurance costs, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other batches or products, any of

which could harm our business, financial condition, results of operations, cash flows, and prospects. Such nonconformances, defects, or errors could also narrow the scope of the use of our products, which could hinder our success in the market.

Even after any underlying quality or related concerns or problems are resolved, any lingering concerns in our target markets regarding our products or services, or any manufacturing defects or performance errors in our products, could continue to result in lost revenue, delayed or reduced market acceptance, damage to our reputation, and claims against us.

In addition, we may be unable to maintain the quality, reliability, robustness, and expected turnaround times of our products and services to continue to satisfy customer demand as we grow. Fast delivery time is of crucial importance, especially to the cell and gene therapy market segment and our customers rely on us to provide timely delivery of their custom-made formulations. We must continuously improve our operational, manufacturing, quality control and assurance and monitoring systems and processes, and other aspects of our business, and effectively train and manage our personnel. Failure to meet those objectives could adversely affect our operations and negatively impact our business and financial results. Over time, we may need to purchase additional equipment (some of which can take several months or more to procure, set up, and validate), establish new production processes, and hire additional personnel to meet increased demand. There can be no assurance that we will meet any of these anticipated challenges successfully. Failure to manage future growth could result in delays in turnaround times, higher product costs, declining product quality, deteriorating customer service, and slower responses to competitive challenges. A failure in any one of these areas could make it difficult for us to meet market expectations for our products and could damage our reputation and our business, financial condition, results of operations, cash flows, and prospects could be adversely affected.

We are dependent on our customers' spending on and demand for our products. A reduction in spending or demand, including as a result of changes in economic conditions, could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

Our chemical formulations are sold primarily to biopharmaceutical companies, life science research companies, contract research organizations (CROs), contract development and manufacturing organizations (CDMOs), in vitro diagnostics franchises, and academic and government research institutions developing novel vaccines, diagnostics and therapies and performing basic research. Our customers' spending on research, development, production, and marketing, as well as the outcomes of such research, development, and marketing activities, has a substantial impact on our revenues and profitability, particularly the amount our customers choose to spend on our products. Available resources, the need to develop new products, and consolidation in the industries in which our customers operate may have an impact on that spending. Many of our customers finance their research and development spending with capital raised from private investors and the public capital markets.

The success of our business depends primarily on the number and size of purchases from these customers. Research and development spending by our customers and the availability of government and academic research funding of, or capital markets investment in, life sciences research and development can fluctuate due to changes in available resources, mergers of pharmaceutical and biotechnology companies, spending priorities, general economic conditions and institutional and governmental budgetary policies. Changes in capital markets investment in or governmental and academic funding of, life sciences research and development, or overall reductions in healthcare spending, could negatively impact us or our customers and, consequently, our sales to them. A substantial majority of our sales are made on a purchase order basis, which permits our customers to cancel, change, or delay their product purchase commitments with little or no notice to us and often without penalty to them. Changes in the number of orders received and filled can cause fluctuations in our quarterly revenue and earnings.

For example, over a period of several years, we benefited from growing demand for our products attributable to the ongoing expansion of the global biologics and diagnostics market segments, robust research and development budgets, and a trend toward greater outsourcing by our customers. These market conditions changed substantially in the middle of 2022, when private and public funding available to small and emerging biotechnology companies, in particular, contracted sharply as tailwinds from the COVID-19 pandemic subsided and led to a reduction of or deferral in spending by some of our customers. These negative market dynamics remained through 2023 and to a lesser extent in 2024. It is unclear whether these market conditions will continue in the future. If these economic

pressures on the life sciences industry persist, they could have an ongoing and substantial adverse effect on the demand for our products.

In addition to these industry trends, our customers' willingness and ability to utilize our products is also subject to, among other things, their own financial performance, changes in their available resources, their decisions to acquire in-house manufacturing capacity, their spending priorities, their budgetary policies and practices including inventory levels and their need to develop new biological products, which, in turn, are dependent upon a number of factors, including their competitors' discoveries, developments and commercial manufacturing initiatives and the anticipated market, clinical and reimbursement scenarios for specific products and therapeutic areas. In addition, consolidation in the industries in which our customers operate may have an impact on our customers' spending as they integrate acquired operations, including research and development departments and associated budgets. If our customers reduce their spending on our products as a result of any of these or other factors, our business, financial condition, results of operations, cash flows, and prospects would be materially and adversely affected.

Our customers' research and development, and the clinical and market success of their products, may significantly influence our business, financial condition, and results of operations.

Our customers are engaged in research, development, production, and marketing of pharmaceutical and biotechnology products. We depend on, and have no control over, end market demand for the products our customers manufacture. End market demand for our customers' products could be adversely affected by, among other things, delays in regulatory approvals, the inability of our customers to demonstrate the efficacy and safety of their products, the loss of patent and other intellectual property rights protection, the emergence of competing or alternative products, including generic drugs, the degree to which private and government payment subsidies for a particular product offset the cost to consumers, and changes in the marketing strategies for such products. Additionally, if the products our customers manufacture do not gain market acceptance, our revenues and profitability may be adversely affected.

Ongoing changes in the healthcare industry, including ongoing healthcare reform, adverse changes in government or private funding of healthcare products and services, legislation or regulations governing the privacy of patient information or patient access to care, or the delivery, pricing, or reimbursement of pharmaceuticals and healthcare services or mandated benefits, may cause healthcare industry participants to purchase fewer products and services from us or influence the price that others are willing to pay for our products and services. Changes in the healthcare industry's pricing, selling, inventory, distribution, or supply policies or practices could also significantly reduce our revenue and profitability.

If our customers are not successful in attaining or retaining product sales due to market conditions, reimbursement issues, or other factors like those set out above, or if our customers' orders otherwise decline, our financial condition and results of operations may be adversely affected.

If we cannot maintain our current relationships with customers, if we fail to sustain recurring sources of revenue with our existing customers, or if we fail to enter into new customer relationships, our future operating results will be adversely affected.

The revenue attributable to our top customers on a quarterly basis has fluctuated in the past and may fluctuate in the future, especially in our Clinical Solutions product category, within which orders are on average of higher value than orders within our Lab Essentials category. This could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects. A substantial majority of our customers buy from us on a purchase order basis, and therefore these relationships are subject to termination. The termination of these relationships could result in a temporary or permanent loss of revenue.

Our future success depends on our ability to maintain these relationships, to increase our penetration among these existing customers and to establish new relationships. We engage in conversations with other companies and institutions regarding potential commercial opportunities on an ongoing basis, which can be time-consuming. There is no assurance that any of these conversations will result in a commercial agreement, or if an agreement is reached, that the resulting relationship will be successful. Speculation in the industry about our existing or potential

commercial relationships can be a catalyst for adverse speculation about us, our products, and our capabilities, which can adversely affect our reputation and our business. In addition, if our customers order our products but fail to pay on time or at all, our liquidity, financial condition, results of operations, cash flows, and prospects could be materially and adversely affected.

We compete with life science, pharmaceutical, and biotechnology companies, some of whom are our customers, who are substantially larger than we are and potentially capable of developing new approaches that could make our products and technology obsolete or develop their own internal capabilities that compete with our products, making it difficult for us to implement our strategies for revenue growth.

The market for biologics components products and services in the biopharmaceutical development, life science research, and diagnostics space is intensely competitive, rapidly evolving, significantly affected by new product introductions and other market activities by industry participants and subject to rapid technological change. We also expect increased competition as additional companies enter our market and as more advanced technologies become available. We compete with other providers of outsourced biologics components products and services. We also compete with the in-house discovery, development, and commercial manufacturing functions of pharmaceutical and biotechnology companies. Many of our competitors, which in some cases are also our customers, are large, well-capitalized companies with significantly greater resources and market share than we have. They may undertake their own development of products that are substantially similar to or compete with our products and they may succeed in developing products that are more effective or less costly than any that we may develop. Customers may believe that larger companies are better able to compete as sole source suppliers, and therefore prefer to purchase from such companies. Additionally, our competitors may be able to spend more aggressively on product and service development, marketing, sales and other initiatives than we can. Many of these competitors also have:

- broader name recognition;
- longer operating histories and the benefits derived from greater economies of scale;
- larger and more established distribution networks;
- additional product and service lines and the ability to bundle products and services to offer higher discounts or other incentives to gain a competitive advantage;
- more experience in conducting research and development, manufacturing, and marketing;
- more experience in entering into collaborations or other strategic partnership arrangements; and
- more financial, manufacturing, and human resources to support product development, sales and marketing, and legal or regulatory investigations or disputes.

These factors, among others, may enable our competitors to market their products and services at lower prices or on terms more advantageous to customers than we can offer. Competition may result in price reductions, reduced gross margins, and loss of market share, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects. Moreover, consolidation trends in the pharmaceutical, biotechnology, and diagnostics industries have served to create fewer customer accounts and to concentrate purchasing decisions for some customers, resulting in increased pricing pressure on us. Additionally, our current and future competitors, including certain of our customers, may at any time develop additional products and services that compete with our products, and new approaches by these competitors may make our products, capabilities, and methodologies obsolete or noncompetitive. We may not be able to compete effectively against these organizations. Failure to anticipate and respond to competitors' actions may impact our future revenue and profitability.

Certain of our products are used by customers in the development and production of novel vaccines, therapies, and molecular diagnostics, some of which represent relatively new and still-developing modes of treatment and testing. Unforeseen adverse events, negative clinical outcomes, or increased regulatory scrutiny of these treatments and their financial cost may damage public perception of the safety, utility, or efficacy of these vaccines and therapies or other modes of treatment and may harm our customers' ability to conduct their business. Such events may negatively impact our revenue and have an adverse effect on our performance.

Cell and gene therapy and mRNA vaccines remain relatively new and are under active development, with only a few cell and gene therapies and mRNA vaccines authorized or approved to date by regulatory authorities. Public perception may be influenced by claims that cell and gene therapy or mRNA vaccines are unsafe or ineffective, and cell and gene therapy may not gain the acceptance of the public or the medical community. In addition, ethical, social, legal, and financial concerns about cell and gene therapy and mRNA vaccines could result in additional regulations or limitations or even prohibitions on certain gene therapies or vaccine-related products, or reduced access to funding for our customers in these market segments. More restrictive regulations or negative public perception could reduce certain of our customers' use of our products, which could negatively affect our revenue and performance. In addition, certain vaccine development and diagnostic testing programs utilize our bacterial cell culture media and our molecular biology reagents, which we manufacture subject to GMP requirements. There can be no assurance that any cell and gene therapy, vaccine programs, or diagnostic tests will proceed to clinical trials or result in a commercial product, or that any resulting gene therapies, vaccines, or diagnostic tests will incorporate or utilize our products.

Our products are highly complex and are subject to quality control and assurance requirements.

We believe all of our products are exempt from compliance with the U.S. Food, Drug, and Cosmetic Act (FDCA) and the current GMP regulations of the FDA, because all of our products are intended for research use only or for further processing by our customers. We do not make any claims related to the safety, effectiveness, or diagnostic utility of any of our products because they are not intended for clinical, therapeutic, or diagnostic use.

Nevertheless, the quality of our products is critical to our customers. We apply quality control procedures, including inspection of our products and/or the materials used in their manufacture, the verification of stability and/or performance, and, for certain products, additional validation procedures, whether a product we offer is designed and manufactured by us or purchased from outside suppliers. All of our quality control processes are administered under a system designed to adhere to aspects of ISO 13485:2016. Some of our customers also validate the products they purchase from us for their applications, and they may qualify us against their quality system requirements, which can include supplier questionnaires, quality agreements, and on-site audits. In the event we or our suppliers manufacture products that fail to comply with applicable quality standards or expectations, we may incur delays in fulfilling orders, recalls, and/or harm to our reputation.

If our customers do not qualify our quality systems, or if we are unable to maintain our ISO certification, our operating results could suffer.

We believe our quality system is adequate and that our activities comply with the qualification and technical standards established in our quality system. However, our customers often require that our quality system meets their qualification standards and that we be certified as being in compliance with international quality standards, including with those set out in ISO 13485:2016. We are ISO 13485:2016 certified, and we must periodically pass audits in order to maintain certification. We may also encounter quality issues in the future as a result of the expansion or reconfiguration of existing manufacturing facilities, automation or other changes in our manufacturing processes, or the introduction of new products. We may be unable to obtain, or could experience delays in obtaining, customer qualification of our quality system. Any failure by us to obtain and maintain qualification of our quality systems by our customers, or to remain ISO certified, could have a material adverse effect on our business, financial condition, results of operations, cash flows, reputation, and prospects.

If we cannot provide quality technical and applications support, we could lose customers and our business and prospects would suffer.

The introduction of our products into our customers' existing laboratory workflows and ongoing customer support for our products can be challenging. Accordingly, we need highly trained technical support personnel. Hiring technical support personnel is very competitive in our industry due to the limited number of people available with the necessary scientific and technical backgrounds and ability to understand our products and their uses at a technical level. To effectively support potential new customers and the expanding needs of current customers, we will need to substantially expand our technical support staff over time. If we are unable to attract, train, or retain the number of highly qualified technical services personnel that our business needs, our business and prospects will suffer.

We depend on a stable and adequate supply of quality raw materials from our suppliers, and price increases or interruptions of such supply could have an adverse impact on our business, financial condition, results of operations, cash flows, and prospects.

Our operations depend upon our ability to obtain raw materials at reasonable prices. If we are unable to obtain the materials we need at reasonable prices, whether due to inflation in the broader economy, supply chain disruptions, tariffs, or other factors, we may not be able to produce certain of our products at marketable prices or at all, which could have a material adverse effect on our results of operations. Certain of our raw materials are sourced from a limited number of suppliers. For each of the years ended December 31, 2025 and 2024, purchases from suppliers making up 10% or more of our total inventory purchases represented 56% and 49% of total inventory purchases, respectively. However, we note that one of these suppliers is a distributor that sells products on behalf of a diversified supply chain where purchases from this supplier made up 31% and 38% of our total inventory purchases for the years ended December 31, 2025 and 2024, respectively. Delays or difficulties in securing these raw materials or other laboratory materials could result in an interruption in our production operations if we cannot obtain an acceptable substitute. Any such interruption could significantly affect our business, financial condition, results of operations, cash flows, and prospects.

Although we believe that we have stable relationships with our existing suppliers, we cannot ensure that we will be able to secure a stable supply of raw materials going forward. Our suppliers may not be able to keep up with our pace of growth or may reduce or cease their supply of raw materials to us at any time. While we may identify other suppliers, raw materials we purchase from those replacement suppliers may require us to alter our production operations or perform extensive validations, which may be time-consuming and expensive. In addition, we cannot assure you that our suppliers have obtained and will be able to obtain or maintain all licenses, permits, and approvals necessary for their operations or comply with all applicable laws and regulations, and the failure to do so by them may lead to interruption in their business operations, which in turn may result in shortages of raw materials supplied to us. Some of our suppliers are based overseas and therefore may need to maintain export or import licenses. If the supply of raw materials is interrupted, our business, financial condition, results of operations, cash flows, and prospects may be adversely affected.

If we are unable to manufacture or ship our products to meet demand, our operating results will suffer.

Our revenue and other operating results depend in large part on our ability to manufacture and ship our products in sufficient quantities and on specific timelines. Any interruptions we experience in the manufacturing or shipping of our products could delay our ability to recognize revenue in a particular quarter. Manufacturing problems can and do arise, and as demand for our products increases, any such problems could have an increasingly significant impact on our operating results. While we have not experienced significant problems with, or delays in our production capabilities that resulted in delays in our ability to ship finished products, there can be no assurance that we will not encounter such problems in the future. We also adjust our supply chain requirements based on changing customer needs and demands, and such adjustments could cause delays. We may not be able to ship products quickly and recognize anticipated revenue for a given period if we experience significant delays in the manufacturing process. In addition, we must maintain sufficient production capacity in order to meet anticipated customer demand, and we may be unable to offset the associated fixed costs if orders slow, which would adversely affect our operating margins. Furthermore, our customers rely on us for fast delivery of their custom-made formulations, and if our production timeline slows down, we may not be able to meet their expectations and our

relationships could suffer. If we are unable to manufacture and ship our products consistently, in sufficient quantities and on a timely basis, our business, financial condition, results of operations, cash flows, and prospects will be materially and adversely affected.

Future strategic investments or transactions may require us to seek additional financing, which we may not be able to secure on favorable terms, if at all.

Over time, we may pursue various strategic investments and transactions, including licensing or acquiring products, technologies, or businesses complementary to our existing portfolio of products and services. We may need to seek additional financing to fund these strategic investments or transactions. Should we need to do so, we may not be able to secure such financing, or obtain such financing on favorable terms. In addition, future acquisitions may require the issuance or sale of additional equity, or equity-linked securities, which may result in additional dilution to our stockholders. The Second Amended and Restated Credit Agreement imposes significant restrictions on our ability to make acquisitions or certain other investments and our ability to make such acquisitions or other investments may be further limited by the terms of any future debt or preferred securities we may issue or any future credit facilities we may enter into.

Natural disasters (including earthquakes, fire, and drought), geopolitical unrest, war, terrorism, public health issues, or other catastrophic events, some possibly related to the increasing effects of climate change, could disrupt the supply, production, delivery, or demand of our products, which could negatively affect our operations and performance.

We are subject to the risk of damage, destruction, and business disruption caused by the increasing effects of climate change; earthquakes, hurricanes, floods, droughts, and other natural disasters; fire; power shortages; geopolitical unrest, war, terrorist attacks and other hostile acts; public health issues, epidemics or pandemics; and other events beyond our control and the control of the third parties on which we depend. Any of these catastrophic events, whether in the U.S. or abroad, may have a significant negative impact on the global economy, our employees, facilities, critical equipment, partners, suppliers, distributors, or customers and could decrease demand for our products, create delays and inefficiencies in our supply chain and make it difficult or impossible for us to manufacture products or perform services for our customers. We may not carry sufficient business insurance to compensate for damage or other losses relating to our facilities and equipment. In addition, any legislative or regulatory responses to these events, including to address the effects of or to mitigate climate change, could increase compliance costs and impose additional operating restrictions, each of which could have a negative impact on our operations.

We rely upon our internal manufacturing, packaging, and distribution operations to produce many of the products we sell and on our warehouse facilities to store products pending sale. Our manufacturing and storage operations are located in California, near major earthquake faults, which makes us susceptible to earthquake and fire risks. A catastrophic event that results in damage to specific equipment that would be difficult to replace, in the destruction or disruption of our research and production facilities or in the disruption of our critical business or information technology systems would severely affect our ability to conduct normal business operations. Any disruptions in our operations could adversely affect our business, financial condition, and results of operations and harm our reputation. We may not carry sufficient business insurance to compensate for losses that may occur. Any such losses or damages could have a material adverse effect on our business, financial condition, and results of operations. In addition, the facilities of our suppliers and customers may be harmed or rendered inoperable by such catastrophic events, which may cause disruptions, difficulties or otherwise materially and adversely affect our business.

We rely upon the use of water to produce many of the products we sell, including the sale of water products themselves. Lack of sufficient water to manufacture our products could severely impact our operations and performance. Extended periods of drought in California may put pressure on the use and availability of water for manufacturing purposes, and in some cases, governmental authorities could divert, or already have diverted, water to other uses. As California has grown in population, there are increasing and multiple pressures on the use and distribution of water, which many view as a finite resource. We believe we have access to adequate supplies of water for our manufacturing operations and currently do not anticipate that future drought conditions will have a material impact on our operating results. However, if future drought conditions are worse than prior drought

conditions or if regulatory responses to such conditions limit our access to water, our business could be negatively affected.

Because we rely heavily on third-party package delivery services, a significant disruption in these services, damages or losses sustained during shipping or significant increases in prices could adversely affect our business, financial condition, results of operations, cash flows, and prospects.

We ship a significant portion of our products to our customers through independent package delivery companies, such as FedEx, UPS, and FedEx Freight. If one or more of these third-party package delivery providers were to experience a significant service disruption, preventing our products from being delivered in a timely fashion or causing us to incur additional shipping costs we could not pass on to our customers, our costs could increase and our relationships with certain of our customers could be adversely affected. In addition, if one or more of these third-party package delivery providers were to increase prices, and we were not able to find comparable alternatives or make adjustments to our delivery network, our business could be adversely affected. Furthermore, if one or more of these third-party package delivery providers were to experience performance problems or other difficulties, it could negatively impact our operating results and our customers' experience. In the past, some of our products have sustained serious damage in transit such that they were no longer usable. Although we have taken steps to improve our packaging and shipping containers, there is no guarantee our products will not become damaged or lost in transit in the future. If our products are damaged or lost in transit, it may result in a substantial delay in the fulfillment of our customers' orders and, depending on the type and extent of the damage, it may result in a substantial financial loss. If our products are not delivered in a timely, cost-effective fashion, or are damaged or lost during the delivery process, our customers could become dissatisfied and cease using our products, which would adversely affect our business, financial condition, results of operations, cash flows, and prospects.

If we are unable to continue to hire and retain skilled personnel, we will have trouble developing and marketing our products.

We are highly dependent, and our success depends largely, upon the continued service of our management, technical, and other staff and our ability to attract, retain, and motivate highly skilled personnel who deliver high-quality and timely products and services to our customers. We also face significant competition in the hiring and retention of such personnel from other companies, other providers of outsourced biologics services, research and academic institutions, government and other organizations who have superior funding and resources. Each of our executive officers may terminate their employment with us at any time. The loss of key personnel or our inability to hire and retain skilled personnel could materially adversely affect the development of our products and our business, financial condition, results of operations, cash flows, and prospects. We do not maintain "key person" insurance for any of our executives or employees.

In addition, at times, we have relied on and may again utilize consultants to assist us in developing and implementing commercial, engineering and operational advancements. Our consultants and advisors may be contracted by companies other than ours and therefore may have commitments that may limit their availability to us.

Our corporate culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the innovation, creativity, and teamwork fostered by our culture and our business may be harmed.

We believe that our culture has been and will continue to be a critical contributor to our success. If we do not continue to develop our corporate culture or maintain and preserve our guiding principles as we grow and evolve, we may be unable to foster the innovation, curiosity, creativity, focus on execution, teamwork, and the facilitation of critical knowledge transfer and knowledge sharing we believe we need to support our growth.

We may enter into additional distribution arrangements and marketing alliances for certain products and services or certain geographic areas, and any failure to successfully identify and implement these arrangements on favorable terms, if at all, may impair our ability to effectively distribute and market our products.

We may pursue additional arrangements regarding the sales, marketing, and distribution of one or more of our products and our future revenue may depend, in part, on our ability to enter into and maintain successful

arrangements with other companies having sales, marketing, and distribution capabilities. Any failure to enter into such arrangements and marketing alliances on favorable terms, if at all, could delay or impair our ability to distribute or market our products and could increase our costs of distribution and marketing. Any use of distribution arrangements and marketing alliances to commercialize our products will subject us to a number of risks, including the following:

- we may be required to relinquish important rights to our products;
- we may be exposed to additional regulation and risk associated with the sale of our products in new geographic areas;
- we may not be able to control the amount and timing of resources that our distributors or collaborators may devote to the distribution or marketing of our products;
- our distributors or collaborators may experience operational disruptions or financial difficulties; and
- business combinations or significant changes in a collaborator's business strategy may adversely affect a collaborator's willingness or ability to complete its obligations under any arrangement.

Our success depends on the market acceptance of our bacterial cell culture media, specialized chromatography solutions, and molecular biology reagents, which we manufacture subject to GMP quality standards. Our bacterial cell culture media, specialized chromatography solutions, and molecular biology reagents may not achieve or maintain significant commercial market acceptance.

Our commercial success is dependent upon our ability to continue to successfully market and sell our bacterial cell culture media, specialized chromatography solutions, and molecular biology reagents, which are manufactured subject to GMP quality standards. Our ability to achieve and maintain market acceptance of our products will depend on a number of factors, including:

- our ability to increase awareness of the capabilities of our products and solutions;
- our ability to continue to produce and deliver custom-made formulations to our customers with short turnaround times;
- our ability to maintain compliance with GMP quality standards for certain of our products;
- our ability to assess and determine, consistent with the interpretation of the FDA and similar regulatory bodies, the regulatory categories and status of our product offerings which may develop and change over time and to obtain any regulatory clearances or approvals, if and/or when required by the FDA or similar regulatory authorities;
- our customers' willingness to adopt new products;
- whether our products reliably provide advantages over legacy and other alternative offerings and are perceived by customers to be cost effective;
- our ability to execute on our strategy to scale-up our manufacturing capabilities to meet increasing demand;
- the rate of adoption of our products by biopharmaceutical companies, academic institutions, and others;
- the relative reliability and robustness of our products as a whole;
- our ability to develop new tools and solutions for customers;
- whether competitors develop and commercialize products and services that provide comparable features and benefits at scale;
- whether competitors effectively link their instruments and/or capital equipment to their reagents; and
- negative publicity regarding our or our competitors' products resulting from defects or errors.

We cannot assure you that we will be successful in addressing these or other risk factors that might affect the market acceptance of our products. If we are unsuccessful in achieving and maintaining market acceptance of our

products, our business, financial condition, results of operations, cash flows, and prospects could be adversely affected.

Due to the significant resources required to access new markets, we must make strategic and operational decisions to prioritize certain markets, and product offerings, and there can be no assurance that we will allocate our resources in a way that results in meaningful revenue or capitalizes on potential new markets.

We believe our products have potential applications across a wide range of markets and we have targeted certain markets in which we believe we have a higher probability of success or in which we believe the path to commercializing our products and realizing revenue is shorter. However, due to the significant resources required for the development of applications for new markets, we must make decisions regarding which markets to pursue and the amount of resources to allocate to each. Our decisions to pursue directly or through collaboration with third parties in respect of, certain markets may subsequently prove to be suboptimal and could cause us to miss valuable opportunities. In particular, if we are unable to manufacture or market additional relevant products and applications relevant to our markets, it could slow or stop our business growth and negatively impact our business, financial condition, results of operations, and prospects.

Our estimates of market sizes and opportunity may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, our business could fail to grow at similar rates, if at all.

Addressable market estimates and growth forecasts, including the cell and gene therapy market as well as the molecular diagnostics and genomics markets, are subject to significant uncertainty and are based on assumptions and estimates that may be inaccurate. These estimates and forecasts are based on a number of complex assumptions and third-party estimates and other business data, including assumptions and estimates relating to our ability to generate revenue from existing products and the development of new products and services. Our estimates and forecasts relating to the size and expected growth of our markets may prove to be inaccurate. Even if the markets in which we compete meet the size estimates and growth forecasted by us, our business could fail to grow at the rate we anticipate, if at all.

Product liability lawsuits against us could cause us to incur substantial liabilities, limit sales of our existing products, and limit commercialization of any products that we may develop.

Our business exposes us to the risk of product liability claims that are inherent in the development, production, distribution, and sale of biotechnology products. We face an inherent risk of product liability exposure related to the use of our products and product liability lawsuits may allege that our products failed to perform as designed. We may also be subject to liability for errors in, a misunderstanding of or inappropriate reliance upon, the information we provide in the ordinary course of our business activities. If any of our products harm people due to our negligence, willful misconduct, unlawful activities, or material breach, or if we cannot successfully defend ourselves against claims that our products caused injuries, we could incur substantial liabilities. While we seek to limit our product liability exposure, including in our contracts and terms and conditions of sale with our customers, we may not be successful in reducing or eliminating potential liability. Regardless of merit or eventual outcome, liability claims may result in the following, any of which could impact our business, financial condition, results of operations, cash flows, and prospects:

- decreased demand for our products and any products or services that we may develop in the future;
- injury to our reputation;
- costs to defend the related litigation;
- distraction of management's attention from our primary business;
- loss of revenue; and
- the inability to commercialize products that we may develop.

We maintain product liability insurance, but this insurance is subject to deductibles, limits, and exclusions and may not fully protect us from the financial impact of defending against product liability claims or the potential loss

of revenue that may result. Any product liability claim brought against us, with or without merit, could increase our insurance rates or prevent us from securing insurance coverage in the future.

We are subject to stringent and evolving data privacy and information security laws, regulations, and standards, as well as policies and contractual obligations related to data privacy and security, and changes in these could adversely affect our business.

We are subject to data privacy and information security laws and regulations that apply to the collection, transmission, storage, and use of proprietary information and personal information. Failure to comply with any of these laws and regulations could result in enforcement actions against us, including fines, claims for damages by affected individuals, damage to our reputation, and loss of goodwill, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects. Additionally, if we are unable to properly protect the privacy and security of information, we could be found to have breached our contracts.

In the U.S., numerous federal and state laws, including state data breach notification laws and federal and state health information privacy and consumer protection laws, govern the collection, use, disclosure, and security of personal information. These laws continue to change and evolve and are increasing in breadth and impact. Many states in which we operate have laws that protect the privacy and security of personal information. For example, the California Consumer Privacy Act of 2018 (CCPA), which protects the privacy rights of California residents and imposes obligations on companies that process their personal information, came into effect on January 1, 2020. Among other things, the CCPA requires covered companies to provide disclosures to California residents and afford them data protection and privacy rights, including the ability to opt-out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. In addition, the California Privacy Rights Act (CPRA) took effect January 1, 2023. The CPRA amends the CCPA, giving California residents additional control over their personal information and imposing further obligations on businesses processing the personal information of California residents. The CPRA includes the creation of a privacy-specific enforcement agency, the first of its kind in any U.S. state, which will be responsible for enforcing the new law. These laws subject us to increased regulatory and overall risk. State laws are changing rapidly and there is discussion in Congress of a new federal data protection and privacy law to which we would become subject, if it is enacted. Without an overarching federal law driving privacy compliance in the U.S., however, a patchwork of privacy legislation formed by individual state laws could also create risks, similar to the patchwork created by differing state data breach notification obligations. Requirements to comply with varying state laws not only increase costs for compliance, but also create the potential for enforcement by individual state attorneys general.

Various foreign countries also have, or are developing, laws that govern the collection, use, disclosure, security, and cross-border transmission of personal information. The legislative and regulatory landscape for data privacy and information security continues to evolve, and there has been an increasing focus on data privacy and information security issues that have the potential to affect our business. To the extent applicable, we are, or could be subject to these laws, rules, and regulations, and we cannot guarantee that we are, or will be, in compliance with all applicable laws, rules, and regulations as they are enforced now or as they evolve.

We use third-party credit card processors to process payments from our customers. Through our agreements with our third-party credit card processors, we are subject to payment card association operating rules, including the Payment Card Industry Data Security Standard (PCI-DSS), which governs a variety of areas, including how consumers and customers may use their cards, the security features of cards, security standards for processing, data security and allocation of liability for certain acts or omissions, including liability in the event of a data breach. Any change in these rules or standards and related requirements could make it difficult or impossible for us to comply. Additionally, any data breach or failure to hold certain information in accordance with PCI-DSS may have an adverse effect on our business and results of operations.

It is possible that the laws governing data privacy and information security may be interpreted and applied in a manner that is inconsistent with our practices and our efforts to comply with the evolving data protection rules may be unsuccessful. We must devote significant resources to understanding and complying with this changing landscape. Failure to comply with U.S. federal and state and non-U.S. laws regarding data privacy and information

security could expose us to penalties under such laws, orders requiring that we change our practices, claims for damages or other liabilities, regulatory investigations and enforcement action, litigation, and significant costs for remediation, any of which could adversely affect our business. Even if we are not determined to have violated these laws, government investigations into these issues typically require the expenditure of significant resources and generate negative publicity, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

Our internal computer systems, or those of our suppliers, customers, or contractors, have been and may in the future be subject to cyberattacks or security breaches, which could result in a material disruption of our business or otherwise adversely affect our business, financial condition, results of operations, cash flows, and prospects.

Despite the implementation of security measures, our internal computer systems and those of our suppliers, customers, and contractors, are vulnerable to damage from computer viruses and unauthorized access. We and our suppliers, including security and infrastructure suppliers, manage and maintain our data using a combination of on-site systems and cloud-based data centers. We face a number of risks related to protecting information, including inappropriate use or disclosure, unauthorized access or acquisition, or inappropriate modification of information. Cyberattacks are increasing in their frequency, sophistication, and intensity and have become increasingly difficult to detect. Cyberattacks could include the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering, and other means to affect service reliability and threaten the confidentiality, integrity, and availability of information. Cyberattacks also could include phishing attempts or e-mail fraud to cause unauthorized payments or information to be transmitted to an unintended recipient, or to permit unauthorized access to systems The advancement of technologies like artificial intelligence, which malicious third parties are using to create new, sophisticated and more frequent attacks, also exacerbates cybersecurity risk. A material cyberattack or security incident could cause interruptions in our operations and could result in a material disruption of our business operations, damage to our reputation, financial condition, results of operations, cash flows, and prospects.

In the ordinary course of our business, we collect and store data that we are required to protect, including, among other things, personal information about our employees, credit card data, intellectual property, and proprietary business information. Any cyberattack or security incident that leads to the unauthorized access, acquisition, use or disclosure of personal or proprietary information could harm our reputation, cause us not to comply with U.S. federal and/or state, or non-U.S., data breach notification laws, or our contractual obligations, and otherwise subject us to liability under laws and regulations that protect the privacy and security of personal information. In addition, we could be subject to risks caused by misappropriation, misuse, leakage, falsification, or intentional or accidental release or loss of information maintained in our information systems and networks and those of our suppliers, including personal information of our employees and Company, customer, and supplier confidential data. In addition, outside parties have previously attempted and may in the future attempt to penetrate our systems or those of our suppliers or fraudulently induce our personnel or the personnel of our suppliers to disclose information in order to gain access to our data and/or systems or make unauthorized payments to third parties. The number and complexity of these threats continue to increase over time. If a material breach of our information technology systems or those of our suppliers occurs, the market perception of the effectiveness of our security measures could be harmed and our reputation and credibility could be damaged.

Our insurance coverage may not be adequate to cover losses associated with security incidents, and in any case, such insurance may not cover all of the types of costs, expenses, and losses we could incur to address a security incident. As a result, we may be required to expend significant additional resources to protect against the threat of these issues or to alleviate problems caused by the same. In addition, we could be subject to regulatory actions and/or claims made by individuals and groups in private litigation related to data collection and use practices and other data privacy laws and regulations, including claims for misuse or inappropriate disclosure of data, as well as unfair or deceptive practices. Although we develop and maintain systems and controls designed to prevent these events from occurring, and we have a process to identify and mitigate threats, the development and maintenance of these systems, controls, and processes is costly and requires ongoing monitoring and updating as technologies change and efforts to overcome security measures become increasingly sophisticated. Moreover, despite our efforts, the possibility of these events occurring cannot be eliminated entirely and there can be no assurance that any measures we take will prevent cyberattacks or security incidents that could adversely affect our business, financial condition, results of operations, cash flows, and prospects.

We are dependent upon information technology systems, which are subject to disruption, damage, and failure.

To conduct our business, we rely on information technology systems, networks, and services, many of which are managed, hosted, and provided by third parties. System failure, malfunction, or loss of data that is housed in our or our third-party service providers' critical information systems could disrupt our ability to perform critical functions, which in turn could materially and adversely affect our business and operating results, financial position, and cash flows. Our information systems could be damaged or cease to function properly due to a number of other reasons, including power outages or other catastrophic events. As a result, we may experience interruptions in our ability to manage our daily operations, which could adversely affect our business, financial condition, and results of operations.

Changes in political, economic, or governmental regulations may reduce demand for our products or increase our expenses.

We compete in many markets in which we and our customers must comply with federal, state, local and international regulations, such as environmental, health and safety, and food and drug regulations. We develop, configure, and market our products to meet customer needs created by those regulations. The U.S. and international healthcare industry is subject to changing political, economic, and regulatory influences that could significantly affect the drug development process, research and development costs, and the pricing and reimbursement for pharmaceutical and other therapeutic products. Any significant change in regulations could have an adverse effect on both our customers' business and our business, which could result in reduced demand for our products and services or increases in our expenses. For example, we provide products used for basic research and input components used by biopharmaceutical customers for further processing.

Changes in the FDA's regulation of the drug discovery and development process may have a negative impact on the ability of our customers to conduct and fund clinical trials, which could have a material adverse effect on the demand for the products we supply to these customers. Additionally, the U.S. government and governments worldwide have increased efforts to expand healthcare coverage while at the same time curtailing and better controlling the increasing costs of healthcare. If cost-containment efforts limit our customers' profitability, they may decrease research and development spending, which could decrease the demand for our products and materially adversely affect our growth prospects. Any of these factors could harm our customers' businesses, which, in turn, could materially adversely affect our business, financial condition, results of operations, cash flows, and prospects.

Changes in the state and local regulatory environment could limit our business activities or increase our operating costs.

The conduct of our business is subject to various laws and regulations administered by state and local government agencies in the state of California, county of San Benito, and the city of Hollister where we manufacture our products. These laws and regulations and interpretations thereof may change, sometimes dramatically, as a result of political, economic or social events, such as the election of new officials. Changes in laws, regulations or governmental policy and the related interpretations may alter the environment in which we do business, and therefore may impact our results or increase our operating costs.

For example, permits are required for the operation of certain parts of our business, and these permits are subject to renewal, modification and, in some circumstances, revocation. Even though most permits and licenses are obtained prior to the commencement of a project, many of these licenses and permits are required to be maintained over the project's life. If we fail to comply with these regulations or contractual obligations, it could be subject to monetary penalties or we may lose our right to operate our assets, business, or both. Regulators may impose conditions on the operations and activities of our business as a condition to grant its approval or to satisfy regulatory requirements, which may limit the activities of our business. In addition, the relevant governmental agencies may impose conditions or restrictions on our underlying assets or business, or both.

We also rely on local government and municipal agencies to provide several resources, including water, electricity and natural gas, in such quantities and of such quality to be of use as inputs for our products. These local government and municipal agencies are subject to various regulations and political pressures from numerous

stakeholders, which may cause them to conserve resources or fail to protect the quality of these resources, at times when we rely on them to timely deliver our products to our customers. If these agencies are unable or unwilling to deliver resources of a suitable quantity or quality, we may not be able to deliver products in the quantity and at the time ordered by our customers, which may have a material and adverse effect on our results of operations.

Future acquisitions, if any, may expose us to risks that could adversely affect our business, and we may not achieve the anticipated benefits of acquisitions of businesses or technologies.

We may, in the future, make selected opportunistic acquisitions of complementary businesses, products, services, or technologies. Any acquisition involves numerous risks, uncertainties, and operational, financial, and managerial challenges, including the following, any of which could adversely affect our business, financial condition, results of operations, cash flows, and prospects:

- difficulties in integrating new operations, systems, technologies, products, services, and personnel of acquired businesses effectively;
- problems maintaining uniform procedures, controls, and policies with respect to our financial accounting systems;
- lack of synergies or the inability to realize expected synergies and cost-savings, including enhanced revenue, technology, human resources, cost savings, operating efficiencies, and other synergies;
- difficulties in managing geographically dispersed operations, including risks associated with entering foreign markets in which we have no or limited prior experience;
- underperformance of any acquired technology, product, or business relative to our expectations and the price we paid;
- negative near-term impacts on financial results after an acquisition, including acquisition-related earnings charges;
- the potential loss of key employees, customers, and strategic partners of acquired companies;
- declining employee morale and retention issues affecting employees of businesses that we acquire, which may result from changes in compensation, or changes in management, reporting relationships, future prospects, or the direction of the acquired business;
- claims by terminated employees and stockholders of acquired companies or other third parties related to the transaction;
- the assumption or incurrence of additional debt obligations or expenses, or use of substantial portions of our cash;
- the issuance of equity or equity-linked securities to finance, or as consideration for, any acquisitions may dilute the ownership of our stockholders;
- the issuance of equity or equity-linked securities to finance, or as consideration for, any acquisitions may not be an option if the price of our common stock is low or volatile, which could preclude us from completing any such acquisitions;
- acquisitions financed with borrowings could increase our leverage and interest expense, which could make us more vulnerable to business downturns;
- any collaboration, strategic alliance, and licensing arrangement may require us to relinquish valuable rights to our technologies or products, or grant licenses on terms that are not favorable to us;
- disruption of our ongoing operations and diversion of management's attention and company resources from existing operations of the business;
- inconsistencies in standards, controls, procedures, and policies;
- the impairment of intangible assets as a result of technological advancements, or worse-than-expected performance of acquired companies;

- assumption of, or exposure to, historical liabilities of the acquired business, including unknown contingent or similar liabilities that are difficult to identify or accurately quantify, litigation-related liabilities and regulatory compliance or accounting issues, and potential litigation or regulatory action arising from a proposed or completed acquisition;
- the need to later divest acquired assets at a loss if an acquisition does not meet our expectations; and
- risks associated with acquiring intellectual property, including potential disputes regarding an acquired companies' intellectual property.

In addition, the successful integration of acquired businesses requires significant effort and expense across all operational areas, including sales and marketing, research and development, manufacturing, finance, legal, and information technologies. We may not be able to identify or complete promising acquisitions for many reasons, including competition among buyers, the high valuations of businesses in our industry, the need for regulatory and other approvals, and the availability of capital. Even if we are able to complete acquisitions in the future, there can be no assurance that such acquisitions will be successful or profitable. Our failure to successfully address the foregoing risks may prevent us from achieving the anticipated benefits from any future acquisitions in a reasonable time frame, or at all.

We and our customers' respective business operations are and will continue to be subject to extensive laws and regulations, and assessing the applicability and relevant requirements of, and maintaining compliance with, these laws and regulations can be expensive and time-consuming.

We are subject to various local, state, federal, foreign, and transnational laws and regulations, and, in the future, any changes to such laws and regulations could adversely affect us. We offer certain products that may be deemed medical devices and become subject to related regulation. Additionally, we provide products used by third parties for the development and commercialization of drug therapies, novel vaccines, and molecular diagnostics by biopharmaceutical companies, life science research companies, CROs, CDMOs, in vitro diagnostics franchises, laboratories, and academic and government research institutions that are also subject to extensive regulation.

The quality of our products is critical to our customers, including researchers looking to develop novel vaccines and drug therapies and for biopharmaceutical customers who use our products as components in their preclinical studies and clinical trials. Biopharmaceutical customers are subject to extensive regulations by the FDA and similar regulatory authorities in other countries for conducting clinical trials and commercializing products for therapeutic or diagnostic use. This regulatory scrutiny results in our customers imposing rigorous quality requirements on us as their supplier through supplier qualification processes and customer contracts, including quality agreements. Regulatory authorities and our customers may conduct scheduled or unscheduled periodic inspections of our facilities to monitor our regulatory compliance or compliance with our quality agreements with our customers. There are significant risks at each stage of the regulatory scheme for our customers.

Regulatory agencies may in the future take action against us or our customers for failure to comply with applicable regulations governing clinical trials and the development and testing of diagnostic and therapeutic products, as well as requirements to fall within certain regulatory categories to qualify for exemption from marketing authorization, or where applicable to obtain clearance, authorization, or approval prior to marketing of regulated products. Failure by us or by our customers to comply with the requirements of these regulatory authorities, including without limitation, remediating any inspectional observations to the satisfaction of these regulatory authorities, could result in warning letters, product recalls or seizures, monetary sanctions, injunctions to halt manufacture and distribution, restrictions on our operations, civil or criminal sanctions, or withdrawal of existing or denial of pending approvals, including those relating to products or facilities. In addition, such a failure could expose us to contractual or product liability claims, contractual claims from our customers, including claims for reimbursement, as well as ongoing remediation and increased compliance costs, any or all of which could be significant.

We are also subject to a variety of federal, state, local, and international non-U.S. laws and regulations that govern, among other things, the importation and exportation of products, the handling, transportation, and manufacture of substances that could be classified as hazardous, and our business practices in the U.S. and abroad such as anti-corruption and anti-competition laws. Any noncompliance by us with applicable laws and regulations or

the failure to maintain, renew, or obtain necessary permits and licenses could result in criminal, civil, and administrative penalties and could have an adverse effect on our results of operations.

Establishing policies, procedures, and monitoring and oversight with consideration of both legal requirements and industry best practices in these areas are costly and time-consuming. Defending against any actions for non-compliance of such laws can also be costly, time-consuming, and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired.

Our products could become subject to regulation by the FDA or other regulatory agencies in the future, which could increase our costs and delay or prevent commercialization of our products, thereby materially and adversely affecting our business, financial condition, results of operations, cash flows, and prospects.

We voluntarily follow the quality standards set out in specific sections of ISO 13485:2016 for the manufacture of our products. Nevertheless, we believe all of our products, including those we market as "GMP-grade" or as being within our "Clinical Solutions" category of products, are exempt from FDA regulations applicable to medical devices and drugs because all of our products are ancillary materials and reagents that are intended for research use or for further processing by our customers. We believe our products are properly labeled and marketed as such. The FDA could nonetheless disagree and conclude that our products are in fact subject to the FDCA and decide to take enforcement action against us, including requiring us to stop the sale of our products until we comply, which would adversely affect our business, financial condition, results of operations, cash flows, and prospects. There can be no assurance that the FDA would find our operations to be in compliance in a timely manner, or at all, and our results of operations could suffer.

In addition, we make certain of our products available to customers as RUO products. Those products must bear a label with the statement: "For Research Use Only," and companies must comply with the FDA's November 2013 Final Guidance for Industry and Food and Drug Administration Staff on "Distribution of In Vitro Diagnostic Products Labeled for Research Use Only or Investigational Use Only" (RUO/IUO Guidance) when labeling and marketing RUO products. The FDA could disagree with our assessment that our RUO products are properly labeled and marketed as RUO or could conclude that our products labeled and marketed as RUO are actually intended for diagnostic or clinical use. The FDA could take enforcement action against us under the FDCA, including requiring us to stop the sale of our RUO products until we are in compliance with applicable regulations, which would adversely affect our business, financial condition, results of operations, cash flows, and prospects. There can be no assurance that we could come into compliance with those regulations in a timely manner, or at all.

We rely on assumptions, estimates, and data to calculate certain of our key metrics, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.

In addition to our financial results, our management regularly reviews a number of operating and financial metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections, and make strategic decisions. As both the industry in which we operate and our business continue to evolve, so too might the metrics by which we evaluate our business. In addition, while the calculation of these metrics is based on what we believe to be reasonable estimates, our internal tools are not independently verified by a third party and have a number of limitations. Our methodologies for tracking these metrics may also change over time. If these metrics are not accurate representations of our business or perceived to be accurate, or if we discover material inaccuracies with respect to these figures, our reputation may be significantly harmed, and our operating and financial results could be negatively impacted. Accordingly, investors should not place undue reliance on these metrics.

We may be required to record a significant charge to earnings if our intangible or long-lived assets, or other investments become impaired.

We are required under U.S. generally accepted accounting principles (GAAP) to test indefinite lived intangibles for impairment at least annually and to review our intangible assets, and other assets for impairment when events or changes in circumstance indicate the carrying value may not be recoverable. Factors that could lead to impairment of intangible or long-lived assets, or other investments include significant adverse changes in the

business climate and actual or projected operating results (affecting our company as a whole or affecting any particular segment) and declines in the financial condition of our business.

As of December 31, 2025, intangible assets represented approximately 12% of our total assets. In the future we may acquire other businesses, products, or technologies as well as pursue strategic alliances, join ventures, technology licenses, or investments in complementary businesses, resulting in goodwill and other intangible assets. If we determine that there has been impairment, our financial results for the relevant period would be reduced by the amount of the impairment, net of tax effects, if any. We may be required in the future to record charges to earnings if our intangible or long-lived assets, or other investments become impaired. Any such charge would adversely impact our financial results.

Changes in accounting principles and guidance could result in unfavorable accounting charges or effects.

We prepare our financial statements in accordance with GAAP. These principles are subject to interpretation by the SEC and various bodies formed to create and interpret appropriate accounting principles and guidance. The adoption of new or revised accounting principles may require us to make changes to our systems, processes, and internal controls, which could have a significant effect on our reported financial results and internal controls, cause unexpected financial reporting fluctuations, retroactively affect previously reported results, or require us to make costly changes to our operational processes and accounting systems upon our following the adoption of these standards.

Our revenue recognition and other factors may impact our financial results in any given period and make them difficult to predict.

Under Accounting Standards Codification (ASC) 606, *Revenue from Contracts with Customers,* (ASC 606), we recognize revenue when our performance obligations have been satisfied in an amount that reflects the consideration that we expect to receive in exchange for those performance obligations. Our revenue primarily includes revenue from the sale of manufactured products, including products from our catalog or available for purchase on our website, and custom manufactured products (such as custom bacterial cell culture media and specialized chromatography solutions). Contracts for such sales contain a single performance obligation, namely the delivery of consumable products. Our application of ASC 606 with respect to the nature of future contractual arrangements could impact the forecasting of our revenue for future periods, as both the mix of products we will sell in a given period, as well as the size of contracts, is difficult to predict.

Furthermore, the presentation of our financial results requires us to make estimates and assumptions that may affect revenue recognition. In some instances, we could reasonably use different estimates and assumptions, and changes in estimates may occur from period to period. See the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Revenue Recognition.”

Given the foregoing factors, comparing our revenue and operating results on a period-to-period basis may not be meaningful, and our past results may not be indicative of our future performance.

Our ability to use net operating loss carryforwards to reduce future tax payments may be limited.

As of December 31, 2025, we had $90.3 million of U.S. federal and $81.2 million of state net operating loss carryforwards (NOLs) available to reduce taxable income in future years. Our ability to utilize those NOLs may be limited based on our operating performance and tax laws in effect at the time of the proposed use. Under the Tax Cuts and Jobs Act (the Tax Act), as modified by the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act), federal NOLs incurred in taxable years beginning after December 31, 2019, may be carried forward indefinitely, but the deductibility of such federal NOLs in taxable years beginning after December 31, 2022, is limited to 80% of taxable income. It is uncertain if and to what extent various states will conform to the Tax Act or the CARES Act.

Separately, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, and corresponding provisions of state law, if a corporation undergoes an "ownership change," which is generally defined as a greater than 50% change, by value, in its equity ownership over a three-year period, the corporation's ability to use its pre-change NOLs and other pre-change tax attributes, such as research tax credits, to offset its post-change income or taxes may be limited. We may experience ownership changes as a result of subsequent shifts in our stock ownership, some of which may be outside of our control. As a result, our ability to use our pre-change NOLs 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, at the state level, there may be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed.

In evaluating our ability to recover our deferred tax assets, in full or in part, we consider all available positive and negative evidence, including our past operating results, and our forecast of future earnings, future taxable income and prudent and feasible tax planning strategies. The assumptions utilized in determining future taxable income require significant judgment and are consistent with the plans and estimates we are using to manage the underlying business. Actual operating results in future years could differ from our current assumptions, judgments and estimates. For the year ended December 31, 2025, we recorded a net increase in valuation allowances of $4.5 million comprised primarily of additional valuation allowance on certain operating losses being carried forward which are not expected to be realizable.

Our business is subject to risks relating to environmental, health, and safety laws and regulations.

We are subject to environmental, health, and safety laws and regulations, incur costs to comply with such laws and regulations, and could be exposed to liabilities or other obligations imposed under such laws or regulations. The costs of compliance with environmental, health, and safety laws and regulations are significant. Any violations, even if inadvertent or accidental, of current or future environmental, health, and safety laws or regulations, and the cost of compliance with any resulting order or fine, could adversely affect our business, financial condition, and results of operations.

Risks Related to Our Intellectual Property

Our inability to protect our intellectual property could have a material adverse effect on our business. In addition, third parties may claim that we infringe or have disclosed their intellectual property or proprietary information, and we could suffer significant litigation or licensing expense as a result.

Our success depends on our ability to obtain and maintain intellectual property protection in the U.S. and other countries with respect to our proprietary products. We rely primarily upon a combination of trade secret protection and confidentiality agreements to protect our technology, manufacturing processes, and products. Our commercial success depends in part on obtaining and maintaining trade secret protection of our current and future products, if any, and the methods used to manufacture them, as well as successfully defending such trade secrets against third-party challenges. Our ability to stop third parties from making, using, selling, offering to sell, or importing our products is dependent upon the extent to which we have valid and enforceable intellectual property rights that cover these activities.

Although we do not currently own any issued patents covering our proprietary products or manufacturing processes, we may in the future file patent applications or acquire or license intellectual property rights, including patents and patent applications. The patent prosecution process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner or in all jurisdictions where protection may be commercially advantageous. It is also possible that we may fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. In addition, we or our collaborators may only pursue, obtain, or maintain patent protection in a limited number of countries. Even if patents do successfully issue, such patents may not adequately protect our intellectual property, provide exclusivity for our current or future product and service offerings, prevent others from designing around our claims, or otherwise provide us with a competitive advantage.

Additionally, the laws of some countries do not protect intellectual property rights to the same extent as the laws of the U.S., and many companies have encountered significant problems in protecting and defending such

rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of intellectual property rights, particularly those relating to biotechnology, which could make it difficult for us to stop the infringement, misappropriation, or other violation of our intellectual property rights, including the unauthorized use or reproduction of our manufacturing or other trade secrets. Any of these outcomes could impair our ability to prevent competition from third parties, which may have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

We rely primarily on trade secret laws, as well as confidentiality and non-disclosure agreements, and other contractual protections, to protect our intellectual property. If we are unable to protect the confidentiality of our intellectual property, the value of our technology and products could be materially adversely affected.

In addition to trade secret protection, we also rely on confidentiality agreements with our employees, consultants, contractors, collaborators, CDMOs, CROs, and others to protect our technology and other proprietary information. These agreements require that all confidential information developed by the individual or entity or made known to the individual or entity by us during the course of the individual's or entity's relationship with us be kept confidential and not disclosed to third parties. Our agreements with employees as well as our personnel policies also generally provide that any inventions conceived by the individual in the course of rendering services to us shall be our exclusive property or that we may obtain full rights to such inventions at our election. However, trade secrets are difficult to protect.

Although we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors, collaborators, CDMOs, CROs, and others may unintentionally or willfully disclose our proprietary information to competitors, notwithstanding the existence of a valid confidentiality or similar non-disclosure agreement. We also face the risk that present or former employees could continue to hold rights to intellectual property used by us, demand the registration of intellectual property rights in their name, and seek payment of damages for our use of such intellectual property.

Enforcing a claim that a third party illegally obtained or is using any of our trade secrets is expensive and time-consuming, and the outcome is unpredictable. We may not have adequate remedies in the event of unauthorized use or disclosure of our trade secrets or other proprietary information in the case of a breach of any such agreements, and our trade secrets and other proprietary information could be disclosed to third parties, including our competitors. Many of our partners also collaborate with our competitors and other third parties. The disclosure of our trade secrets to our competitors, or more broadly, would impair our competitive position and may materially harm our business, financial condition, results of operations, cash flows, and prospects. Costly and time-consuming litigation could be necessary to determine the scope of and enforce our rights, and failure to maintain trade-secret protection could adversely affect our competitive business position. The enforceability of confidentiality agreements may vary from jurisdiction to jurisdiction. Courts outside the U.S. are sometimes less willing to protect trade secrets. Moreover, our competitors may independently develop substantially equivalent or superior knowledge, methods, and know-how, and the existence of our own trade secrets affords no protection against such independent discovery.

If we are sued for infringing, misappropriating, or otherwise violating intellectual property rights of third parties, such litigation could be costly and time-consuming and could prevent or delay us from developing or commercializing our current or future products.

Our products may infringe on, or be accused of infringing on, one or more claims of an issued patent or may fall within the scope of one or more claims in a published patent application that may subsequently be issued and to which we do not hold a license or other rights.

Because patent applications in the U.S. and many foreign jurisdictions typically are not published until 18 months after filing, or in some cases not at all, and publications in the scientific literature often lag behind actual discoveries, we cannot be certain whether others have filed patent applications for technology that we were the first to invent. Others, including our competitors, may have filed, and may in the future file, patent applications covering technology similar to ours. Any such patent application may have priority over any future patent applications or patents that we may file or obtain, which could further require us to obtain rights to issued patents by others covering such technologies. If another party has filed a U.S. patent application on inventions similar to ours, we may

have to participate in an interference proceeding declared by the United States Patent and Trademark Office (the USPTO) to determine priority of invention in the U.S. The costs of these proceedings could be substantial, and it is possible that such efforts would be unsuccessful if, unbeknownst to us, the other party had independently arrived at the same or similar invention prior to our own invention, resulting in a loss of our U.S. patent position with respect to such inventions.

Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our current or future products or the use of our current or future products. After issuance, the scope of patent claims remains subject to construction based on interpretation of the law, the written disclosure in a patent and the patent's prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect. In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents. These third parties could bring claims against us or our collaborators that would cause us to incur substantial expenses and, if successful, could cause us to pay substantial damages.

The life sciences industry has produced a proliferation of patents, and it is not always clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If we are sued for patent infringement, we would need to demonstrate that our products or methods of use either do not infringe the patent claims of the relevant patent and/or that the patent claims are invalid or unenforceable, and we may not be able to do this. Proving invalidity, in particular, is difficult since it requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. Third parties have, and may in the future have, U.S. and non-U.S. issued patents and pending patent applications that may cover our current or future products. Such a third party may claim that we or our manufacturing or commercialization partners are using inventions covered by the third party's patent rights and may go to court or a tribunal to stop us from engaging in our normal operations and activities, including making or selling our current or future products. If any of these patent rights were asserted against us, we believe that we may have defenses against any such action, including that such patents would not be infringed by our current or future products and/or that such patents are not valid. However, if any such patent rights were to be asserted against us and our defenses to such assertion were unsuccessful, unless we obtain a license to the patents concerned, we could be liable for damages, which could be significant and include treble damages and attorneys' fees if we are found to have willfully infringed. We could also be precluded from commercializing any future products that were ultimately held to infringe such patents, all of which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

If we are found to infringe the patent rights of a third party, or in order to avoid potential claims, we or our collaborators may choose or be required to seek a license from a third party and be required to pay license fees or royalties or both. These licenses may not be available on reasonable terms, or at all. In particular, any of our competitors that control intellectual property that we are found to infringe may be unwilling to provide us a license under any terms. Even if we or our collaborators were able to obtain a license, the rights may be nonexclusive, which could result in our competitors gaining access to the same intellectual property. Ultimately, we could be prevented from commercializing a product or be forced to cease some aspect of our business operations, if, as a result of actual or threatened patent infringement claims, we or our collaborators are unable to enter into licenses on acceptable terms. In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees, if we are found to have willfully infringed a patent. Further, if a patent infringement suit is brought against us or our third-party service providers and if we are unable to successfully obtain rights to required third-party intellectual property, we may be required to expend significant time and resources to redesign our current or future products, or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis, and may delay or require us to abandon our development, manufacturing or sales activities relating to our current or future products. A finding of infringement could prevent us from commercializing our future products or force us to cease some of our business operations, which could harm our business. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

Intellectual property litigation and other proceedings could cause us to expend substantial resources and distract our personnel from their normal responsibilities.

Even if resolved in our favor, intellectual property litigation or other legal proceedings relating to our, our licensors' or other third parties' intellectual property claims may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. Patent litigation and other proceedings may also absorb significant management time. If not resolved in our favor, litigation may require us to pay any portion of our opponents' legal fees. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing, or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Our competitors or other third parties may be able to sustain the cost of such litigation and proceedings more effectively than we can because of their substantially greater resources. Uncertainties resulting from our participation in patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace. Furthermore, because of the substantial amount of discovery required in certain jurisdictions in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, the perceived value of our current or future products or intellectual property could be diminished. Accordingly, the market price of our common stock may decline. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our business, financial condition, results of operations, and prospects.

We may be subject to claims by third parties asserting that we or our employees, consultants, or independent contractors have misappropriated their intellectual property, or claiming ownership of what we regard as our own intellectual property and proprietary technology.

We try to ensure that our employees do not use the proprietary information or know-how of others in their work for us. We may, however, be subject to claims that we or these employees have inadvertently or otherwise used or disclosed intellectual property, trade secrets, or other proprietary information of any such employee's former employer or that patents and applications we have filed to protect inventions of these individuals, even those related to one or more of our current or future products, are rightfully owned by their former or concurrent employer. Litigation may be necessary to defend against these claims.

In addition, while we typically require our employees, consultants, and independent contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that we regard as our own, or such agreements may be breached or alleged to be ineffective, and the assignment may not be self-executing, which may result in claims by or against us related to the ownership of such intellectual property or may result in such intellectual property becoming assigned to third parties. If we fail in enforcing or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to our senior management and scientific personnel. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

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, financial condition, results of operations, cash flows, and prospects may be adversely affected.

Our trademarks or trade names may be challenged, infringed, circumvented, or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names or may be forced to stop using these names or marks, which we need for name recognition by potential partners or customers in our markets of interest. During trademark registration proceedings, we may receive rejections. Although we would be given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive

such proceedings. If we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business, financial condition, results of operations, cash flows, and prospects may be adversely affected.

Intellectual property rights do not necessarily address all potential threats.

The degree of future protection afforded by our proprietary and intellectual property rights is uncertain because such rights offer only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- we do not currently own or license any issued patents, and others may be able to develop products that are similar to, or better than, our current or future products in a way that is not covered by the claims of the patents we may own or license in the future;
- the trade secret protection that we rely on to protect our proprietary information and know-how does not protect us against any third parties independently developing competing technology;
- we, or our licensing partners or current or future collaborators, might not have been the first to make the inventions covered by issued patents or pending patent applications that we may own or license in the future;
- we, or our licensing partners or current or future collaborators, might not be the first to file patent applications for certain of our or their inventions;
- we may choose not to apply for a patent for certain trade secrets or know-how, and a third party may subsequently obtain a patent covering such intellectual property;
- the patents of third parties or pending or future applications of third parties, if issued, may have an adverse effect on our business; or
- any patents that we obtain may not provide us with any competitive advantages or may ultimately be found not to be owned by us, or not to be valid or enforceable.

Should any of these events occur, they could significantly harm our business, financial conditions, results of operations, cash flows, and prospects.

We may need or may choose to obtain licenses from third parties to allow commercialization of our current or future products, and we cannot provide any assurances that we would be able to do so.

We may need or may choose to obtain licenses from third parties to allow commercialization of our current or future products, and we cannot provide any assurances that third-party patents do not exist that might be enforced against our current or future products in the absence of such a license. We may fail to obtain any of these licenses on commercially reasonable terms, if at all. Even if we are able to obtain a license, it may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. If we could not obtain a license, we may be required to expend significant time and resources to develop or license replacement technology. If we are unable to do so, we may be unable to develop or commercialize the affected products, which could materially harm our business. The third parties owning such intellectual property rights could also seek either an injunction prohibiting our sales, or, with respect to our sales, an obligation on our part to pay royalties and/or other forms of compensation.

Licensing of intellectual property involves complex legal, business, and scientific issues. Disputes may arise between us and our licensors regarding intellectual property subject to a license agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;

- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our products, and what activities satisfy those diligence obligations; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners.

If disputes over intellectual property that we have licensed prevent or impair our ability to maintain the licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product successfully, or the dispute may have an adverse effect on our results of operations.

We may, in the future, grant licenses under our intellectual property. Like in-licenses, out-licenses are complex, and disputes may arise between us and our licensees, such as the types of disputes described above. Moreover, our licensees may breach their obligations, or we may be exposed to liability due to our failure or alleged failure to satisfy our obligations. Any such occurrence could have an adverse effect on our business.

Risks Related to Our Indebtedness

Our existing indebtedness could adversely affect our business and growth prospects.

Our indebtedness, including the indebtedness we have incurred, and may in the future incur, under the Second Amended and Restated Credit Agreement or otherwise, could require us to divert funds identified for other purposes to debt service and impair our liquidity position. If we cannot generate sufficient cash flow from operations to service our debt, we may need to refinance our debt, dispose of assets, or issue equity to obtain necessary funds. We do not know whether we will be able to take any of these actions on a timely basis, on terms satisfactory to us, or at all.

Our indebtedness, the cash flow needed to service our debt, and the covenants contained in the Second Amended and Restated Credit Agreement may have important consequences, including:

- limiting funds otherwise available to finance our operating losses or capital expenditures by requiring us to dedicate a portion of our cash flows from operations to the repayment of debt and related interest;
- limiting our ability to prepay existing indebtedness, pay dividends or distributions, dispose of assets, engage in mergers and consolidations, make acquisitions or other investments, and make changes in the nature of the business, among other things;
- making us more vulnerable to rising interest rates, as certain of our borrowings, including borrowings under the Second Amended and Restated Credit Agreement, bear variable rates of interest; and
- making us more vulnerable in the event of a downturn in our business.

Fluctuations in interest rates can increase borrowing costs. Increases in interest rates may directly impact the amount of interest we are required to pay and reduce earnings accordingly. In addition, tax laws, including the disallowance or deferral of tax deductions for interest paid on outstanding indebtedness, could have an adverse effect on our liquidity and our business, financial condition, results of operations, cash flows, and prospects. In addition, our Second Amended and Restated Credit Agreement contains customary affirmative and negative covenants and certain restrictions on operations that could impose operating and financial limitations and restrictions on us, including restrictions on our ability to enter into particular transactions and to engage in other actions that we may believe are advisable or necessary for our business.

We expect to use cash on hand to meet current and future financial obligations, including funding our operations, debt service requirements, and capital expenditures. The ability to meet these obligations depends on our financial and operating performance, which is subject to prevailing economic, industry, and competitive conditions and to certain financial, business, economic, and other factors beyond our control and as set forth herein.

Despite current indebtedness levels, we may incur substantially more indebtedness, which could further exacerbate the risks associated with our substantial indebtedness.

We may incur significant additional indebtedness in the future, including in connection with investments in joint ventures or acquisitions. If new debt is added to our current indebtedness levels, the related risks that we face could intensify.

The terms of the Second Amended and Restated Credit Agreement may restrict our current and future operations, particularly our ability to respond to changes or to take certain actions. If we fail to comply with the covenants and other obligations under the Second Amended and Restated Credit Agreement, the lender may be able to accelerate amounts owed under the facilities and may foreclose upon the assets securing our obligations.

The Second Amended and Restated Credit Agreement contains a number of requirements, including a covenant regarding minimum cash and revenue amounts as well as other restrictive covenants that impose significant operating and financial restrictions on us and may, unless waived by the lender, limit our ability to engage in acts that may be in our long-term best interests, including restrictions on our ability to:

- incur additional indebtedness;
- incur liens;
- merge, dissolve, liquidate, amalgamate, consolidate, or sell all or substantially all of our assets;
- declare or pay certain dividends, payments, or distributions, or repurchase or redeem certain capital stock; and
- make certain investments.

These restrictions could limit, potentially significantly, our operational flexibility and affect our ability to finance our future operations or capital needs or to execute our business strategy. Our indebtedness under the Second Amended and Restated Credit Agreement is secured by substantially all of our assets. If we fail to comply with the covenants and our other obligations under the Second Amended and Restated Credit Agreement, the lender would be able to accelerate the required repayment of amounts due and, if they are not repaid, could foreclose upon the assets securing our obligations with respect to such indebtedness.

Risks Related to Our Common Stock

Telegraph Hill Partners Management Company LLC, through its affiliates THP IV LP, THP IV LLC, THP V LP, and THP V LLC controls us, and its interests may conflict with ours or yours in the future.

THP controls approximately 70.4% of the voting power of our outstanding common stock, which means that THP can control the vote of all matters submitted to a vote of our stockholders. This control enables THP to control the election of the members of our board of directors and all other corporate decisions. In particular, for so long as THP continues to own a majority of our common stock, THP will be able to cause or prevent a change of control of us or a change in the composition of our board of directors and could preclude any unsolicited acquisition of us. Pursuant to our investors' rights agreement and our amended and restated certificate of incorporation, THP has certain rights, and the ability to take certain actions, that are not otherwise available to all stockholders. For example, our investors' rights agreement provides THP the right, subject to certain conditions, to demand that we file a registration statement or request that their shares of our common stock be covered by a registration statement that we are otherwise filing. In addition, until such time as THP first ceases to own greater than 50% of the outstanding voting power of our common stock, our amended and restated certificate of incorporation effectively provides THP with the ability to fill vacancies on the board, remove directors (with or without cause), call a special meeting of our stockholders, amend our certificate of incorporation (subject to approval of our board of directors) and amend our bylaws. Even when THP ceases to control a majority of the total voting power, for so long as THP continues to own a significant percentage of our common stock, THP will still be able to significantly influence the composition of our board of directors and the approval of actions requiring stockholder approval. Accordingly, for such period of time, THP will have significant influence with respect to our management, business plans, and policies. The concentration of ownership and availability of the foregoing rights could deprive you of an opportunity

to receive a premium for your shares of common stock as part of a sale of us and ultimately might affect the market price of our common stock.

THP and its affiliates engage in a broad spectrum of activities, including investments in our industry generally. In the ordinary course of their business activities, THP and its affiliates may engage in activities where their interests conflict with our interests or those of our other stockholders, such as investing in or advising businesses that directly or indirectly compete with certain portions of our business or are suppliers or customers of ours. Our amended and restated certificate of incorporation provides that none of THP and its affiliates and any person or entity who, while a stockholder, director, officer, or agent of the Company or any of its affiliates, is a director, officer, principal, partner, member, manager, employee, agent, and/or other representative of THP and its affiliates (each, an Identified Person) has any duty to refrain from (i) engaging in a corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates are engaged or that are deemed to be competing with us or any of our affiliates or (ii) otherwise investing in or providing services to any person that competes with us or our affiliates or engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. In addition, to the fullest extent permitted by law, no Identified Person has any obligation to offer to us or our subsidiaries or affiliates the right to participate in any corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates are engaged or that are deemed to be competing with us or any of our affiliates. This means that THP may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, THP may have an interest in pursuing acquisitions, divestitures, and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you or may not prove beneficial.

Our shares of common stock are listed on the Nasdaq Global Market, and we are a "controlled company" within the meaning of the rules and listing standards of The Nasdaq Stock Market LLC (Nasdaq). As a result, we qualify for, and intend to rely on, exemptions from certain corporate governance requirements. Our stockholders therefore do not have the same protections as those afforded to stockholders of companies that are subject to such governance requirements.

THP controls a majority of the voting power of our outstanding common stock. As a result, we are a "controlled company" within the meaning of the corporate governance standards of Nasdaq. Under these corporate governance standards, a company of which more than 50% of the voting power for the election of directors is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements. For example, controlled companies:

- are not required to have a board that is composed of a majority of "independent directors," as defined under the rules and listing standards of Nasdaq;
- are not required to have a compensation committee that is composed entirely of independent directors or have a written charter addressing the committee's purpose and responsibilities; and
- are not required to have director nominations be made by or recommended to the full board of directors, by its independent directors, or by a nominations committee that is composed entirely of independent directors, or to adopt a written charter or a board resolution addressing the nominations process.

We utilize, and intend to continue to utilize, certain of these exemptions. For example, a majority of our directors have not been, and in the future for so long as we rely on such exemptions, will not be, affirmatively determined to be independent, nor will our compensation committee or nominating and corporate governance committee of the board be comprised entirely of directors who have been determined to be independent. Accordingly, our stockholders do not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of Nasdaq.

Because we are a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting in order to comply with Section 404 of the Sarbanes-Oxley Act of 2002 (the

Sarbanes-Oxley Act). These internal controls may not be determined to be effective, which may adversely affect investor confidence in us and, as a result, the value of our common stock.

We are required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting. This assessment includes disclosure of any material weaknesses identified by our management in our internal control over financial reporting. We are also required to disclose changes made to our internal controls and procedures on a quarterly basis. However, our independent registered public accounting firm is not required to report on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until the date we are no longer an "emerging growth company" as defined in the JOBS Act, because we take advantage of the exemptions contained in the JOBS Act. At such time, our independent registered public accounting firm may issue a report that is adverse if it is not satisfied with the level at which our controls are documented, designed, or operating.

Additionally, the existence of any material weakness or significant deficiency would require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations, and cause stockholders to lose confidence in our reported financial information, all of which could materially and adversely affect our business and the price of our common stock.

We are an "emerging growth company" and a "smaller reporting company," and the reduced disclosure requirements applicable to emerging growth companies and smaller reporting companies may make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act and, for as long as we continue to be an emerging growth company, we may choose to take advantage of certain exemptions and relief from various public reporting requirements, including: the requirement that our internal control over financial reporting be audited by our independent registered public accounting firm pursuant to Section 404 of the Sarbanes-Oxley Act; the exemption from any rules that could be adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotations or a supplement to the auditor's report on financial statements; reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and not being required to hold nonbinding advisory votes on executive compensation or stockholder approval of any golden parachute payments not previously approved.

Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended (the Securities Act), for complying with new or revised accounting standards. In other words, an "emerging growth company" can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies.

We have elected to take advantage of the extended transition period to comply with new or revised accounting standards and to adopt certain of the reduced disclosure requirements available to emerging growth companies. As a result of the accounting standards election, we are not subject to the same implementation timing for new or revised accounting standards as other public companies that are not emerging growth companies, which may make comparison of our financials to those of other public companies more difficult. Additionally, because we have taken advantage of certain reduced reporting requirements, the information contained herein may be different from the information you receive from other public companies in which you hold stock.

We will remain an "emerging growth company" until the earliest to occur of (i) the last day of the fiscal year in which we have more than $1.235 billion in annual revenue; (ii) the date we qualify as a "large accelerated filer," with at least $700.0 million of equity securities held by non-affiliates; (iii) the date on which we have issued, in any three-year period, more than $1.0 billion in non-convertible debt securities; and (iv) the last day of the fiscal year ending after the fifth anniversary of the completion of our IPO.

We are also a "smaller reporting 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 audited financial statements. We will remain a smaller reporting company for so long as either (i) the market value of our common shares held by non-affiliates is less than $250.0 million as of the end of our second fiscal quarter or (ii) we have annual revenues of less than $100.0 million and the market value of our common shares held by non-affiliates is less than $700.0 million as of the end of our second fiscal quarter. To the extent we take advantage of such reduced disclosure obligations, it may also make comparison of our financial statements with other public companies difficult or impossible.

Investors may find our common stock less attractive to the extent we rely on the exemptions and relief granted by the JOBS Act. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and the price of our stock decline or become more volatile.

The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an "emerging growth company" or if we cease to be a "smaller reporting company".

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act) and the Sarbanes-Oxley Act, the listing requirements of Nasdaq and other applicable securities rules and regulations. The Exchange Act requires that we file annual, quarterly, and current reports with respect to our business, financial condition, results of operations, cash flows, and prospects. The Sarbanes-Oxley Act requires, among other things, that we establish and maintain effective internal controls and procedures for financial reporting. Furthermore, the need to continue to establish and maintain the corporate infrastructure demanded of a public company may divert our management's attention from implementing our growth strategy, which could prevent us from improving our business, financial condition, results of operations, cash flows, and prospects. We have made, and will continue to make, changes to our internal controls and procedures for financial reporting and accounting systems to meet our reporting obligations as a public company. However, the measures we take may not be sufficient to address all risks or wholly satisfy our obligations as a public company. In addition, these rules and regulations have increased our legal and financial compliance costs and have made, and are expected to continue to make, some activities more time-consuming and costly and to increase demand on our systems and resources, particularly after we are no longer an "emerging growth company" or if we cease to be a "smaller reporting company". For example, these rules and regulations have made, and are expected to continue to make, it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage. These additional obligations could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations, and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We have invested and intend to continue to invest resources to comply with evolving laws, regulations, and standards, and this investment may result in increased general and administrative expenses and a diversion of our management's time and attention from revenue-generating activities. If our efforts to comply with new laws, regulations, and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

Provisions of our corporate governance documents could make acquiring us more difficult and may prevent attempts by our stockholders to replace or remove our current directors or management, even if beneficial to our stockholders.

Our amended and restated certificate of incorporation and amended and restated bylaws and the General Corporation Law of the State of Delaware, as amended (the DGCL), contain provisions that could make it more difficult for a third party to acquire us, even if doing so might be beneficial to our stockholders. Among other things, these provisions:

- allow us to authorize the issuance of undesignated preferred stock, the terms of which may be established and the shares of which may be issued without stockholder approval, and which may include supermajority voting, special approval, dividend, or other rights or preferences superior to the rights of other stockholders;
- provide for a classified board of directors with staggered three-year terms;
- provide that, at any time after THP first ceases to beneficially own more than 50% in voting power of the outstanding shares of our common stock entitled to vote generally in the election of directors (the THP Trigger Event), directors may only be removed for cause, and only by the affirmative vote of holders of at least 66-2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class;
- prohibit stockholder action by written consent from and after the THP Trigger Event;
- provide that, at any time after the THP Trigger Event, special meetings may only be called by or at the direction of the Chairman of our board of directors, our board of directors, or our Chief Executive Officer;
- provide that, at any time after the THP Trigger Event, any alteration, amendment, or repeal, in whole or in part, of any provision of our bylaws by our stockholders will require the affirmative vote of the holders of at least 66-2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class; and
- establish advance notice requirements for nominations for elections to our board of directors and for proposing matters that can be acted upon by stockholders at stockholder meetings.

Section 203 of the DGCL generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any interested stockholder for a period of three years following the date on which the stockholder became an interested stockholder. We have expressly elected not to be governed by Section 203 of the DGCL, until such time as THP beneficially owns, in the aggregate, less than a majority of the total voting power of all outstanding shares of our common stock entitled to vote generally in the election of directors. At that time, such election shall be automatically withdrawn and we will thereafter be governed by Section 203 of the DGCL, except that THP will not be deemed to be an interested stockholder under Section 203 of the DGCL regardless of its percentage ownership of our common stock. These provisions could discourage, delay, or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and cause us to take other corporate actions you desire, including actions that you may deem advantageous, or could negatively affect the trading price of our common stock. In addition, because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team.

These and other provisions in our amended and restated certificate of incorporation, amended and restated bylaws, and Delaware law could make it more difficult for stockholders or potential acquirers to obtain control of our board of directors or initiate actions that are opposed by our then-current board of directors, including actions to delay or impede a merger, tender offer, or proxy contest involving our company. The existence of these provisions could negatively affect the price of our common stock and limit opportunities for you to realize value in a corporate transaction.

Our amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our stockholders and the federal district courts of the United States as the exclusive forum for litigation arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us.

Pursuant to our amended and restated certificate of incorporation, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action

asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, employees or stockholders to us or our stockholders, (3) any action asserting a claim against us, or any of our current or former directors, officers, employees, or stockholders arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws, (4) any claim or cause of action seeking to interpret, apply, enforce, or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws, (5) any action or proceeding asserting a claim against us or any of our current or former directors, officers, employees, or stockholders as to which the DGCL confers jurisdiction to the Court of Chancery of the State of Delaware, and (6) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware; provided that, for the avoidance of doubt, the foregoing forum selection provision will not apply to claims arising under the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our amended and restated certificate of incorporation also provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Our amended and restated certificate of incorporation further provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the provisions of our amended and restated certificate of incorporation described above.

The forum selection provisions in our amended and restated certificate of incorporation may have the effect of discouraging lawsuits against our directors and officers. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings and there is uncertainty as to whether a court would enforce such provisions. In addition, investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. If the enforceability of our forum selection provisions were to be challenged, we may incur additional costs associated with resolving such a challenge. While we currently have no basis to expect any such challenge would be successful, if a court were to find our forum selection provisions to be inapplicable or unenforceable with respect to one or more of these specified types of actions or proceedings, we may incur additional costs associated with having to litigate in other jurisdictions, which could have an adverse effect on our business, financial condition, results of operations, cash flows, and prospects and result in a diversion of the time and resources of our employees, management, and board of directors.

An active, liquid trading market for our common stock may not be sustained, which may limit your ability to sell your shares.

Our shares of common stock began trading on the Nasdaq Global Market on June 25, 2021. Prior to our IPO, there was no public market for our common stock. Although our common stock is listed on the Nasdaq Global Market, an active trading market for our common stock may not be sustained. A public trading market having the desirable characteristics of depth, liquidity, and orderliness depends upon the existence of willing buyers and sellers at any given time, which is dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to persist would likely have a material adverse effect on the value of our common stock. An inactive market may also impair our ability to raise capital to continue to fund operations by issuing additional shares of our common stock or other equity or equity-linked securities and may impair our ability to acquire other companies or technologies by using any such securities as consideration.

A significant portion of our total outstanding shares of common stock are available for immediate resale and may be sold into the market. This could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our 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 of common stock intend to sell shares, could reduce the market price of our common stock.

As of December 31, 2025, we have 53,562,154 shares of common stock outstanding, all of which are freely tradeable although a substantial portion of such shares are held by directors, executive officers, and other affiliates and are subject to certain limitations under Rule 144 of the Securities Act.

The market price of our stock could decline if the holders of a large number of shares of our common stock sell them or are perceived by the market as intending to sell them. These factors could also make it more difficult for us to raise additional funds through future offerings of our shares of common stock or other securities. In addition, shares of our common stock that are issued pursuant to our equity incentive plans and our Employee Stock Purchase Plan (ESPP) will become eligible for sale in the public market, subject to provisions relating to various vesting agreements, lock-up agreements, and Rule 144, as applicable.

As of December 31, 2025, there were 308,449, 1,321,054 and 3,687,459 shares of common stock reserved for issuance pursuant to outstanding stock option awards under the 2016 Stock Plan, as amended, the 2020 Equity Incentive Plan, as amended, and the 2021 Equity Incentive Plan (2021 Plan), respectively. In addition, the 2021 Plan and the ESPP provide for annual automatic increases in the number of shares reserved thereunder. No new shares became available for issuance under either the 2021 Plan or ESPP in 2026. In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to you.

Because we have no current plans to pay regular cash dividends on our common stock and are prohibited from paying cash dividends under the Second Amended and Restated Credit Agreement, you may not receive any return on investment unless you sell your common stock for a price higher than you paid for it.

We do not anticipate paying any regular cash dividends on our common stock. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions, and other factors that our board of directors may deem relevant. In addition, the terms of the Second Amended and Restated Credit Agreement prohibit us from paying dividends, other than dividends payable in our stock, without the prior written consent of the lender. Our future ability to pay cash dividends on our common stock may also be limited by the terms of any future debt or preferred securities we may issue or any future credit facilities we may enter into. Therefore, any return on investment in our common stock is solely dependent upon the appreciation of the price of our common stock on the open market, which may not occur.

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.

Our amended and restated certificate of incorporation authorizes us to issue one or more series of preferred stock. Our board of directors has the authority to determine the preferences, limitations, and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend, and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our common stock at a premium to the market price, and materially adversely affect the market price and the voting and other rights of the holders of our common stock.

Our future capital needs are uncertain and we may need to seek additional financing in the future, which we may not be able to secure on favorable terms, if at all.

Our available capital resources may not be sufficient for us to continue to meet our obligations as they become due over the next twelve months if we cannot improve our operating results or increase our operating cash inflows. Our future funding requirements will depend on many factors, including:

- market acceptance of our products;
- the success of our sales, marketing, and distribution efforts;
- revenue and cash flow derived from existing or future collaborations; and

- the effect of technological and market developments.

We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity or equity-linked securities, our stockholders may experience dilution. Future debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt. Any debt or equity financing may contain terms that are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, it may be necessary to relinquish some rights to our technologies or our products, or grant licenses on terms that are not favorable to us. Moreover, we cannot assure you that we will be able to comply with the financial covenants in our Second Amended and Restated Credit Agreement. If we are unable to comply with the financial covenants in our Second Amended and Restated Credit Agreement, we may be unable to maintain the Second Amended and Restated Credit Agreement as an external source of funds. We also may have to reduce marketing, customer support, or other resources devoted to our products, or cease operations. Any of these factors could have a material adverse effect on our business, financial condition, results of operations, cash flows, and prospects.

Claims for indemnification by our directors and officers may reduce our funds available to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation and amended and restated bylaws provide for indemnification of our directors and officers, in each case to the fullest extent permitted by Delaware law. In addition, as permitted by Section 145 of the DGCL, our amended and restated bylaws, and the indemnification agreements that we have entered into with our directors and officers, provide that:

- we will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful;
- we may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law;
- we may, in our discretion, advance expenses incurred by our directors and officers in connection with defending or participating in a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification;
- we will not be obligated pursuant to our amended and restated bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our board of directors or brought to enforce a right to indemnification; and
- the rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees, and agents and to obtain insurance to indemnify such persons.

While we maintain a directors' and officers' insurance policy, such insurance may not be adequate to cover all liabilities that we may incur, which may reduce our available funds to satisfy third-party claims and may adversely impact our cash position.

General Risk Factors

Fluctuations in our effective tax rate may adversely affect our results of operations and cash flows.

We are subject to a variety of tax liabilities, including federal, state, and other taxes such as income, sales/use, payroll, withholding, and ad valorem taxes. Changes in tax laws or their interpretations could decrease our net income, the value of any tax loss carryforwards, the value of any tax credits recorded on our balance sheet, and our cash flows, and accordingly could have a material adverse effect on our business, financial condition, results of

operations, cash flows, and prospects. In addition, some of our tax liabilities are subject to periodic audits by the relevant taxing authority, which could increase our tax liabilities.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our operating results and financial condition.

We are currently subject to income taxes in the U.S. only, but our future tax liabilities may be subject to the allocation of expenses in other jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;
- expansion into foreign jurisdictions that require us to pay local income taxes;
- expiration of, or detrimental changes in, research and development tax credit laws; or
- changes in tax laws, regulations, or interpretations thereof.

In addition, we may be subject to audits of our income, sales, and other transaction taxes. Outcomes from these audits could have an adverse effect on our operating results and financial condition.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue, and expenses that are not readily apparent from other sources. It is possible that interpretation, industry practice, and guidance may evolve over time. If our assumptions change or if actual circumstances differ from our assumptions, our operating results may be adversely affected and could fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

We are subject to the periodic reporting requirements of the Exchange Act. We have designed our disclosure controls and procedures to provide reasonable assurance that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by individuals, by collusion of two or more people, or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

Our employees, consultants, distributors, and commercial partners may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements, and insider trading.

We are exposed to the risk of fraud or other misconduct by our employees, consultants, distributors, and commercial partners. Misconduct by these parties could include intentional failures to comply with the applicable laws and regulations in the U.S. and abroad, report financial information or data accurately or disclose unauthorized activities to us. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, and other business arrangements. Such misconduct could result in legal or regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter misconduct by employees or others, and any precautions

we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses, or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us and we are not successful in defending ourselves or asserting our rights, those actions could result in the imposition of significant civil, criminal, and administrative penalties, which could have a significant impact on our business. Whether or not we are successful in defending against such actions or investigations, we could incur substantial costs, including legal fees, and could distract management in defending ourselves against any of these claims or investigations.

Our operating results and stock price may be volatile. Market volatility may affect the value of an investment in our common stock and could subject us to litigation.

Our quarterly operating results are likely to fluctuate in the future. In addition, securities markets worldwide have experienced, and may again experience, significant price and volume fluctuations for reasons that may be unrelated to our operating performance. Market volatility, as well as general economic, market, or political conditions, could subject the market price of our common stock to wide fluctuations regardless of our operating performance. Our operating results and the trading price of our common stock may fluctuate in response to various factors, including:

- market conditions in our industry or the broader stock market;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- introduction of new products or services by us or our competitors;
- issuance of new or changed securities analysts' reports or recommendations;
- sales, or anticipated sales, of large blocks of our stock;
- additions or departures of key personnel;
- regulatory or political developments;
- litigation and governmental investigations;
- changing economic conditions;
- investors' perception of us;
- events beyond our control such as weather, war, health crises, and economic instability; and
- any default on our indebtedness.

These and other factors, many of which are beyond our control, may cause our operating results and the market price and demand for our common stock to fluctuate substantially. Fluctuations in our quarterly operating results could limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the market price and liquidity of our shares of common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business, which could significantly harm our profitability and reputation.

If securities or industry analysts do not publish research or reports about our business, if our results of operations do not meet their expectations, if they publish unfavorable research or reports, adversely change their recommendations regarding our common stock or cease coverage of us, our stock price and trading volume could decline.

The trading market for our common stock is influenced by the research and reports that industry or securities analysts publish about us or our business. We do not have any control over any securities or industry analyst coverage.

Analysts may develop and publish their own projections of our business, and may form a consensus about our future performance. Our actual business results may vary significantly from that consensus or other guidance or expectations due to a number of factors, many of which are outside of our control and could adversely affect our business and future operating results. In addition, if our publicly announced guidance or other expectations of future operating results fail to meet the expectations of securities analysts, investors, or other interested parties, the price of our common stock could decline.

Moreover, if any of the analysts who cover us provide inaccurate or unfavorable research, issue an adverse opinion regarding our stock price, cease coverage of us, or fail to publish reports on us regularly, we could lose visibility in the financial markets, and our stock price or trading volume could decline.

We may become the subject of various claims, litigation or investigations which could have a material adverse effect on our business, financial condition, results of operations, or stock price.

We may become subject to various claims, litigation, or investigations, such as commercial disputes, employment-related claims, or "whistleblower" complaints, and we may become involved in governmental or regulatory investigations or similar matters. Any claims asserted against us or our management, regardless of merit or eventual outcome, could harm our reputation, distract our management, and have an adverse impact on our relationship with our current and prospective employees, customers, and other third parties and could lead to additional related claims. Furthermore, there is no guarantee that we will be successful in defending ourselves against claims, litigation, or investigations, or that any insurance policies that we may maintain would cover any or all of our liabilities arising from claims, litigation, or investigations. Any judgments or settlements in any future claims, litigation, or investigation could have a material adverse effect on our business, financial condition, results of operations, and price of our common stock.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Our board of directors and management exercise oversight over our cybersecurity program, which represents an important component of our overall approach to enterprise risk management.

Governance

Teknova's Vice President of Information Systems and Architecture (VP of IT) manages a team responsible for leading enterprise-wide strategy, policy, standards, architecture, processes, and risk assessment related to information security and data protection, including data privacy and network security (our Cybersecurity Program). The VP of IT has served in various roles in information technology and information security, along with other members of the IT department. The VP of IT reports directly to our Chief Executive Officer and provides periodic reporting on our Cybersecurity Program to our senior management team, our board of directors, and the audit committee of our board of directors.

Our board of directors, in coordination with our audit committee, oversees our management of cybersecurity risk, with the audit committee reviewing and discussing with management matters related to our Cybersecurity Program, including as it relates to financial reporting. The board of directors and audit committee receive periodic reports about the prevention, detection, mitigation, and remediation of cybersecurity incidents, including material security risks and information security vulnerabilities. Additionally, risks associated with the Cybersecurity Program are integrated into our enterprise risk management assessment and reported to our Board as needed. We also share the key results of third-party assessments with our board of directors and audit committee.

Risk Management and Strategy

Technical Safeguards

As part of our Cybersecurity Program, we deploy technical safeguards that are designed to protect our information systems from cybersecurity threats, which are evaluated and improved through vulnerability assessments and cybersecurity threat intelligence.

Risk Assessment

Our Cybersecurity Program also includes a periodic risk assessment, which is based generally on frameworks established by the National Institute of Standards and Technology (NIST).

Third-Party Risk Management

We also maintain procedures designed to identify and mitigate cybersecurity threats related to our use of material third-party vendors. This includes reviewing the internal controls of certain third-party service providers to assess their procedures to mitigate material cybersecurity risks, among other risks.

Incident Response and Recovery Planning

We have an information security incident response process to prevent, detect, mitigate, and remediate cybersecurity incidents and threats. This process includes controls and procedures that provide for the prompt escalation of certain cybersecurity incidents so that decisions regarding public disclosure and reporting of such incidents can be made by management in a timely manner, with appropriate involvement by our board of directors.

External Assessments

We obtain periodic assessments by third party experts of our vulnerability management and security controls and to assist us in identifying and mitigating security risks.

Education and Awareness

We provide periodic cybersecurity training for all officers and employees as well as periodic additional training for senior management through our cyber insurance carrier.

As of the date of this Annual Report on Form 10-K, we are not aware of any risks from cybersecurity threats, including as a result of any cybersecurity incidents, that have materially affected or are reasonably likely to materially affect the Company, including our business strategy, results of operations, or financial condition. For information regarding cybersecurity risks that may materially affect our Company, see the risk factor titled “Our internal computer systems, or those of our suppliers, customers, or contractors, have been and may in the future be subject to cyberattacks or security breaches, which could result in a material disruption of our business or otherwise adversely affect our business, financial condition, results of operations, cash flows, and prospects.” under “Risk Factors” in Part I, Item 1A. to this Annual Report on Form 10-K.

Item 2. Properties.

See Item 1. “Business – Facilities” for specific information about our commercial, office, manufacturing, and warehouse space.

Item 3. Legal Proceedings.

We are not a party to any material legal proceedings at this time. From time to time, we may become involved in various legal proceedings that arise in the ordinary course of business. For example, we may in the future become involved in legal proceedings relating to customers, employees, suppliers, competitors, government agencies, or others. We will evaluate any claims and lawsuits with respect to their potential merits, our potential defenses and counter claims, and the expected effect on us of defending the claims and a potential adverse result. However, the results of any litigation, investigation, or other legal proceedings are inherently unpredictable and potentially expensive. Any claims against us, whether meritorious or not, could be time-consuming, result in costly litigation, damage our reputation, require significant amounts of management time, and divert significant resources. If any legal proceedings were to be determined adversely to us, or we were to enter into a settlement arrangement, we could be exposed to monetary damages or limits on our ability to operate our business, which could have an adverse effect on our business, financial condition, and operating results. Information pertaining to loss contingencies,

including those arising out of potential legal liabilities and related matters, are described in Item 8, "Financial Statements and Supplementary Data - Note 15. Contingencies," and incorporated by reference herein.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

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

Market Information for Common Stock

Our common stock is listed on the Nasdaq Global Market under the symbol "TKNO".

Holders

On February 27, 2026, we had 8 holders of record of our common stock.

Dividends

We have not paid any dividends since our inception. We currently intend to retain all available funds and any future earnings to support operations and to finance the growth and development of our business. We do not currently intend to declare or pay any cash dividends on our common stock in the foreseeable future. Any future determination to pay dividends on our capital stock will be at the discretion of our board of directors, subject to applicable laws, and will depend on our financial condition, results of operations, capital requirements, and other factors that our board of directors considers relevant. In particular, unless waived, the terms of the Second Amended and Restated Credit Agreement prohibit us from paying dividends, other than dividends payable in our stock, without the prior written consent of the lender. Our future ability to pay cash dividends on our common stock may also be limited by the terms of any future debt or preferred securities we may issue or any future credit facilities we may enter into.

Securities Authorized for Issuance Under Equity Compensation Plans

See Item 12. of Part III for information regarding securities authorized for issuance under our equity compensation plans.

Stock Performance Graph

We are a smaller reporting company, as defined by Rule 12b-2 of the Exchange Act and are not required to provide a performance graph.

Issuer Repurchases of Equity Securities

Not applicable.

Item 6. [Reserved].

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

The following discussion and analysis of Alpha Teknova, Inc.'s financial condition and results of operations should be read in conjunction with the financial statements and the notes thereto contained elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements reflecting our current expectations, estimates, and assumptions concerning events and financial trends that may affect its future operating results or financial position. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the sections titled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" appearing elsewhere in this Annual Report on Form 10-K. Unless the context otherwise requires, references in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" to "the Company," "Teknova," "we," "us," and "our" are intended to mean the business and operations of Alpha Teknova, Inc.

Overview

Since our founding in 1996, we have been producing critical reagents for the discovery, development, and commercialization of novel therapies, vaccines, and molecular diagnostics. Our more than 3,000 customers span the entire continuum of the life sciences market, including leading pharmaceutical and biotechnology companies, contract development and manufacturing organizations, in vitro diagnostics franchises, and academic and government research institutions. Our Company is built around our knowledge, methods, and know-how in our proprietary manufacturing processes, which are highly adaptable and configurable. These proprietary processes enable us to manufacture and deliver high-quality, custom, made-to-order products with short turnaround times and at scale, across all stages of our customers' product development, from early research through commercialization.

We have two primary product categories: Lab Essentials; and Clinical Solutions. Our products cross all stages of development, from early research through commercialization. We offer three primary product types: (i) pre-poured media plates for cell growth and cloning; (ii) liquid microbial culture media and supplements for cellular expansion; and (iii) molecular biology reagents for sample manipulation, resuspension, and purification. Our liquid cell culture media and supplements and molecular biology reagents are available in both of our two primary product categories; pre-poured media plates are available in our Lab Essentials category only.

We are ISO 13485:2016 certified, enabling us to manufacture products for use in diagnostic and therapeutic applications. Our certification allows us to offer solutions across the entire customer product development workflow, supporting our customers' need for materials in greater volume and that meet increasingly stringent quality requirements as they scale from research to commercialization.

We manufacture our products at our Hollister, California headquarters and stock inventory of raw materials, components, and finished goods at that campus. We rely on a limited number of suppliers for certain raw materials, and we have no long-term supply arrangements with our suppliers, as we order on a purchase order basis. We ship our products directly from our warehouse in Hollister, California, to our customers and distributors, generally pursuant to purchase orders. We typically recognize revenue when products are shipped.

We generated revenue of $40.5 million in 2025, which represents an increase of $2.8 million as compared to $37.7 million in 2024. In 2025 and 2024, only 5.6% and 4.8%, respectively, of our revenue was generated from customers located outside of the U.S. Our sales outside of the U.S. are denominated in U.S. dollars. We primarily generate sales through direct channels and a small salesforce, however, some of our sales are generated through distributors.

We had an operating loss of $17.0 million in 2025 compared to $26.1 million in 2024. While our expenses may fluctuate over the short term, we expect our expenses will increase in future periods, but at a slower rate, in connection with our ongoing activities as we:

- attract, hire, and retain qualified personnel;
- invest in processes and infrastructure to improve operating efficiency and expand capacity at our facilities, including the ramp up of our new warehouse and distribution facility;

- build our brand awareness and market presence through targeted marketing initiatives, strategic partnerships, and expanded sales efforts; and
- increase investment in selling and marketing activities to drive customer acquisition, strengthen channel relationships, and support revenue growth across existing and new markets.

Key Developments

- On March 3, 2025, we entered into the Second Amended and Restated Credit Agreement with MidCap Financial Trust which provides for loan commitments in an aggregate amount of up to $28.245 million consisting of a $23.245 million senior secured term loan and a $5.0 million working capital facility. The Second Amended and Restated Credit Agreement includes minimum net revenue requirements that are measured on a trailing twelve-month basis and a minimum cash requirement. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" for more information regarding the Second Amended and Restated Credit Agreement and the credit facility.

Impact of Broader Economic Trends on Our Business

We continue to closely monitor economic uncertainty in the U.S. and abroad. General inflation in the U.S. rose in recent years to levels not experienced in recent decades. While the rate of inflation moderated in 2024, general inflation, including rising prices for our raw materials and other inputs, tariffs, as well as rising salaries and other expenses, can negatively impact our business by increasing our cost of sales and operating expenses. Inflation, together with uncertainty regarding future interest rate changes, and broader macroeconomic uncertainty, may cause our customers to reduce, delay, or cancel orders for our goods and services, thereby causing a decrease in or change in the timing of sales of our products and services. We cannot predict the impact of future inflation and interest rate changes on the results of our operations. Furthermore, changes to tariff and related international trade policy that began in 2025 has created uncertainty about the broader economy and our business. For further information regarding the impact of these economic factors on us, please see Item 1A., "Risk Factors" in this report, which is incorporated herein by reference.

Results of Operations

The following tables set forth our results of operations for the years ended December 31, 2025 and 2024 (dollars in thousands):

	For the Year Ended December 31,			
	2025	2024	$ Change	% Change
Revenue	$ 40,520	$ 37,745	$ 2,775	7.4%
Cost of sales	27,079	30,514	(3,435)	(11.3)%
Gross profit	13,441	7,231	6,210	85.9%
Operating expenses:				
Research and development	2,197	2,759	(562)	(20.4)%
Sales and marketing	6,754	6,320	434	6.9%
General and administrative	20,318	23,150	(2,832)	(12.2)%
Amortization of intangible assets	1,148	1,148	—	—
Total operating expenses	30,417	33,377	(2,960)	(8.9)%
Loss from operations	(16,976)	(26,146)	9,170	(35.1)%
Other expenses, net				
Interest expense, net	(710)	(687)	(23)	3.3%
Other adjustment to loan exit fee	485	—	485	100.0%
Total other expenses, net	(225)	(687)	462	(67.2)%
Loss before income taxes	(17,201)	(26,833)	9,632	(35.9)%
Provision for (benefit from) income taxes	58	(88)	146	(165.9)%
Net loss	$ (17,259)	$ (26,745)	$ 9,486	(35.5)%

Revenue

Our revenue disaggregated by product category, for the years ended December 31, 2025 and 2024 was as follows (dollars in thousands):

	For the Year Ended December 31,			
	2025	2024	$ Change	% Change
Lab Essentials	$ 31,044	$ 28,883	$ 2,161	7.5%
Clinical Solutions	7,650	7,097	553	7.8%
Other	1,826	1,765	61	3.5%
Total revenue	$ 40,520	$ 37,745	$ 2,775	7.4%

Total revenue was $40.5 million in 2025, an increase of $2.8 million, or 7.4%, compared with $37.7 million in 2024.

Lab Essentials revenue was $31.0 million in 2025, an increase of $2.2 million, or 7.5%, compared with $28.9 million in 2024. The increase in Lab Essentials revenue was attributable to an increased number of customers, partially offset by lower average revenue per customer.

Clinical Solutions revenue was $7.7 million in 2025, an increase of $0.6 million, or 7.8%, compared with $7.1 million in 2024. The increase in Clinical Solutions revenue was attributable to an increased number of customers, partially offset by lower average revenue per customer.

Our revenue disaggregated by geographic region, which is determined based on customer location, for the years ended December 31, 2025 and 2024, was as follows (dollars in thousands):

	For the Year Ended December 31,			
	2025	2024	$ Change	% Change
United States	$ 38,249	$ 35,919	$ 2,330	6.5%
International	2,271	1,826	445	24.4%
Total revenue	$ 40,520	$ 37,745	$ 2,775	7.4%

Revenue from sales to customers in the U.S. was $38.2 million in 2025, and $35.9 million in 2024. Revenue from U.S. sales was consistent year over year, representing 94.4% and 95.2% of our total revenue in 2025 and 2024, respectively.

Revenue from sales to customers in markets outside of the U.S. was $2.3 million in 2025, and $1.8 million in 2024. Revenue from international sales was also consistent year over year, representing 5.6% and 4.8% of our total revenue in 2025 and 2024, respectively. Revenue from sales to customers in markets outside of the U.S. was primarily derived from the United Kingdom, Canada, and Singapore in both 2025 and 2024.

Gross profit

Our gross profit for the years ended December 31, 2025 and 2024 was as follows (dollars in thousands):

	For the Year Ended December 31,			
	2025	2024	$ Change	% Change
Cost of sales	$ 27,079	$ 30,514	$ (3,435)	(11.3)%
Gross profit	13,441	7,231	6,210	85.9%
Gross profit %	33.2%	19.2%		

Gross profit percentage was 33.2% in 2025, and 19.2% in 2024. The increase was primarily driven by $2.8 million of non-recurring and non-cash charges during 2024 related to the disposal of expired inventory and write

down of excess inventory. Excluding those non-recurring and non-cash charges, gross profit would have been $10.0 million and gross profit percentage would have been 26.5%, respectively, in the year ended December 31, 2024. The improvement in gross profit percentage from 26.5% to 33.2% was primarily driven by higher revenue and manufacturing efficiency gains.

Operating expenses

Our operating expenses for the years ended December 31, 2025 and 2024 were as follows (dollars in thousands):

	For the Year Ended December 31,			
	2025	2024	$ Change	% Change
Research and development	$ 2,197	$ 2,759	$ (562)	(20.4)%
Sales and marketing	6,754	6,320	434	6.9%
General and administrative	20,318	23,150	(2,832)	(12.2)%
Amortization of intangible assets	1,148	1,148	—	—
Total operating expenses	$ 30,417	$ 33,377	$ (2,960)	(8.9)%

Research and development expenses were $2.2 million in 2025 and $2.8 million in 2024. The decrease was primarily driven by lower salaries and wages resulting from the reduction in workforce that was completed in early 2024.

Sales and marketing expenses were $6.8 million in 2025 and $6.3 million in 2024. The increase was primarily driven by higher marketing costs during 2025, partially offset by lower salaries and wages resulting from the reduction in workforce that occurred in early 2024.

General and administrative expenses were $20.3 million in 2025 and $23.2 million in 2024. Excluding the non-recurring charges of $0.5 million in 2025 related to non-recurring transaction costs and $1.4 million in 2024 of which $1.3 million related to the reduction in workforce and $0.1 million loss contingency, general and administrative expenses decreased $2.1 million. The decrease was driven primarily by facility costs, insurance, freight, depreciation, and professional fees as well as lower stock-based compensation expense due to one-time costs incurred in connection with the repricing that occurred in early 2024. See “Notes to Financial Statements—Note 12. Stock-Based Compensation” for a more detailed discussion of the stock option repricing.

Amortization of intangible assets was consistent in 2025 and 2024, at $1.1 million.

Other expenses, net

Other expenses, net for the years ended December 31, 2025 and 2024 were as follows (dollars in thousands):

	For the Year Ended December 31,			
	2025	2024	$ Change	% Change
Interest expense, net	$ (710)	$ (687)	$ (23)	3.3%
Other adjustment to loan exit fee	485	—	485	100.0%
Total other expenses, net	$ (225)	$ (687)	$ 462	(67.2)%

Total other expenses, net was $0.2 million in 2025, compared to total other expenses, net of $0.7 million in 2024. The decrease in total other expense, net was primarily attributable to a $0.5 million adjustment recognized on the exit fee concurrent with the refinancing of our credit agreement in early 2025 coupled with lower interest income, largely offset by lower interest expense.

Provision for (benefit from) income taxes

Our provision for (benefit from) income taxes for the years ended December 31, 2025 and 2024 was as follows (dollars in thousands):

	For the Year Ended December 31,			
	2025	2024	$ Change	% Change
Provision for (benefit from) income taxes	$ 58	$ (88)	$ 146	(165.9)%
Effective tax rate	(0.3)%	0.3%		

Our provision for income taxes was $0.1 million in 2025, compared to a benefit of $0.1 million in 2024. The change from benefit from income taxes to provision for income taxes was attributable to operating losses not expected to produce a benefit.

Liquidity and Capital Resources

The primary sources of financing for our operations are our (i) registered direct offering and concurrent private placement completed in September 2023 (collectively, the September 2023 Offerings), which resulted in aggregate gross proceeds of $22.9 million before deducting offering expenses of $0.4 million and the prepayment of $10.0 million of the Term Loan, and (ii) private placement completed in July 2024 (the July 2024 Offering), which resulted in aggregate gross proceeds of $15.4 million before deducting offering expenses of $0.2 million.

Our principal liquidity requirements are to fund our operations and capital expenditures. During the year ended December 31, 2025, we incurred net losses of $17.3 million. In addition, as of December 31, 2025, we had an accumulated deficit of $135.8 million and $13.2 million in borrowings outstanding under our Term Loan (defined below). As of December 31, 2025, we had $27.0 million of working capital, which included $5.9 million in cash and cash equivalents and $15.4 million in short-term investments.

On March 3, 2025, we entered into the Second Amended and Restated Credit Agreement with MidCap Financial (Midcap) Trust which provides for loan commitments in an aggregate amount of up to $28.245 million consisting of a $23.245 million senior secured term loan (Term Loan) and a $5.0 million working capital facility (Revolver). The Term Loan consists of the $12.135 million balance outstanding under the previous term loan, plus an additional $1.110 million related to the exit fee that would otherwise have been due upon closing of the Second Amended and Restated Term Loan Credit Agreement, as well as an additional tranche of $10.0 million that may become available for use in an acquisition, with MidCap's consent. The Second Amended and Restated Credit Agreement includes minimum net revenue requirements that are measured on a trailing twelve-month basis and a minimum cash requirement throughout the term of the agreement. For example, our minimum net revenue requirement for the twelve months ending December 31, 2025, was $39.0 million. The minimum cash requirement is $8.0 million, which includes cash and cash equivalents as well as short-term investments in U.S. Treasuries. We were in compliance with our financial covenants under the terms of the Second Amended and Restated Credit Agreement as of December 31, 2025. See "Notes to Financial Statements—Note 10. Long-Term Debt, Net" for a more detailed discussion of the material terms of our Second Amended and Restated Credit Agreement.

On July 10, 2025, we filed a "shelf" registration statement on Form S-3 (Reg. No. 333-288613) with the SEC, which was declared effective on July 16, 2025. This shelf registration statement, which includes a base prospectus, allows us at any time to offer any combination of securities described in the prospectus in one or more offerings for our own account in an aggregate amount up to $225 million. The Form S-3 is intended to provide us flexibility to conduct registered sales of our securities, subject to market conditions and our future capital needs. The terms of any future offering under the shelf registration statement will be established at the time of such offering and will be described in a prospectus supplement filed with the SEC prior to the completion of any such offering.

As of December 31, 2025, our material cash requirements from known contractual obligations and commitments relate primarily to operating leases for our office, manufacturing, warehouse, and distribution facilities. See "Notes to Financial Statements—Note 7. Leases," for a discussion of our lease obligations reflected on our balance sheet.

The following table sets forth, for the periods indicated, net cash flows used in operating activities, used in investing activities and provided by financing activities (in thousands):

	For the Year Ended December 31,	
	2025	2024
Net cash used in operating activities	$ (8,646)	$ (12,391)
Net cash provided by (used in) investing activities	10,699	(27,275)
Net cash provided by financing activities	151	14,890
Net increase (decrease) in cash and cash equivalents	$ 2,204	$ (24,776)

Operating Activities

Net cash used in operating activities consists primarily of net loss adjusted for certain non-cash items (including depreciation and amortization, bad debt expense, deferred taxes, loss on disposal of property, plant, and equipment, inventory reserve, amortization of debt issuance costs, and stock-based compensation expense), and the effect of changes in working capital and other operating activities.

Net cash used in operating activities was $8.6 million in 2025, which primarily consisted of net loss of $17.3 million plus net adjustments for non-cash charges of $11.3 million, offset by net changes in operating assets and liabilities of $2.7 million. The primary non-cash adjustments to net loss included $6.3 million of depreciation and amortization, $3.4 million of stock-based compensation, a $2.1 million provision for inventory, and amortization of debt financing costs of $0.2 million, partially offset by amortization of the discount on short-term investments of $0.6 million, and an adjustment to the loan exit fee of $0.5 million. The main drivers of the changes in operating assets and liabilities were a $2.4 million increase in inventories, a $0.6 million increase in prepaid expenses and other current assets, and a $0.4 million increase in accounts receivable, partially offset by a $0.5 million increase in accounts payable.

Net cash used in operating activities was $12.4 million in 2024, which primarily consisted of net loss of $26.7 million plus net adjustments for non-cash charges of $15.2 million, offset by net changes in operating assets and liabilities of $0.9 million. The primary non-cash adjustments to net loss included $6.6 million of depreciation and amortization, a $4.5 million provision for inventory, $3.7 million of stock-based compensation, amortization of debt financing costs of $0.4 million, and loss on disposal of property, plant, and equipment of $0.2 million, partially offset by amortization of the discount on short-term investments of $0.3 million. The main drivers of the changes in operating assets and liabilities were a $0.6 million decrease in accounts payable, an increase of $0.5 million in accounts receivable, a $0.4 million decrease in accrued liabilities, partially offset by a decrease in other non-current assets of $0.5 million and a decrease in inventories of $0.2 million.

Investing Activities

Net cash provided by (used in) investing activities relates primarily to the purchase and maturity of short-term investments as well as capital expenditures and proceeds from the sale of any long-lived assets.

Net cash provided by investing activities was $10.7 million in 2025, which consisted of maturities of short-term investments of $29.0 million, partially offset by purchases of short-term investments of $17.2 million and purchases of property, plant, and equipment of $1.1 million.

Net cash used in investing activities was $27.3 million in 2024, which consisted of purchases of short-term investments of $30.3 million and purchases of property, plant, and equipment of $1.1 million, partially offset by maturities of short-term investments of $4.0 million and proceeds from the sale of certain long-lived assets of $0.1 million.

Financing Activities

Net cash provided by financing activities primarily relates to proceeds from our July 2024 Offering, proceeds and payments related to our long-term debt, the exercise of stock options, issuance of common stock under our employee stock purchase plan, and other financing activities.

Net cash provided by financing activities was $0.2 million in 2025, which was primarily attributable to proceeds from long-term debt of $1.1 million, proceeds from financed insurance premiums of $0.3 million, proceeds of $0.1 million from the issuance of common stock under our employee stock purchase plan, and $0.1 million of proceeds from the exercise of stock options, largely offset by the payment of exit fee costs of $1.1 million, repayment of financed insurance premiums of $0.3 million, and payment of debt issuance costs of $0.1 million.

Net cash provided by financing activities was $14.9 million in 2024, which was primarily attributable to net proceeds from the July 2024 Offering of $15.1 million, proceeds from financed insurance premiums of $0.4 million and proceeds of $0.1 million from the issuance of common stock under our employee stock purchase plan, partially offset by the repayment of financed insurance premiums of $0.7 million.

Critical Accounting Policies and Estimates

Our financial statements have been prepared in accordance with GAAP. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingencies as of the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. We evaluate our estimates on an ongoing basis. We base our estimates on historical experience and on other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. However, future events may cause us to change our assumptions and estimates, which may require adjustment. Actual results could differ from these estimates.

We believe the following critical accounting policies involve significant areas where management applies judgments and estimates in the preparation of our financial statements.

Revenue Recognition

We account for revenue in accordance with ASC 606. This process involves identifying the contract with a customer, identifying the performance obligations in the contract, determining the transaction price, allocating the transaction price to the performance obligations in the contract, and recognizing revenue when or as we satisfy performance obligations.

We recognize revenue from the sale of manufactured products and services when control of promised goods or services is transferred to customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. Control is transferred when the customer has the ability to direct the use of and obtain benefits from the goods or services. The majority of our sales agreements contain performance obligations satisfied at a point in time when control is transferred to the customer.

Occasionally, we offer rebates, discounts, and returns on our products, however, returns and refunds occur rarely. We record rebates, discounts, and returns at the time they occur. The difference between recording these as they occur and estimating the amount of consideration in exchange for the transfer of promised goods would not have a material impact on the financial statements.

Intangible Assets and Other Long-Lived Assets

We review our definite-lived intangible assets and other long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of these assets may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated. Significant judgment is required to estimate the amount and timing of future cash flows and the relative risk of achieving those cash flows.

Indefinite lived intangible assets are also subject to an impairment test at least annually, as of October 1, or more frequently if events or circumstances indicate that it is more likely than not that the asset is impaired. If the fair value of the asset is less than the carrying amount, an impairment loss would be recognized in an amount equal to the difference between the carrying amount and the fair value. We completed our assessment in the fourth quarter of 2025 and determined that it is not more likely than not that the fair value of our indefinite-lived intangible assets is less than the carrying amount.

Assumptions and estimates about future values and remaining useful lives are complex and often subjective. They can be affected by a variety of factors, including external factors such as industry and economic trends, and internal factors such as changes in our business strategy and our internal forecasts.

Income Taxes

The asset and liability method is used in accounting for deferred income taxes. Under this method, deferred income taxes are provided for differences between the carrying amounts of assets and liabilities for financial reporting and tax purposes using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Accordingly, our tax provision contemplates tax rates currently in effect to determine our current tax provision as well as enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be realized or settled to determine our deferred tax provision. Any significant fluctuation in rates or changes in tax laws could lead to either increases or decreases in our effective tax rate.

Our provision for income taxes, deferred tax assets and liabilities, and reserves for unrecognized tax benefits reflect our best assessment of estimated future taxes to be paid. Significant judgments and estimates based on interpretations of existing tax laws or regulations are required in determining our provision for income taxes. Changes in tax laws, statutory tax rates, and estimates of our future taxable income could impact the deferred tax assets and liabilities provided for in the financial statements and would require an adjustment to the provision for income taxes.

Stock-Based Compensation

Stock-based compensation expense is recognized based on the fair value and is expensed on a straight-line basis over the requisite service periods of the award, which generally represents the scheduled vesting period. Forfeitures are recognized as they occur. We account for stock-based compensation expense based on the estimated grant date fair value, using the Black-Scholes option-pricing model which requires us to make a number of assumptions, including expected volatility, the expected risk-free interest rate, the expected term and the expected dividend.

These inputs are subjective and generally require significant analysis and judgment to develop. Changes in the assumptions can materially affect the fair value and ultimately how much stock-based compensation is recognized.

- *Volatility.* Since we have limited historical data on volatility of our stock, expected volatility is based on the volatility of the stock of similar publicly traded entities. In evaluating similarity, we consider factors such as industry, stage of life cycle, size, and financial leverage.
- *Fair value of underlying common stock*. The fair value of our common stock is determined by the closing price as reported on the Nasdaq Global Market on the date of grant.
- *Risk-free interest rate*. The risk-free rate that we use is based on U.S. Treasury zero-coupon issues with remaining terms similar to the expected term on the options.
- *Expected term*. As we do not have sufficient historical exercise activity to estimate expected life, the expected life of options granted is determined using the simplified method. The simplified method is based on the vesting period and the contractual term for each grant or for each vesting tranche for awards with graded vesting. The midpoint of the vesting date and the maximum contractual expiration date are used to determine the expected term under this method.

- *Dividend yield*. We have never declared or paid any cash dividends and does not plan to pay cash dividends in the foreseeable future. Therefore, we use an expected dividend yield of zero. In addition, the terms of the Second Amended and Restated Credit Agreement prohibit us from paying dividends, other than dividends payable in our common stock, without the prior consent of the lender.

Accounting Pronouncements Not Yet Adopted

In November 2024, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)*, which requires disaggregation of specific expense categories in the notes to the financial statements and a qualitative description of the remaining expense amounts not separately disaggregated. This standard is effective for annual reporting periods beginning after December 15, 2026, and requires prospective application with the option to apply it retrospectively. We are currently evaluating the impact of adopting this standard to determine its impact on our disclosures.

In July 2025, the FASB issued ASU 2025-05, amending Accounting Standards Codification (ASC) 326, *Financial Instruments-Credit Losses*, to provide an optional practical expedient when applying the guidance related to the estimation of expected credit losses for current accounts receivable and current contract assets resulting from transactions arising from contracts with customers. Under this practical expedient, entities may elect to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. The guidance is effective for fiscal years beginning after December 15, 2025, and interim reporting periods, with early adoption permitted. We do not expect the adoption of this standard to have a material effect on our financial statements.

In September 2025, the FASB issued ASU 2025-06, that clarifies and modernizes the accounting for costs related to internal-use software in ASC 350-40, *Intangibles-Goodwill and Other-Internal-Use Software*. The guidance removes all references to project stages in ASC 350-40 and clarifies the threshold entities apply to begin capitalizing costs. Additionally, the guidance specifies disclosure requirements for capitalized software costs accounted for under ASC 350-40, regardless of how those costs are presented in the financial statements. The guidance is effective for fiscal years beginning after December 15, 2027, and interim reporting periods, with early adoption permitted. We are currently evaluating the impact of this standard on our financial statements.

Emerging Growth Company and Smaller Reporting Company

We qualify as an "emerging growth company" as defined in the JOBS Act. As long as we qualify as an emerging growth company, we may take advantage of certain exemptions from various reporting requirements and other burdens that are otherwise applicable generally to public companies. These provisions include, but are not limited to:

- reduced obligations with respect to financial data, including presenting only two years of audited financial statements;
- an exemption from compliance with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act;
- reduced disclosure about our executive compensation arrangements in our periodic reports, proxy statements, and registration statements; and
- exemptions from the requirements of holding non-binding advisory votes on executive compensation or golden parachute arrangements.

In addition, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to avail ourselves of this exemption from adopting new or revised accounting standards, and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies or that have opted out of using such extended transition period, which may make comparison of our financial statements with those of other public companies more difficult. We may take advantage of these reporting exemptions until we no

longer qualify as an emerging growth company, or, with respect to adoption of certain new or revised accounting standards, until we irrevocably elect to opt out of using the extended transition period.

Under the JOBS Act, we will remain an emerging growth company until the earliest to occur of:

- the last day of the fiscal year in which we have total annual gross revenues of $1.235 billion or more;
- the last day of our fiscal year following the fifth anniversary of the date of the closing of our initial public offering (IPO);
- the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years; and
- the date on which we are deemed to be a "large accelerated filer" under the Exchange Act (i.e., the first day of the fiscal year after we have (i) more than $700.0 million in outstanding common equity held by our non-affiliates, measured each year on the last business day of our most recently completed second fiscal quarter, and (ii) been public for at least 12 months).

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company, as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended, for this reporting period and are not required to provide the information required under this item.

Item 8. Financial Statements and Supplementary Data.

The information required by this item is set forth at the pages indicated in Part IV, Item 15(a)(1) and 15(a)(2), respectively, of this Annual Report on Form 10-K.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

Not applicable.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (CEO) and Chief Financial Officer (CFO) (our principal executive officer and principal financial officer, respectively), evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2025. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based upon our evaluation of the Company's disclosure controls and procedures, as of December 31, 2025, the CEO and the CFO concluded that the disclosure controls are effective to provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure and are effective to provide reasonable assurance that such information is recorded, processed, summarized, and reported within the time periods specified by the SEC's rules and forms.

Internal Control Over Financial Reporting

Management's Report on Internal Controls Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15(d)-15(f) under the Exchange Act). Our management conducted an assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that assessment, our management has concluded that our internal control over financial reporting was effective as of December 31, 2025.

Attestation of Independent Registered Public Accounting Firm

Our independent registered public accounting firm is not required to attest to the effectiveness of our internal control over financial reporting for as long as we are an "emerging growth company" pursuant to the provisions of the JOBS Act.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

On December 27, 2025, the Rule 10b5-1 trading plan adopted by Martha J. Demski, a member of our board of directors, on March 12, 2025, terminated pursuant to its terms." Except for the foregoing, none of our officers or directors (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" (as each term is defined in Item 408 of Regulation S-K), during the three months ended December 31, 2025.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers, and Corporate Governance.

The information required by this Item will be contained in our definitive proxy statement on Schedule 14A to be filed with the SEC in connection with our 2026 Annual Meeting of the Stockholders (the Proxy Statement), which we expect to file not later than 120 days after the end of our fiscal year ended December 31, 2025, and is incorporated in this Annual Report on Form 10-K by reference.

Item 11. Executive Compensation.

The information required by this Item will be contained in our Proxy Statement, which we expect to file not later than 120 days after the end of our fiscal year ended December 31, 2025, and is incorporated in this report by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item will be contained in our Proxy Statement, which we expect to file not later than 120 days after the end of our fiscal year ended December 31, 2025, and is incorporated in this report by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item will be contained in our Proxy Statement, which we expect to file not later than 120 days after the end of our fiscal year ended December 31, 2025, and is incorporated in this report by reference.

Item 14. Principal Accounting Fees and Services.

The information required by this Item will be contained in our Proxy Statement, which we expect to file not later than 120 days after the end of our fiscal year ended December 31, 2025, and is incorporated in this report by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) The following documents are filed as a part of this report:

(1) Financial Statements

Our Financial Statements are listed in the "Index to Financial Statements" of Alpha Teknova, Inc. beginning on page F-1 immediately following the signature pages of this Annual Report on Form 10-K.

(2) Financial Statement Schedules

All financial statement schedules called for under Regulation S-X are omitted because either they are not applicable or are not required under the related instructions, or because the required information is included either in the Financial Statements or Notes thereto included elsewhere in this Annual Report on Form 10-K.

(3) Exhibits

The following exhibits are incorporated by reference or filed with this Annual Report on Form 10-K, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K).

Exhibit Index

Exhibit Number		Description
1.1		Common Stock Sales Agreement, dated March 30, 2023, by and between Cowen and Company, LLC and Alpha Teknova, Inc. (incorporated by reference to Exhibit 1.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 30, 2023).
3.1		Amended and Restated Certificate of Incorporation of Alpha Teknova, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 29, 2021).
3.2		Amended and Restated Bylaws of Alpha Teknova, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on June 29, 2021).
4.1		Form of Common Stock Certificate (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1, as amended (File No. 333-256795 filed with the SEC on June 21, 2021).
4.2		Investors' Rights Agreement, dated as of January 14, 2019, by and among Alpha Teknova, Inc., and certain of its stockholders (incorporated by reference to Exhibit 4.2 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
4.3		Description of the Registrant's capital stock (incorporated by reference to Exhibit 4.3 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 30, 2023).
10.1	+	Alpha Teknova, Inc. 2016 Stock Plan, as amended (incorporated by reference to Exhibit 10.1 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.2	+	Alpha Teknova, Inc. 2016 Stock Plan Form of Stock Option Agreement (incorporated by reference to Exhibit 10.2 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.3	+	Alpha Teknova, Inc. 2020 Equity Incentive Plan, as amended (incorporated by reference to Exhibit 10.3 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.4	+	Alpha Teknova, Inc. 2020 Equity Incentive Plan Form of Stock Option Agreement (incorporated by reference to Exhibit 10.4 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.5	+	Alpha Teknova, Inc. 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.5 to the Registrant's Registration Statement on Form S-8 (File No. 333-257523 filed with the SEC on June 29, 2021).
10.6	+	Alpha Teknova, Inc. 2021 Equity Incentive Plan Form of Stock Option Agreement (incorporated by reference to Exhibit 10.6 to the Registrant's Registration Statement on Form S-1, as amended (File No. 333-256795 filed with the SEC on June 21, 2021).
10.7	+	Alpha Teknova, Inc. 2021 Equity Incentive Plan Form of Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.7 to the Registrant's Registration Statement on Form S-1, as amended (File No. 333-256795 filed with the SEC on June 21, 2021).
10.8	+	Alpha Teknova, Inc. 2021 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.8 to the Registrant's Registration Statement on Form S-8 (File No. 333-257523 filed with the SEC on June 29, 2021).
10.9	+#	Offer Letter, dated as of November 16, 2019, between Alpha Teknova, Inc. and Stephen Gunstream (incorporated by reference to Exhibit 10.9 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.10	+	Offer Letter, dated as of August 18, 2020, between Alpha Teknova, Inc. and Damon Terrill (incorporated by reference to Exhibit 10.12 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.11	+	Offer Letter, dated as of January 22, 2021, between Alpha Teknova, Inc. and Matthew Lowell (incorporated by reference to Exhibit 10.13 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.12	+	Form of Indemnification Agreement between Alpha Teknova, Inc. and each of its directors and officers (incorporated by reference to Exhibit 10.16 to the Registrant's Registration Statement on Form S-1, as amended (File No. 333-256795 filed with the SEC on June 21, 2021).

10.13	+	Alpha Teknova, Inc. Annual Incentive Bonus Plan (incorporated by reference to Exhibit 10.15 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on March 27, 2024).
10.14		Lease Agreement, dated December 1, 2015, between Michael and Paige McCullough and Alpha Teknova, Inc (incorporated by reference to Exhibit 10.18 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.15		Lease Agreement, dated November 1, 2015, between McMar LLC and Alpha Teknova, Inc., as amended (incorporated by reference to Exhibit 10.19 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.16		Commercial Lease Agreement, dated October 7, 2020, between Ken and Jill Gimelli, LLC and Alpha Teknova, Inc (incorporated by reference to Exhibit 10.23 to the Registrant's Registration Statement on Form S-1 (File No. 333-256795 filed with the SEC on June 4, 2021).
10.17		First Amendment to the Commercial Lease Agreement between Ken and Jill Gimelli, LLC and Alpha Teknova, Inc, dated December 1, 2022 (incorporated by reference to Exhibit 10.22 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 30, 2023).
10.18	+	Alpha Teknova, Inc. Executive Severance and Change in Control Plan (incorporated by reference to Exhibit 10.26 to the Registrant's Registration Statement on Form S-1, as amended (File No. 333-256795 filed with the SEC on June 21, 2021).
10.19	§	Second Amended and Restated Credit and Security Agreement (Term Loan), dated as of March 3, 2025, by and among Alpha Teknova, Inc. and MidCap Financial Trust, as agent and as a lender, and the additional lenders from time to time party thereto (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 4, 2025).
10.20	§	Second Amended and Restated Credit and Security Agreement (Revolving Loan), dated as of March 3, 2025, by and among Alpha Teknova, Inc. and MidCap Financial Trust, as agent and as a lender, and the additional lenders from time to time party thereto (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on March 4, 2025).
10.21		Summary of Teknova's Non-Employee Director Compensation Policy.
19	*	Alpha Teknova, Inc. Insider Trading Policy.
23.1	*	Consent of Grant Thornton, LLP, Independent Registered Public Accounting Firm.
24.1	*	Power of Attorney (see page 69 of this Annual Report on Form 10-K).
31.1	*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2	*	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1	*	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith).
97		Alpha Teknova, Inc. Clawback Policy incorporated by reference to Exhibit 97 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 7, 2025.
101.INS		Inline XBRL Instance Document
101.SCH		Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104		Cover Page Interactive Data File, formatted in Inline XBRL

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* Filed herewith.

\+ Management contract or compensatory plan or arrangement.

\# Certain confidential information contained in this Exhibit has been omitted because it is both (i) not material and (ii) of the type that the Registrant treats as private or confidential.

§ Non-material schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Registrant hereby undertakes to furnish supplemental copies of any of the omitted Schedules and exhibits upon request by the SEC.

(c) Financial Statement Schedules

No financial statement schedules are provided because the information called for is not applicable.

Item 16. Form 10-K Summary

None.

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Stephen Gunstream and Matt Lowell, and each of them, his or her true and lawful attorneys-in-fact, each with full power of substitution, for him or her in any and all capacities, to sign any amendments to this Annual Report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact or their substitute or substitutes may do or cause to be done by virtue hereof.

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized**.**

Alpha Teknova, Inc.

Date: March 2, 2026

By: /s/ Stephen Gunstream
Stephen Gunstream
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Name	Title	Date
/s/ Stephen Gunstream **Stephen Gunstream**	President, Chief Executive Officer, and Director (Principal Executive Officer)	March 2, 2026
/s/ Matt Lowell **Matt Lowell**	Chief Financial Officer (Principal Financial and Accounting Officer)	March 2, 2026
/s/ Paul Grossman **Paul Grossman**	Chairman of the Board	March 2, 2026
/s/ Irene Davis **Irene Davis**	Director	March 2, 2026
/s/ Martha J. Demski **Martha J. Demski**	Director	March 2, 2026
/s/ Alexander Herzick **Alexander Herzick**	Director	March 2, 2026
/s/ J. Matthew Mackowski **J. Matthew Mackowski**	Director	March 2, 2026
/s/ Brett Robertson **Brett Robertson**	Director	March 2, 2026
/s/ Alexander Vos **Alexander Vos**	Director	March 2, 2026

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders

Alpha Teknova, Inc.

Opinion on the financial statements

We have audited the accompanying balance sheets of Alpha Teknova, Inc. (the "Company") as of December 31, 2025 and 2024, the related statements of operations, stockholders' equity, and cash flows for each of the two years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2024.

San Jose, California
March 2, 2026

ALPHA TEKNOVA, INC.
Statements of Operations
(in thousands, except share and per share data)

	For the Year Ended December 31,	
	2025	2024
Revenue	$ 40,520	$ 37,745
Cost of sales	27,079	30,514
Gross profit	13,441	7,231
Operating expenses:		
Research and development	2,197	2,759
Sales and marketing	6,754	6,320
General and administrative	20,318	23,150
Amortization of intangible assets	1,148	1,148
Total operating expenses	30,417	33,377
Loss from operations	(16,976)	(26,146)
Other expenses, net		
Interest expense, net	(710)	(687)
Other adjustment to loan exit fee	485	—
Total other expenses, net	(225)	(687)
Loss before income taxes	(17,201)	(26,833)
Provision for (benefit from) income taxes	58	(88)
Net loss	$ (17,259)	$ (26,745)
Net loss per share—basic and diluted	$ (0.32)	$ (0.57)
Weighted average shares used in computing net loss per share—basic and diluted	53,483,075	46,745,905

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

ALPHA TEKNOVA, INC.
Balance Sheets
(in thousands, except share and per share data)

	As of December 31,	
	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 5,912	$ 3,708
Short-term investments, held -to-maturity	15,426	26,688
Accounts receivable, net of allowance for credit losses of $23 thousand and $83 thousand as of December 31, 2025 and December 31, 2024, respectively	4,618	4,312
Inventories, net	7,054	6,801
Prepaid expenses and other current assets	1,501	1,267
Total current assets	34,511	42,776
Property, plant, and equipment, net	41,733	45,753
Operating right-of-use lease assets	14,112	15,767
Intangible assets, net	11,943	13,091
Other non-current assets	1,285	1,382
Total assets	$ 103,584	$ 118,769
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,378	$ 825
Accrued liabilities	4,283	4,541
Current portion of operating lease liabilities	1,876	1,800
Current portion of long-term debt	—	4,045
Total current liabilities	7,537	11,211
Deferred tax liabilities	879	827
Other accrued liabilities	—	10
Long-term debt, net	13,123	9,443
Long-term operating lease liabilities	13,270	14,884
Total liabilities	34,809	36,375
Commitments and contingencies (Note 15)		
Stockholders' equity:		
Preferred stock, $0.00001 par value, 10,000,000 shares authorized at December 31, 2025 and December 31, 2024, respectively, zero shares issued and outstanding at December 31, 2025 and December 31, 2024	—	—
Common stock, $0.00001 par value, 490,000,000 shares authorized at December 31, 2025 and December 31, 2024, respectively, 53,562,154 and 53,409,727 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively	1	1
Additional paid-in capital	204,564	200,924
Accumulated deficit	(135,790)	(118,531)
Total stockholders' equity	68,775	82,394
Total liabilities and stockholders' equity	$ 103,584	$ 118,769

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

ALPHA TEKNOVA, INC.
Statements of Stockholders' Equity
(in thousands, except share data)

	Common Stock		Additional Paid-in	Accumulated	Stockholders'
	Shares	Amount	Capital	Deficit	Equity
Balance at January 1, 2024	40,793,848	$ —	$ 181,822	$ (91,786)	$ 90,036
Stock-based compensation	—	—	3,666	—	3,666
Issuance of common stock warrants	—	—	132	—	132
Issuance of common stock upon exercise of warrant	65,036	—	—	—	—
Issuance of common stock upon exercise of stock options	8,865	—	29	—	29
Issuance of common stock under employee stock purchase plan	88,926	—	135	—	135
Vesting of restricted stock units	67,169	—	—	—	—
Equity financing, net of issuance costs	12,385,883	1	15,140	—	15,141
Net loss	—	—	—	(26,745)	(26,745)
Balance at December 31, 2024	53,409,727	1	200,924	(118,531)	82,394
Stock-based compensation	—	—	3,429	—	3,429
Issuance of common stock upon exercise of stock options	44,720	—	100	—	100
Issuance of common stock under employee stock purchase plan	25,169	—	111	—	111
Vesting of restricted stock units	82,538	—	—	—	—
Net loss	—	—	—	(17,259)	(17,259)
Balance at December 31, 2025	53,562,154	$ 1	$ 204,564	$ (135,790)	$ 68,775

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

ALPHA TEKNOVA, INC.
Statements of Cash Flows
(in thousands)

	For the Year Ended December 31,	
	2025	**2024**
Operating activities:		
Net loss	$ (17,259)	$ (26,745)
Adjustments to reconcile net loss to net cash used in operating activities:		
Bad debt expense	68	130
Inventory reserve	2,115	4,549
Depreciation and amortization	6,342	6,578
Stock-based compensation	3,429	3,666
Deferred taxes	52	(92)
Accrued interest income on short-term investments	29	(69)
Amortization of discount on short-term investments	(614)	(344)
Amortization of debt financing costs	220	394
Other adjustment to loan exit fee	(485)	-
Non-cash lease expense	117	182
Loss on disposal of property, plant, and equipment	19	233
Changes in operating assets and liabilities:		
Accounts receivable	(374)	(494)
Inventories	(2,368)	244
Prepaid expenses and other current assets	(567)	(18)
Other non-current assets	97	470
Accounts payable	470	(594)
Accrued liabilities	73	(389)
Other	(10)	(92)
Cash used in operating activities	(8,646)	(12,391)
Investing activities:		
Purchases of short-term investments	(17,153)	(30,275)
Maturities of short-term investments	29,000	4,000
Proceeds from sale of property, plant, and equipment	-	125
Purchases of property, plant, and equipment	(1,148)	(1,125)
Cash provided by (used in) investing activities	10,699	(27,275)
Financing activities:		
Proceeds from equity financing, net	—	15,104
Proceeds from long-term debt	1,110	—
Payment of exit fee costs	(1,110)	—
Payment of debt issuance costs	(100)	(25)
Proceeds from financed insurance premiums	333	385
Repayment of financed insurance premiums	(293)	(738)
Proceeds from exercise of stock options	100	29
Proceeds from issuance of common stock under employee stock purchase plan	111	135
Cash provided by financing activities	151	14,890
Change in cash and cash equivalents	2,204	(24,776)
Cash and cash equivalents at beginning of period	3,708	28,484
Cash and cash equivalents at end of period	$ 5,912	$ 3,708
Supplemental cash flow disclosures:		
Income taxes paid	$ 2	$ 39
Interest paid, net of amounts capitalized	$ 1,460	$ 1,552
Capitalized property, plant, and equipment included in accounts payable and accrued liabilities	$ 149	$ 104
Recognition of operating right-of-use lease asset	$ 262	$ 1,293
Recognition of operating lease liabilities	$ 262	$ 1,306

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

Note 1. Nature of the Business

Alpha Teknova, Inc. (referred to herein as the Company or Teknova), produces critical reagents for the discovery, development, and commercialization of novel therapies, vaccines, and molecular diagnostics. Product offerings include pre-poured media plates for cell growth and cloning; liquid microbial culture media and supplements for cellular expansion; and molecular biology reagents for sample manipulation, resuspension, and purification. Teknova supports customers spanning the life sciences market, including pharmaceutical and biotechnology companies, contract development and manufacturing organizations, in vitro diagnostic franchises, and academic and government research institutions, with catalog and custom, made-to-order products.

Teknova manufactures its products at its Hollister, California headquarters and stocks inventory of raw materials, components, and finished goods at that location. The Company ships products directly from its warehouse in Hollister, California.

Private Placement

On July 11, 2024, the Company entered into a securities purchase agreement (the Purchase Agreement) and a registration rights agreement in connection with a private placement (the July 2024 Offering) with certain accredited investors. Pursuant to the Purchase Agreement, the Company agreed to offer and sell in the July 2024 Offering 12,385,883 shares of the Company's common stock, $0.00001 par value per share, at an offering price of $1.24 per share. The Company's controlling stockholder, Telegraph Hill Partners Management Company LLC, through its affiliates Telegraph Hill Partners V, L.P. and THP V Affiliates Fund LLC, the Company's President and Chief Executive Officer and member of its board of directors, Stephen Gunstream, and the Company's Chief Financial Officer, Matthew Lowell, participated in the July 2024 Offering and, collectively, purchased an aggregate of 12,217,740 shares. The Company received aggregate gross proceeds of approximately $15.4 million from the July 2024 Offering, before deducting offering expenses of $0.2 million. Offering expenses were included as a reduction to additional paid-in capital on the balance sheet. The July 2024 Offering closed on July 12, 2024.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Accounting, Presentation, and Use of Estimates

The accompanying financial statements and related notes are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain amounts of assets and liabilities, and disclosures of assets and liabilities, at the date of each financial statement, and the reported amount of revenues and expenses during the reporting period. Significant items that are subject to such estimates and assumptions include, but are not limited to, revenue recognition, impairment of long-lived assets and intangible assets, valuation of share-based payment awards, and income taxes. Although management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ significantly from the estimates under different assumptions or conditions.

Teknova does not have any material items of other comprehensive income (loss); accordingly, there is no difference between net loss and comprehensive loss and we have not presented a separate Statement of Comprehensive Income (Loss) that would otherwise be required.

Segment Reporting

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources to an individual segment and in assessing performance. Teknova's CODM is its Chief Executive Officer, currently Stephen Gunstream. Teknova derives revenue primarily in the United States (U.S.) through manufacture and sale of critical reagents. Teknova has determined that it operates in one reporting unit, one

operating segment, and one reportable segment, as the CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance.

The CODM assesses performance and decides how to allocate resources and make operating decisions based on net loss that is reported on the statement of operations. Net loss is also used to monitor budget versus actual results. The measure of segment assets is reported on the balance sheet as total assets. Revenues, expenses, and assets requiring disclosure in accordance with ASC 280, *Segment Reporting*, are also included in the accompanying financial statements. See the statements of operations for the two years ended December 31, 2025 and the balance sheets as of December 31, 2025 and 2024, for details.

Concentrations of Credit Risk

Teknova's financial instruments that are exposed to concentration of credit risk consist primarily of cash and cash equivalents, short-term investments, and accounts receivable. The Company places its cash with high-quality banking institutions. At times, the Company's cash balances may exceed the Federal Deposit Insurance Corporation (FDIC) insurance limit. Teknova's cash equivalents consist primarily of money market funds and U.S. Treasuries. Teknova extends credit to customers based on its evaluation of the customer's financial condition and routinely communicates with its customers regarding payments. The Company has a history of limited write-offs, and therefore believes that its accounts receivable credit risk exposure is low. For information regarding the Company's significant customers and suppliers, see Note 4. Concentrations of Risk.

Cash and Cash Equivalents

Teknova's cash and cash equivalents include cash on hand, cash held in banks, and highly-liquid investments with maturities of three months or less at the date of acquisition. Teknova maintains its cash in bank deposit accounts in financial institutions that are insured by the FDIC up to a balance of $250.0 thousand. Cash equivalents are stated at amortized cost, plus accrued interest, which approximates fair value.

Short-term Held-to-Maturity Investments

Teknova invests excess cash balances in short-term U.S. Treasuries. Investments are classified based on the facts and circumstances present at the time of purchase. The appropriateness of that classification is subsequently reassessed at each reporting date. As of December 31, 2025, the Company had both the ability and intention to hold these investments until maturity and therefore has classified these investments as held-to-maturity and recorded them at amortized cost which approximates fair value and presented them in "Short-term investments, held -to-maturity" on the balance sheet. The fair value of the Company's short-term investments was based on quoted prices in active markets for these investments (Level 1). The income recognized for these investments is recorded within interest income on the statement of operations.

Fair Value of Financial Instruments

The carrying amounts of certain of Teknova's financial instruments, including cash equivalents, accounts receivable, inventories, accounts payable and accrued liabilities, approximate fair value due to their relatively short maturities.

Accounts Receivable

Accounts receivable are stated at invoice value, less estimated allowances for credit losses. Teknova uses the allowance method to account for uncollectible accounts receivable, calculated by management using the historical average of uncollectible accounts. The Company continually monitors its customer payments and maintains an allowance for estimated losses resulting from its customers' inability to make required payments. Accounts

receivable are considered past due once customer payment terms have been exceeded. Receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

The change in the allowance for credit losses was as follows:

	For the Year Ended December 31,	
	2025	2024
Beginning balance	$ 83	$ 20
Provisions (benefits)	68	130
Recoveries (write-offs), net	(128)	(67)
Ending balance	$ 23	$ 83

Inventories

Inventory, consisting of raw materials, work in process and finished goods, is stated at the lower of cost or net realizable value, on a first-in, first-out basis. Teknova writes down its inventory for estimated obsolescence or inventory in excess of reasonably expected near-term sales or unmarketable inventory, in an amount equal to the difference between the cost of inventory and the estimated net realizable value, based upon assumptions about future demand and market conditions. If actual market conditions are less favorable than those projected by Teknova, additional inventory write-downs may be required. Inventory impairment charges establish a new cost basis for inventory, and charges are not reversed subsequently to income, even if circumstances later suggest that increased carrying amounts are recoverable.

The change in the inventory reserve was as follows:

	For the Year Ended December 31,	
	2025	2024
Beginning balance	$ 2,454	$ 691
Provisions (benefits)	2,115	4,549
Write-offs and other	(3,321)	(2,786)
Ending balance	$ 1,248	$ 2,454

Capitalized Software Implementation Costs

Teknova capitalizes certain implementation costs incurred under a cloud computing hosting arrangement. Costs incurred during the application development stage related to the implementation of the hosting arrangement are capitalized and included within other assets on the accompanying balance sheets. Amortization of capitalized implementation costs is recognized on a straight-line basis over the expected term of the associated hosting arrangement when it is ready for its intended use. Costs related to preliminary project activities and post-implementation activities are expensed as incurred. As of December 31, 2025 and 2024, Teknova had capitalized software implementation costs of $1.2 million and $1.3 million, respectively, which were included within other non-current assets in the accompanying financial statements. Amortization expense related to capitalized implementation costs for each of the years ended December 31, 2025 and 2024 were $0.5 million, which were included within operating expenses in the accompanying financial statements.

Property, Plant, and Equipment

Teknova records property, plant, and equipment at fair value when it is acquired in a business combination or at cost for all other purchases of property, plant, and equipment. Property, plant, and equipment is depreciated over the estimated useful lives of the assets, using the straight-line method. Any leasehold improvements are amortized on a straight-line basis over the shorter of the estimated useful life of the asset or the estimated remaining life of the lease. Costs for repairs and maintenance that do not significantly increase the value or estimated lives of property, plant, and equipment are expensed as incurred. Upon retirement or sale, the cost and related accumulated

depreciation are removed from the balance sheets, and the resulting gain or loss is reflected in the statements of operations.

The estimated useful lives of the major classes of property and equipment are as follows:

	Estimated Useful Lives
Machinery and equipment	5 – 15 years
Office furniture and equipment	3 – 7 years
Vehicles	5 years
Leasehold improvements	3 – 15 years

Impairment of Long-Lived Assets

Teknova evaluates its long-lived assets for impairment when events or changes in circumstances indicate a possible inability to recover carrying amounts. Recoverability is assessed by comparing the carrying value of the assets to estimated undiscounted future cash flows expected to be generated by the assets. Impairment losses are recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated during the life of those assets are less than the assets' carrying amounts. If an asset is impaired, the loss is measured as the amount by which the asset's carrying value exceeds its fair value. There were no indicators of impairment during the years ended December 31, 2025 and 2024.

Intangible Assets

Teknova's intangible assets consist of the Teknova trade name and the Company's customer relationships.

Indefinite lived intangible assets are not amortized but are tested for impairment at least annually as of October 1, or more frequently if events or circumstances indicate that it is more likely than not that an asset is impaired. If the fair value of the asset is less than its carrying amount, an impairment charge would be recognized in an amount equal to the difference between the carrying amount and the fair value.

Finite-lived intangible assets are amortized over the estimated economic useful lives of the assets, which is the period during which expected cash flows support the fair value of such intangible assets. Teknova reviews finite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets or an asset group may not be recoverable. When such an event occurs, management determines whether there has been impairment by comparing the anticipated undiscounted future net cash flows to the related assets' or asset group's carrying value.

There was no impairment of intangible assets during the year ended December 31, 2025 and 2024.

Leases

The Company determines if an arrangement is an operating lease at a lease's inception. Leases with an initial term of 12 months or fewer are not recorded on the balance sheet. All other operating leases are recorded on the balance sheet with a corresponding operating lease asset, net, representing the right to use the underlying asset for the lease term and the operating lease liabilities representing the obligation to make lease payments arising from the lease. The Company's lease agreements do not contain any material residual value guarantees or restrictive covenants.

Operating lease assets and operating lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term and include options to extend or terminate the lease when such options are reasonably certain to be exercised. The present value of lease payments is determined primarily using the incremental borrowing rate, adjusted for the lease term, based on the information available at the lease commencement or modification date as required. Lease agreements with lease and non-lease components are generally accounted for as a single lease component. Variable lease expense consists of the Company's proportionate share of common area expenses, property taxes, and insurance and is classified as lease expense due to

the Company's election to not separate lease and non-lease components. The Company's operating lease expense is recognized on a straight-line basis over the lease term.

Debt Issuance Costs

Debt issuance costs represent legal, consulting, and other financial costs associated with debt financing and are presented on the balance sheets as a direct reduction from the carrying amount of the related debt instrument. Debt issuance costs on the term debt are amortized to interest expense over the term of the applicable debt agreement using the effective interest rate method.

Warrants

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance in ASC 480, *Distinguishing Liabilities from Equity* (ASC 480) and ASC 815, *Derivatives and Hedging* (ASC 815). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own common stock, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

Revenue Recognition

We account for revenue in accordance with ASC 606, *Revenue From Contracts With Customers*. Teknova recognizes revenue for sales of goods through the following steps:

- Identification of the contract, or contracts, with a customer, typically a purchase order
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the company satisfies a performance obligation

Teknova recognizes revenue from the sale of manufactured products and services when the Company transfers control of promised goods or services to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Control is transferred when the customer has the ability to direct the use of and obtain benefits from the goods or services. The majority of the Company's sales agreements contain performance obligations satisfied at a point in time when control is transferred to the customer.

Teknova's sales are made directly to customers or through distributors, generally under agreements with payment terms typically shorter than 90 days and in no case exceeding one year. Therefore, Teknova's contracts do not contain a significant financing component. Sales, value add, and other taxes collected concurrent with revenue are excluded from sales. The Company records amounts billed to customers for shipping and handling in a sales transaction as revenue. Shipping and handling costs are included in general and administrative expenses as revenue is recognized. Shipping and handling costs for the years ended December 31, 2025 and 2024 were $1.1 million and $1.3 million, respectively.

Occasionally, Teknova offers rebates, discounts, and returns on its products, however returns and refunds occur rarely. The Company records rebates, discounts, and returns at the time they occur. The difference between recording these as they occur and estimating the amount of consideration in exchange for the transfer of promised goods would not have a material impact on the financial statements.

Costs incurred to obtain contracts with customers are expensed immediately, because the amortization period for such costs is one year or less.

Cost of Sales

Cost of sales includes salaries, wages and benefits, raw materials consumption (including direct and indirect material), depreciation, utilities, rent, manufacturing supplies, and other production overhead.

Research and Development Expenses

The Company's research and development expenses primarily consist of employee-related expenses, including salaries, benefits, and stock-based compensation expense for personnel in process engineering and manufacturing science functions, expenses related to occupancy costs, laboratory supplies, consulting fees, and depreciation associated with various assets used in the research and development of the Company's products and processes.

Sales and Marketing Expenses

The Company's sales and marketing expenses primarily consist of employee-related expenses, including salaries, benefits, and stock-based compensation expense for sales and marketing employees, expenses related to occupancy costs, brand strategy, website, content, and collateral. The Company expenses advertising costs as incurred. Advertising expenses are included in sales and marketing expenses in the accompanying financial statements. Advertising expenses were not significant in the year ended December 31, 2025 and $0.1 million in the year ended December 31, 2024.

General and Administrative Expenses

The Company's general and administrative expenses primarily consist of costs associated with executive and administrative staff, and other expenses such as shipping charges, professional service fees, occupancy costs, IT systems, insurance, depreciation, and stock-based compensation expense for executive and administrative staff.

Reduction in Workforce

On January 11, 2024, the Company carried out a reduction in workforce of approximately 35 positions, aimed at reducing operating expenses. The Company incurred $1.3 million of costs in connection with the reduction in workforce related to severance pay and other termination benefits. The costs associated with the reduction in workforce were recorded in the quarter ended March 31, 2024, in general and administrative expenses.

Stock-Based Compensation

Teknova measures and recognizes compensation expense for all stock-based awards, including stock options, restricted stock units, and stock purchase rights granted under the Employee Stock Purchase Plan (ESPP) to employees, based on the estimated fair value of the awards on the date of grant. The fair value of each stock option granted and employee stock purchase rights are estimated using the Black-Scholes option-pricing model, which requires the Company to make a number of assumptions, including expected volatility, the expected risk-free interest rate, the expected term, and the expected dividend. The fair value of each restricted stock unit is based on the fair value of the Company's common stock on the date of grant. Stock-based compensation expense is recognized over the requisite service period of the award, which generally represents the scheduled vesting period. Forfeitures are recognized as they occur.

Employee Benefit Plans

Teknova has a salary deferral 401(k) plan (the 401(k) Plan) covering substantially all employees. Contributions by the Company to the 401(k) Plan for the years ended December 31, 2025 and 2024 were $0.5 million and $0.4 million, respectively. Contributions payable as of December 31, 2025 and 2024, were not significant and are included within accrued liabilities in the accompanying financial statements.

Income Taxes

Income taxes are recorded for the anticipated tax consequences of the reported results of operations using the asset and liability method. Under this method, deferred income taxes are provided for differences between the carrying amounts of assets and liabilities for financial reporting and tax purposes, using the enacted tax rates and laws that will be in effect when the differences are expected to be realized or settled. Deferred tax assets and liabilities are adjusted for the effects of the changes in tax laws and rates on the date of enactment.

A valuation allowance is recorded to reduce deferred tax assets when it is more likely than not that some or all of the deferred tax assets will not be realized. All available evidence is considered, both positive and negative, including, expectations and risks associated with estimates of future taxable income and ongoing tax planning strategies in assessing the need for a valuation allowance.

Tax benefits from uncertain tax positions are recognized if Teknova believes it is more likely than not that the tax position will be sustained upon examination by tax authorities based on the technical merits of the position. The Company reports a liability for unrecognized tax benefits taken, or expected to be taken, in a tax return and recognizes associated interest and penalties, if any, in income tax expense.

Loss Contingencies

From time to time, Teknova may become involved in lawsuits and other claims arising in the ordinary course of business. The Company regularly evaluates its exposure to threatened or pending litigation and other business contingencies. Because of the uncertainties related to the amount of loss from litigation and other business contingencies, the recording of losses relating to such exposures requires significant judgment about the potential range of outcomes. The Company establishes loss provisions for matters in which losses are probable and can be reasonably estimated. If a loss is not both probable and reasonably estimable, or if an exposure to loss exists in excess of the amount accrued, the Company assesses whether there is at least a reasonable possibility that a loss, or additional loss, may have been incurred. If there is a reasonable possibility that a loss, or additional loss, may have been incurred, the Company will disclose the estimate of the possible loss or range of loss if it is material and an estimate can be made, or disclose that such an estimate cannot be made. The determination as to whether a loss can reasonably be considered to be possible or probable is based on our assessment, together with legal counsel, regarding the ultimate outcome of the matter. As additional information about current or future litigation or other contingencies becomes available, the Company will assess whether adjustments should be made to legal accruals.

Net Loss Per Share of Common Stock

Basic net income (loss) per share is computed using the two-class method. Diluted net income (loss) per share is computed using the more dilutive of (i) the treasury stock method or if-converted method, or (ii) the two-class method. The two-class method is an earnings allocation formula that determines net income per share for each class of common stock and participating security according to dividends declared and participation rights in undistributed earnings. The treasury stock method uses the number of new shares that may be created by unexercised in-the-money options, where the exercise price is less than the current share price. The if-converted method calculates the value of convertible securities as if they were converted into new shares. Per share amounts are computed by dividing net income (loss) by the weighted average shares outstanding during each period. The diluted net income (loss) per share is computed by giving effect to all potential dilutive common stock equivalents outstanding for the period.

Recently Adopted Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires disclosure in the rate reconciliation table additional categories of information about federal, state and foreign income taxes and to provide more details about the reconciliation items in some categories if the items meet a quantitative threshold. The guidance also requires disclosure of income taxes paid, net of refunds, disaggregated by federal (national), state and foreign taxes for annual periods and to disaggregate the information by jurisdiction based on a quantitative threshold. The Company adopted this ASU as of December 31, 2025 on a retrospective basis, which did not have a

material impact on the Company's financial statements. Refer to Note 13. Income Taxes for the additional disclosures required by the adoption of this standard.

Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)*, which requires disaggregation of specific expense categories in the notes to the financial statements and a qualitative description of the remaining expense amounts not separately disaggregated. This standard is effective for annual reporting periods beginning after December 15, 2026, and requires prospective application with the option to apply it retrospectively. The Company is currently evaluating the impact of adopting this standard to determine its impact on the Company's disclosures.

In July 2025, the FASB issued ASU 2025-05, amending Accounting Standards Codification (ASC) 326, *Financial Instruments-Credit Losses*, to provide an optional practical expedient when applying the guidance related to the estimation of expected credit losses for current accounts receivable and current contract assets resulting from transactions arising from contracts with customers. Under this practical expedient, entities may elect to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. The guidance is effective for fiscal years beginning after December 15, 2025, and interim reporting periods, with early adoption permitted. The Company does not expect the adoption of this standard to have a material effect on the Company's financial statements.

In September 2025, the FASB issued ASU 2025-06, that clarifies and modernizes the accounting for costs related to internal-use software in ASC 350-40, *Intangibles-Goodwill and Other-Internal-Use Software*. The guidance removes all references to project stages in ASC 350-40 and clarifies the threshold entities apply to begin capitalizing costs. Additionally, the guidance specifies disclosure requirements for capitalized software costs accounted for under ASC 350-40, regardless of how those costs are presented in the financial statements. The guidance is effective for fiscal years beginning after December 15, 2027, and interim reporting periods, with early adoption permitted. The Company is currently evaluating the impact of this standard on the Company's financial statements.

Note 3. Revenue Recognition

Teknova has two primary product categories: Lab Essentials; and Clinical Solutions.

Lab Essentials

Teknova is a leader in providing highly complex chemical formulations for use in biological research and drug discovery. The Company's core research products consist of commonly used, catalog solutions and customer-specified formulations. During discovery, the Company's products are used regularly in small, bench-scale experiments. As customers optimize their processes and begin to scale up in volume, they tend to order more custom products. The Lab Essentials portion of Teknova's business includes: pre-poured media plates for cell growth and cloning; liquid microbial culture media and supplements for cellular expansion; and molecular biology reagents for sample manipulation, resuspension, and purification. Teknova's Lab Essentials products include essential formulations for common research applications and highly customized formulations for customer-specific applications in genomics and bioproduction.

Clinical Solutions

Teknova is ISO 13485:2016 certified, enabling the Company to meet the quality system regulation of products for use as components in diagnostic and therapeutic products manufactured by the Company's customers. Teknova believes that its Clinical Solutions products are used in the production of protein therapies, gene therapies, mRNA vaccines, and diagnostic kits. The Clinical Solutions portion of our business includes: liquid microbial culture media and supplements for cellular expansion and molecular biology reagents for sample manipulation, resuspension, and purification.

Teknova's revenue, disaggregated by product category, was as follows (in thousands):

	For the Year Ended December 31,	
	2025	2024
Lab Essentials	$ 31,044	$ 28,883
Clinical Solutions	7,650	7,097
Other	1,826	1,765
Total revenue	$ 40,520	$ 37,745

Teknova's revenue, disaggregated by geographic region, which is determined based on customer location, was as follows (in thousands):

	For the Year Ended December 31,	
	2025	2024
United States	$ 38,249	$ 35,919
International	2,271	1,826
Total revenue	$ 40,520	$ 37,745

Note 4. Concentrations of Risk

Customers

Customers who accounted for 10% or more of the Company's revenues and outstanding balance of accounts receivable are presented as follows:

	For the Year Ended December 31,		As of December 31,	
	2025	2024	2025	2024
Distributor customer A	21%	18%	16%	17%

The Company's customers that are distributors, as opposed to direct customers, represent highly diversified customer bases.

Suppliers

Suppliers who accounted for 10% or more of the Company's inventory purchases and outstanding balance of accounts payable are presented as follows:

	For the Year Ended December 31,		As of December 31,	
	2025	2024	2025	2024
Distributor supplier A	31%	38%	29%	18%
Direct supplier A	25%	*	14%	*
Direct supplier B	*	11%	*	*

* Represents less than 10%.

The Company's suppliers that are distributors, as opposed to direct suppliers, represent highly diversified supplier bases.

Note 5. Inventories, Net

Inventories consisted of the following (in thousands):

	As of December 31,	
	2025	2024
Finished goods, net	$ 4,117	$ 4,672
Work in process	101	24
Raw materials, net	2,836	2,105
Total inventories, net	$ 7,054	$ 6,801

Note 6. Property, Plant, and Equipment, Net

Property, plant, and equipment consisted of the following (in thousands):

	As of December 31,	
	2025	2024
Machinery and equipment	$ 30,095	$ 29,765
Office furniture and equipment	892	922
Vehicles	333	340
Leasehold improvements	24,868	24,346
	56,188	55,373
Less—Accumulated depreciation	(17,372)	(12,244)
	38,816	43,129
Construction in progress	2,917	2,624
Total property, plant, and equipment, net	$ 41,733	$ 45,753

Depreciation expense related to property, plant, and equipment recorded for the years ended December 31, 2025 and 2024 was $5.2 million and $5.4 million, respectively.

Note 7. Leases

The Company leases office space, warehouse and manufacturing space, and equipment. The Company's lease agreements have remaining lease terms of one year to 12 years, and some of these leases have renewal and termination options exercisable at the Company's election. Terms and conditions to extend or terminate such leases are recognized as part of the right-of-use assets and lease liabilities where reasonably certain to be exercised. All of the Company's leases are operating leases.

The components of lease expense and other information related to leases were as follows (in thousands):

	For the Year Ended December 31,	
	2025	2024
Operating lease expense	$ 2,735	$ 2,981
Variable lease expense	453	434
Total lease expense	$ 3,188	$ 3,415

Cash paid for amounts included in the measurement of the lease liabilities was $2.6 million and $2.8 million in the years ended December 31, 2025 and 2024, respectively. The weighted-average discount rate was 5.0% and the weighted-average remaining lease term was 7.2 years as of December 31, 2025.

Maturities of operating lease liabilities at December 31, 2025, were as follows (in thousands):

	Amount
2026	$ 2,586
2027	2,649
2028	2,702
2029	2,700
2030	2,500
Thereafter	5,222
Total lease payments	18,359
Less: imputed interest	(3,213)
Present value of lease liabilities	15,146
Less: current portion	(1,876)
Lease liabilities less current portion	$ 13,270

Note 8. Intangible Assets, Net

The following is a summary of intangible assets with definite and indefinite lives (in thousands):

	Balance at December 31, 2025			Balance at December 31, 2024		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Definite Lived:						
Customer relationships	$ 9,180	$ 7,987	$ 1,193	$ 9,180	$ 6,839	$ 2,341
Indefinite Lived:						
Tradename	10,750	—	10,750	10,750	—	10,750
Total intangible assets	$ 19,930	$ 7,987	$ 11,943	$ 19,930	$ 6,839	$ 13,091

For each of the years ended December 31, 2025 and 2024 amortization expense was approximately $1.1 million.

The remaining weighted-average useful life of definite lived intangible assets is one year. The estimated future amortization expense of intangible assets with definite lives is as follows (in thousands):

	Amount
2026	$ 1,148
2027	45
Estimated future amortization expense of definite-lived intangible assets	$ 1,193

Note 9. Accrued Liabilities

Accrued liabilities were comprised of the following (in thousands):

	As of December 31,	
	2025	2024
Payroll-related	$ 3,230	$ 3,041
Property, plant, and equipment	51	89
Deferred revenue	6	30
Insurance premiums and accrued interest	97	56
Loss contingency accrual	—	373
Other	899	952
Total current accrued liabilities	$ 4,283	$ 4,541

On July 31, 2025, the Company entered into a financing agreement with First Insurance Funding for the financing of the Company's Director and Officers (D&O) liability insurance and related policies. Under the terms of the financing agreement, the Company will pay a total of $0.5 million in premiums, taxes and fees, plus interest at an annual percentage rate of 7.49% in eight monthly installment payments that commenced on August 1, 2025. During the year ended December 31, 2025, the Company made a down payment on the policy of $0.2 million and five monthly installments for an aggregate of $0.2 million to First Insurance Funding. As of December 31, 2025, the Company owed $0.1 million for insurance premiums and accrued interest.

Note 10. Long-Term Debt, Net

On March 3, 2025, the Company entered into the Second Amended and Restated Credit and Security Agreement (Term Loan) as borrower, with MidCap Financial Trust (MidCap), as agent and lender, and the additional lenders from time to time party thereto (the Second Amended and Restated Term Loan Credit Agreement) and the Second Amended and Restated Credit and Security Agreement (Revolving Loan) as borrower, with MidCap as agent and lender, and the additional lenders from time to time party thereto (the Second Amended and Restated Revolving Loan Credit Agreement, together with the Second Amended and Restated Term Loan Credit Agreement, the Second Amended and Restated Credit Agreement). The Second Amended and Restated Credit Agreement amends and restates the previous Amended and Restated Credit Agreement (as described and defined in our 2024 Annual Report on Form 10-K).

The Second Amended and Restated Credit Agreement provides for a $28.245 million credit facility consisting of a $23.245 million senior secured term loan (Term Loan) and a $5.0 million working capital facility (Revolver). The Term Loan consists of the $12.135 million balance outstanding under the previous term loan, plus an additional $1.110 million related to the exit fee that would otherwise have been due upon closing of the Second Amended and Restated Term Loan Credit Agreement, as well as an additional tranche of $10.0 million that may become available for use in an acquisition, with MidCap's consent. The maximum loan amount under the Revolver is $5.0 million, with borrowings limited in accordance with a borrowing base calculation, based solely on eligible accounts receivable.

The interest on the Term Loan is based on the forward-looking one-month term Secured Overnight Financing Rate adjusted upward by 0.10% (Term SOFR), plus an applicable margin of 6.45%, subject to a Term SOFR floor of 3.75%. If any advance under the Term Loan is prepaid at any time, a prepayment fee is charged based on the amount being prepaid and an applicable percentage amount, such as 4%, 3%, or 1%, based on the date the prepayment is made. Interest on an outstanding balance under the Revolver is payable monthly in arrears at an annual rate of Term SOFR plus an applicable margin of 4.00%, subject to a Term SOFR floor of 3.75%.

The Second Amended and Restated Credit Agreement includes minimum net revenue requirements that are measured on a trailing twelve-month basis and a minimum cash requirement throughout the term of the Second Amended and Restated Credit Agreement. For example, the Company's minimum net revenue requirement for the twelve months ending December 31, 2025, is $39.0 million. The minimum cash requirement is $8.0 million, which includes cash and cash equivalents as well as short-term investments in U.S. Treasuries, under the terms of the Second Amended and Restated Credit Agreement. The Company was in compliance with financial covenants under the terms of the Second Amended and Restated Credit Agreement as of December 31, 2025.

The maturity date of the Second Amended and Restated Credit Agreement is March 1, 2030, with principal repayments beginning on April 1, 2028. On the date of termination of the Term Loan or the date on which the obligations under the Term Loan become due and payable in full, the Company will pay an exit fee in an amount equal to 5.0% of the total aggregate principal amount of term loans made pursuant to the Second Amended and Restated Term Loan Credit Agreement as of such date. All loans issued under the Second Amended and Restated Credit Agreement are collateralized by the Company's assets.

Long-term debt, net consisted of the following (in thousands):

	As of December 31,	
	2025	2024
Long-term debt	$ 13,245	$ 12,135
Cumulative accretion of exit fee	102	1,544
Unamortized debt discount and debt issuance costs	(224)	(191)
Total debt	13,123	13,488
Less: current portion	—	(4,045)
Long-term debt, net	$ 13,123	$ 9,443

At December 31, 2025, the scheduled maturities of the Company's debt obligations were as follows (in thousands):

	Amount
2026	$ —
2027	—
2028	5,519
2029	6,623
2030	1,103
Total	$ 13,245

As of December 31, 2025, the fair value of the Company's long-term debt approximated its carrying value. The fair value of the Company's long-term debt was based on observable market inputs (Level 2).

Note 11. Stockholders' Equity

On March 8, 2024, the Company issued to MidCap Funding XXVII a warrant to purchase up to an aggregate of 125,000 shares (the Common Warrant) of common stock with an exercise price of $2.9934 per share, subject to adjustment as provided therein.

The Company determined that the Common Warrant is not a liability within the scope of ASC 480, but met the requirements to be classified within stockholders' equity, because the warrant is indexed to the Company's common stock and met all of the conditions for equity classification in accordance with ASC 815. Accordingly, the Common Warrant was recorded as a component of additional paid-in capital in the statements of stockholders' equity at the time of issuance. The Common Warrant was valued using the Black-Scholes option pricing model with the following assumptions: (i) fair value of common stock of $2.8500, (ii) exercise price of $2.9934, (iii) term of 5 years, (iv) dividend rate of 0%, (v) volatility of 36.70%, and (vi) risk free interest rate of 4.06%.

On October 15, 2024, MidCap exercised the Common Warrant in full and the Company issued 65,036 shares of common stock through a cashless exercise in accordance with the conversion terms.

Note 12. Stock-Based Compensation

Equity Incentive Plans

Teknova maintains stock incentive plans for the benefit of certain of Teknova's officers, directors, consultants and employees. The Company granted time-based and performance-based options to purchase common shares under both its 2016 Stock Plan, as amended (2016 Plan) and 2020 Equity Incentive Plan, as amended (2020 Plan). At the time the 2020 Plan became effective, no additional stock awards were granted or are able to be granted in the future under the 2016 Plan. In June 2021, the Company's board of directors and the Company's stockholders approved the 2021 Equity Incentive Plan (2021 Plan), which became effective in connection with the IPO. From and after the date on which the 2021 Plan became effective, no further grants were made or will be made under the 2020 Plan. At December 31, 2025, 5,638,986 shares of the Company's common stock remain available for future grants under the 2021 Plan.

The types of equity-based awards that may be granted under the 2021 Plan include: incentive stock options or nonqualified stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance awards, and other stock-based awards. The equity-based awards for employees will vest over a four-year period, pursuant to two different vesting schedules. For initial equity-based awards granted to employees, the first vest is generally a one-year cliff vest, followed by monthly vesting for the final three years. Thereafter, annual equity-based awards granted to employees typically vest monthly over the four-year vest term, except for restricted stock units which vest annually over a four-year period. The initial equity-based awards granted to the Company's non-employee, independent directors upon appointment to the board of directors will vest over a three-year period, with the first vest being a one-year cliff, followed by monthly vesting over the remaining two years. Thereafter, annual equity-based awards granted to the Company's non-employee, independent directors will cliff vest after one year from the date of grant.

Generally, the number of shares of the Company's common stock that will be reserved for issuance under the 2021 Plan will automatically increase on January 1 of each year for a period of ten years, beginning on January 1, 2022, and continuing through January 1, 2031, in an amount equal to 4% of the total number of shares of the Company's common stock outstanding on December 31 of the preceding year; provided, however, that the Company's board of directors may act prior to January 1 of a given year to provide that the increase for such year will be a lesser number of shares of common stock. No new shares became available for issuance under the 2021 Plan as of January 1, 2026.

Stock Options

The following table summarizes the stock option activity for the year ended December 31, 2025 (in thousands, except share and per share data):

	Number of Shares	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding at January 1, 2025	3,992,335	$ 4.99	6.86	$ 19,318
Granted	1,439,255	$ 7.81	—	—
Exercised	(44,720)	$ 2.25	—	—
Forfeited	(78,369)	$ 7.64	—	—
Expired	(36,612)	$ 10.78	—	—
Outstanding at December 31, 2025	5,271,889	$ 5.70	6.71	$ 6,940
Vested and expected to vest at December 31, 2025	4,987,207	$ 3.74	6.92	$ 5,987
Exercisable at December 31, 2025	3,251,337	$ 2.47	5.97	$ 5,453

The total intrinsic value of options exercised during the year ended December 31, 2025 and 2024 was $0.2 million and $0.1 million, respectively. The aggregate grant-date fair value of options vested during the year ended December 31, 2025 and 2024, was $4.7 million and $2.5 million, respectively.

Restricted Stock Units

The following table summarizes the restricted stock unit activity for the year ended December 31, 2025 (in thousands, except share and per share data):

	Number of Shares	Weighted Average Grant Date Fair Value per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding at January 1, 2025	127,611	$ 3.47	0.84	$ 1,066
Granted	—	$ —	—	—
Vested	(82,538)	$ 2.42	—	—
Forfeited	—	$ —	—	—
Outstanding at December 31, 2025	45,073	$ 5.41	0.66	$ 171
Vested and expected to vest at December 31, 2025	45,073	$ 5.41	0.66	$ 171

The aggregate grant-date fair value of restricted stock units vested during the year ended December 31, 2025 and 2024, was $0.2 million and $0.3 million, respectively.

Employee Stock Purchase Plan

In June 2021, the Company's board of directors and the Company's stockholders, respectively, approved the Company's 2021 Employee Stock Purchase Plan (the ESPP), which became effective in connection with the IPO. At December 31, 2025, 1,181,861 shares of the Company's common stock remain available for issuance under the ESPP. The number of shares of the Company's common stock that will be reserved for issuance will automatically increase on January 1 of each year for a period of ten years, beginning on January 1, 2022, and continuing through January 1, 2031, by the lesser of (i) 1% of the total number of shares of the Company's common stock outstanding on December 31 of the immediately preceding year; and (ii) 319,911 shares (subject to adjustments for stock splits, dividends, combinations of shares, exchanges of shares, and other "Capitalization Adjustments," as defined in the ESPP), except before the date of any such increase, the Company's board of directors may determine that such increase will be less than the amount set forth in clauses (i) and (ii). No new shares became available for issuance under the ESPP as of January 1, 2026.

Generally, all regular employees, including executive officers, employed by the Company will be eligible to participate in the ESPP and to contribute, normally through payroll deductions, up to 15% of their earnings (as defined in the ESPP) for the purchase of the Company's common stock under the ESPP. Unless otherwise determined by the Company's board of directors, shares of the Company's common stock will be purchased for the accounts of employees participating in the Company's ESPP at a price per share equal to the lesser of (i) 85% of the fair market value of a share of the Company's common stock on the first day of an offering; or (ii) 85% of the fair market value of a share of the Company's common stock on the date of purchase. Offering periods are generally six months long. Beginning on May 15, 2023, offering periods begin on June 1 and December 1 of each year.

Valuation of Employee Share-Based Awards

Teknova uses the Black-Scholes option-pricing model to determine the fair value of stock options. The valuation model for stock compensation expense requires the Company to make assumptions and judgments about the variables used in the calculation, including the expected term, expected volatility and fair value of the Company's common stock, and an assumed risk-free interest rate. The assumptions used in the Black-Scholes option-pricing model were as follows:

Volatility. Since the Company has limited historical data on volatility of its stock, expected volatility is based on the volatility of the stock of similar publicly traded entities. In evaluating similarity, the Company considers factors such as industry, stage of life cycle, size, and financial leverage.

Fair value of underlying common stock. The fair value of the Company's common stock is determined by the closing price of its common stock as reported on the Nasdaq Global Market on the date of grant.

Risk-free interest rate. The risk-free rate that the Company uses is based on U.S. Treasury zero-coupon issues with remaining terms similar to the expected term on the options.

Expected term. As the Company does not have sufficient historical exercise activity to estimate expected life, the expected life of options granted is determined using the simplified method. The simplified method is based on the vesting period and the contractual term for each grant or for each vesting tranche for awards with graded vesting. The midpoint of the vesting date and the maximum contractual expiration date are used to determine the expected term under this method.

Dividend yield. The Company has never declared or paid any cash dividends and does not plan to pay cash dividends in the foreseeable future. Therefore, the Company uses an expected dividend yield of zero. In addition, the terms of the Amended Credit Agreement prohibit us from paying dividends, other than dividends payable in the Company's common stock, without the prior consent of the lender.

The weighted average assumptions used in the Black-Scholes option-pricing model were as follows:

	For the Year Ended December 31,			
	Employee Stock Option Plans		Employee Stock Purchase Plan	
	2025	2024	2025	2024
Estimated dividend yield	-%	-%	-%	-%
Weighted-average expected stock price volatility	36.06%	35.91%	39.00%	30.00%
Weighted-average risk-free interest rate	4.33%	4.32%	4.01%	5.23%
Expected average term of options (in years)	6.16	6.25	0.50	0.50
Weighted-average fair value of common stock	$ 7.81	$ 2.97	$ 5.10	$ 2.87
Weighted-average fair value per option	$ 3.39	$ 1.29	$ 1.35	$ 0.71

Repricing of Outstanding and Unexercised Options

In January 2024, the Company's board of directors approved a one-time repricing of certain previously granted and still outstanding vested and unvested stock option awards held by eligible employees, executive officers, and non-employee directors. As a result, the exercise price for these awards was lowered to $2.97 per share effective September 14, 2025, which was the closing price of the Company's common stock as reported on the Nasdaq Global Stock Market on March 14, 2024, so long as the holder remained employed by the Company or continued to serve as a member of the board of directors through September 14, 2025, absent earlier trigger events defined in the option repricing plan. No other terms of the stock options were modified, and the stock options continue to vest according to their original vesting schedules and retain their original expiration dates. As a result of the repricing, 1,557,301 vested and unvested stock options outstanding as of September 14, 2025, with original exercise prices ranging from $3.02 to $27.49, were repriced.

The repricing on March 14, 2024, resulted in incremental stock-based compensation expense of $0.9 million, of which $0.5 million related to vested stock option awards and was expensed on the repricing date. The remaining $0.4 million related to unvested stock option awards and is being amortized on a straight-line basis over the weighted-average vesting period of those awards of approximately 2.38 years as of March 14, 2024.

Summary of Stock-Based Compensation Expense

Stock-based compensation expense included in the accompanying financial statements was as follows (in thousands):

	For the Year Ended December 31,	
	2025	2024
Cost of sales	$ 120	$ 112
Research and development	19	82
Sales and marketing	224	196
General and administrative	3,066	3,276
Total stock-based compensation expense	$ 3,429	$ 3,666

Stock-based compensation expense related to stock options was $3.2 million and $3.4 million for the years ended December 31, 2025 and 2024, respectively. Unrecognized compensation expense related to stock options was $4.6 million at December 31, 2025, which is expected to be recognized as expense over the weighted-average period of 2.50 years.

Stock-based compensation expense related to restricted stock units was $0.2 million for each of the years ended December 31, 2025 and 2024. Unrecognized compensation expense related to restricted stock units was $0.1 million at December 31, 2025, which is expected to be recognized as expense over the weighted-average period of 1.16 years.

During the year ended December 31, 2021, the Company's board of directors approved an amendment to the outstanding performance-based option to acquire 231,719 shares of the Company's common stock previously granted under 2020 Plan, to eliminate the performance-based vesting and provide that such option will vest in 48 equal monthly installments. The stock option modification was measured as the excess of the fair value of the modified option over the fair value of the original option immediately before the modification. The incremental stock-based compensation expense for such stock option modification is approximately $3.5 million, of which $0.4 million and $0.9 million of incremental stock-based compensation expense was recognized during the years ended December 31, 2025 and 2024, respectively, in general and administrative expenses in the accompanying financial statements. Additionally, in January 2019, the Company granted 284,682 performance-based options that vest upon a change of control. As of December 31, 2025, these options were not considered probable of vesting. The Company had unrecognized compensation expense of approximately $0.3 million at December 31, 2025, relating to these options.

Total stock-based compensation expense related to the ESPP was not significant for each of the years ended December 31, 2025 and 2024. Total compensation cost related to the ESPP not yet recognized is also not significant. As of December 31, 2025, an insignificant amount has been withheld on behalf of employees for a future purchase under the ESPP. The Company issued 25,169 and 88,926 shares of common stock under the ESPP during the years ended December 31, 2025 and 2024, respectively.

Note 13. Income Taxes

On July 4, 2025, the U.S. enacted new tax legislation, The One Big Beautiful Bill Act, (OBBBA). The OBBBA includes significant changes to federal tax law and other regulatory provisions. The adoption of this legislation did not have a significant impact on the Company's financial statements nor is it expected to have a material impact on future periods.

The components of loss before provision for (benefit from) income taxes are as follows (in thousands):

	For the Year Ended December 31,	
	2025	2024
Domestic	$ (17,201)	$ (26,833)
Foreign	—	—
Loss before income taxes	$ (17,201)	$ (26,833)

The provision for (benefit from) income taxes consist of the following (in thousands):

	For the Year Ended December 31,	
	2025	2024
Current:		
Federal	$ —	$ —
State	7	4
Foreign	—	—
Total current	7	4
Deferred:		
Federal	46	(24)
State	5	(68)
Foreign	—	—
Total deferred	51	(92)
Income taxes	$ 58	$ (88)

A reconciliation of the U.S. federal statutory income tax rate to the Company's effective tax rate was as follows (in thousands, except percentages):

	For the Year Ended December 31,			
	2025		2024	
	Amount	Percent	Amount	Percent
U.S. federal statutory income taxes	$ (3,612)	21.0%	$ (5,635)	21.0%
State and local income taxes, net of federal income tax effect[1]	10	(0.1)%	(65)	0.2%
Foreign tax effects	—	—%	—	—%
Effect of changes in tax laws or rates enacted in the current period	—	—%	—	—%
Effects of cross-border tax laws	—	—%	—	—%
Tax credits				
Research and development tax credits	—	—%	(18)	0.1%
Changes in valuation allowance	3,554	(20.7)%	4,824	(18.0)%
Nontaxable or nondeductible items				
Share-based payment awards	(47)	0.3%	592	(2.2)%
Other	153	(0.8)%	209	(0.8)%
Changes in unrecognized tax benefits	—	—%	5	—%
Income taxes	$ 58	(0.3)%	$ (88)	0.3%

[1] State taxes in California and New Jersey made up the majority (greater than 50 percent) of the tax effect in this category for the period ended December 31, 2024. State taxes in California and Massachusetts made up the majority of the tax effect in this category for the period ended December 31, 2025.

Cash paid for income taxes, net of refunds received, by jurisdiction are as follows (in thousands):

	For the Year Ended December 31,	
	2025	2024
Federal	$ —	$ —
State	2	39
Foreign	—	—
Cash paid for income taxes, net of refunds received	$ 2	$ 39

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due, plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will be either deductible or taxable when the assets and liabilities are recovered or settled. The Company's component of net deferred tax liability and assets consist of the following (in thousands):

	As of December 31,	
	2025	2024
Deferred tax asset		
Net operating loss carryforwards	$ 24,454	$ 20,499
Accrued compensation	567	509
Stock compensation	2,422	1,762
Tax credit carryforwards	1,232	1,058
Accruals and other	199	635
Operating lease liabilities	4,037	4,382
Capitalized research and development expenses	2,060	2,288
Inventory capitalization	478	386
Total deferred tax asset	35,449	31,519
Deferred tax liability		
Property, plant, and equipment	(2,449)	(2,344)
Intangibles	(3,066)	(3,280)
Operating right-of-use lease assets	(3,761)	(4,140)
Total deferred tax liability	(9,276)	(9,764)
Valuation allowance	(27,052)	(22,582)
Net deferred tax liability	$ (879)	$ (827)

As of the end of December 31, 2025, Teknova has federal and state net operating loss carryforwards (NOLs) of $90.3 million and $81.2 million, respectively. The federal NOLs will carryforward indefinitely but are subject to an 80% taxable income limitation. The state NOLs begin to expire in 2036. As of December 31, 2025, the Company had federal research and development tax credit carryforwards of $0.6 million, which will begin to expire in 2035 and a state research and development tax credit carryforward of $0.2 million and carry forward indefinitely. NOLs and tax credit carryforwards may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant stockholders, as defined under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, as well as similar state tax provisions. This could limit the amount of NOLs and tax credits that the Company can utilize annually to offset future taxable income or tax liabilities.

For the years ended December 31, 2025 and 2024, the Company recorded a net increase in valuation allowances of $4.5 million and $5.7 million, respectively, comprised primarily of an increase of valuation allowance on certain NOLs being carried forward which are not expected to be realizable. Valuation allowances are determined based on management's assessment of its deferred tax assets that are more likely than not to be realized.

The change in the income tax valuation allowance was as follows:

	For the Year Ended December 31,	
	2025	2024
Beginning balance	$ 22,582	$ 16,838
Additions charged to expense	4,470	5,744
Reductions charged to other accounts	—	—
Ending balance	$ 27,052	$ 22,582

The Company had unrecognized tax benefits of $0.1 million and $0.1 million at December 31, 2025 and 2024, respectively. In connection with FASB's Accounting for Uncertainty in Income Taxes, the Company recognizes interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. The Company does not expect to recognize any unrecognized tax benefits over the next twelve months. Consequently, the Company had not accrued interest or penalties related to uncertain tax positions as of the end of December 31, 2025 or 2024.

The change in unrecognized tax benefits were as follows:

	For the Year Ended December 31,	
	2025	2024
Beginning balance	$ 141	$ 136
Tax positions related to the current year:		
Additions	—	—
Reductions	—	—
Tax positions related to the prior year:		
Additions	—	5
Reductions	—	—
Ending balance	$ 141	$ 141

Teknova files income tax returns in the U.S. federal jurisdiction and various states. The Company is no longer subject to U.S. federal income tax examinations for tax years prior to 2022. The Company is no longer subject to state income tax examinations for tax years prior to 2021. All net operating losses and tax credits generated to date are subject to adjustment for U.S. federal and state income tax purposes. The Company is currently under examination by the Internal Revenue Service for the 2023 tax year. The Company is not currently under examination by any other taxing authorities.

Note 14. Net Loss Per Share

Basic net loss per share is computed by dividing net loss by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by giving effect to all potentially dilutive common stock equivalents to the extent they are dilutive. For purposes of this calculation, stock options, restricted stock units, and employee stock purchase rights are considered to be common stock equivalents but have been excluded from the calculation of diluted net loss per share as their effect is anti-dilutive for all periods presented.

The following table sets forth the computation of basic and diluted net loss per share (in thousands, except share and per share data):

	For the Year Ended December 31,	
	2025	2024
Net loss	$ (17,259)	$ (26,745)
Weighted average shares used in computing net loss per share—basic and diluted	53,483,075	46,745,905
Net loss per share—basic and diluted	$ (0.32)	$ (0.57)

The following is a summary of the common stock equivalents for the securities outstanding during the respective periods that have been excluded from the computation of diluted net loss per common share, as their effect would be anti-dilutive:

	For the Year Ended December 31,	
	2025	2024
Equity-based compensation	4,900,757	3,941,878

Note 15. Contingencies

In August 2023, a former Teknova employee filed a claim with the California Labor and Workforce Development Agency alleging various causes of action under California's labor, wage, and hour laws. The plaintiff generally alleged that Teknova did not appropriately calculate and pay meal break premiums and otherwise failed to calculate and pay appropriate overtime wages or bonuses to certain of its California non-exempt employees. On June 6, 2024, a mediation took place, in the course of which Teknova agreed to settle the plaintiff's claims for $0.4 million (the Settlement). As of December 31, 2024, the Company had therefore accrued its best estimate of potential loss related to a possible settlement of the claims of the former employee and other members of the purported class (similarly situated former or current employees), in the amount of $0.4 million, which was included within "Accrued liabilities" on the balance sheet. In April 2025, the Settlement received final court approval and the Company paid the Settlement amount.