

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark one)

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

For the quarterly period ended June 30, 2026

or

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

For the transition period from ___ to ___

Commission file number: 001-40355

Treace Medical Concepts, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

47-1052611

(I.R.S. Employer Identification No.)

100 Palmetto Park Place
Ponte Vedra, Florida 32081

(Address of principal executive offices, including zip code)

(904) 373-5940

(Registrant's telephone number, including area code)

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, \$0.001 par value	TMCI	The Nasdaq Global Select Market

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

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

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

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

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

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

As of July 31, 2026, 65,034,552 shares of the registrant's common stock, \$0.001 par value per share, were outstanding.

TREACE MEDICAL CONCEPTS, INC.

FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2026

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

As used in this Quarterly Report on Form 10-Q ("Quarterly Report"), unless expressly indicated or the context otherwise requires, references to "Treace Medical Concepts," "we," "us," "our," or the "Company," refer to Treace Medical Concepts, Inc. This Quarterly Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as codified in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") concerning our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business, operations and financial performance and condition. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "anticipate," "assume," "believe," "contemplate," "continue," "could," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "predict," "potential," "positioned," "seek," "should," "slated," "target," "will," "would" and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology.

These forward-looking statements include, but are not limited to, statements about:

- the expected use of our products by physicians, including our ability to expand the number of active surgeons and maintain or increase the use of our products by existing and new surgeon customers;
- the expected growth of our business and our organization and expected improvements in profitability, cash usage and other financial results;
- our ability to increase case volumes and market share and effectively respond to and mitigate the impact of challenges in the current market environment, including evolving surgeon and patient preferences for bunion surgery treatments, the extensive competition in our industry and new product introductions from other industry participants, including both the Lapidus market and the minimally invasive osteotomy market, and shifts in the setting of care for elective bunion surgeries from hospitals to ambulatory surgery centers;
- our ability to control and reduce expenses to help offset changes in revenue growth rates, product mix, and other events;
- our plans and expected timeline related to our products, or developing, commercially releasing or acquiring new or improved products, to address additional indications or otherwise, and the timing and extent that customers adopt and continue to use our products, including our flagship Lapiplasty[®] system which has higher average selling prices than our newer osteotomy and great toe fusion systems;
- our ability to maintain sufficient balance sheet strength to continue executing on our strategic investments and growth initiatives for the foreseeable future;
- expected seasonality;
- the impact of softening consumer sentiment, higher insurance deductibles and costs, higher fuel prices, inflationary pressures, interest rate changes, business downturns, evolving or increased tariffs, armed conflicts, changes in trade policy or global trade disruptions, protracted government shutdowns, and general economic conditions on the overall state of the economy, on patient behavior and demand for elective surgeries, on customers' and suppliers' operations, and on our business and results of operations;
- our expectations regarding our ability to leverage investments and manage expenses in our commercial organization to support demand for our products and improve profitability;
- our expectations regarding government and third-party payor coverage and reimbursement;
- the economic success and viability of the hospitals, ambulatory surgery centers, surgeons, and stocking distributors that buy our products;
- the impact of sales to stocking distributors and other customers on product revenues in future periods, particularly if softening demand means that products already purchased by customers are used more slowly for future cases;
- our estimates of our expenses, ongoing losses, future revenue, and capital requirements, our ability to comply with covenants under our 5-year credit facilities, and our need for, or ability to obtain, additional financing or refinancing of outstanding debt at or before maturity;

- our expected uses of our existing cash, cash equivalents and marketable securities and the sufficiency of such resources to fund our planned operations;
- our ability to retain and recruit key personnel and optimize our existing sales and marketing infrastructure;
- our ability to obtain an adequate supply of materials and components for our products, some of which are single-source suppliers;
- our ability to obtain and maintain intellectual property protection for our products;
- our ability to protect and enforce our intellectual property, and the time and expense involved in monitoring unauthorized uses of our intellectual property, including in connection with the lawsuits we initiated in October 2024 and May 2025;
- our ability to successfully defend against infringement of our intellectual property by third parties, including our competitors;
- the impact on our operations, business, supply chain, patient demand for elective surgeries, case cancellations, and hospital and surgeon availability as a result of natural or other disasters, including hurricanes, floods, tornadoes and other climate-related events, power loss, strikes or other events beyond our control;
- the anticipated pace of growth in the foot and ankle market;
- our ability to obtain, maintain and expand regulatory clearances for our products and any new products we develop or acquire;
- our ability to expand our business in current and new geographic markets;
- our compliance with Nasdaq requirements and government laws, rules and regulations;
- the impact of geopolitical tensions and international conflicts on the economy and our business;
- the impact of a bankruptcy filing by any of our customers;
- our plans to expand clinical data supporting our products and conduct further clinical studies;
- the outcome and expense of pending and threatened litigation, or legal proceedings, including a pending purported federal securities class action; and
- the effect of any infectious disease outbreak and its impact or potential impact on our business or on the healthcare industry, particularly elective surgeries where our products are used.

We believe that it is important to communicate our future expectations to our investors. However, there may be events in the future that we are not able to accurately predict or control and that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. These forward-looking statements are based on management's current expectations, estimates, forecasts and projections about our business and the industry in which we operate, and management's beliefs and assumptions and are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control. As a result, any or all of our forward-looking statements in this Quarterly Report and in other written materials or oral statements made by senior management to analysts, investors, representatives of the media or others may turn out to be inaccurate. Factors that may cause actual results to differ materially from current expectations include, among other things, those set forth in our Annual Report on Form 10-K for the year ended December 31, 2025 and any subsequent Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission ("SEC"), and this Quarterly Report under "Risk Factors" and elsewhere in this Quarterly Report. Readers and investors are urged to consider these factors carefully in evaluating the forward-looking statements.

These forward-looking statements speak only as of the date of this Quarterly Report. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Quarterly Report to conform these statements to actual results or to changes in our expectations. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

You should read this Quarterly Report and the documents that we reference in this Quarterly Report and have filed with the SEC as exhibits to this Quarterly Report with the understanding that our actual future results, levels of activity, performance and events and circumstances may be materially different from what we expect.

PART I—FINANCIAL INFORMATION

Item 1. Condensed Financial Statements.

Treace Medical Concepts, Inc.
Condensed Balance Sheets
(in thousands, except share and per share amounts)
(unaudited)

	June 30, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	\$ 12,610	\$ 10,708
Marketable securities, short-term	33,009	37,659
Accounts receivable, net of allowance for credit losses of \$1,597 and \$1,824 as of June 30, 2026 and December 31, 2025, respectively	28,732	42,155
Inventories	39,542	36,031
Prepaid expenses and other current assets	6,561	5,501
Total current assets	120,454	132,054
Property and equipment, net	32,496	29,752
Intangible assets, net of accumulated amortization of \$2,850 and \$2,375 as of June 30, 2026 and December 31, 2025, respectively	6,650	7,125
Goodwill	12,815	12,815
Operating lease right-of-use assets	7,139	7,614
Other non-current assets, net of allowance for credit losses of \$35 and \$69 as of June 30, 2026 and December 31, 2025, respectively	1,501	1,221
Total assets	<u>\$ 181,055</u>	<u>\$ 190,581</u>
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$ 16,061	\$ 6,726
Accrued liabilities	6,281	5,784
Accrued commissions	6,740	9,365
Accrued compensation	8,087	6,331
Other liabilities	4,327	2,429
Total current liabilities	41,496	30,635
Long-term debt, net	56,042	55,583
Operating lease liabilities, net of current portion	13,091	13,982
Other long-term liabilities	2,689	3,049
Total liabilities	113,318	103,249
Commitments and contingencies (Note 7)		
Stockholders' equity		
Preferred stock, \$0.001 par value, 5,000,000 shares authorized as of June 30, 2026 and December 31, 2025; 0 shares issued as of June 30, 2026 and December 31, 2025	—	—
Common stock, \$0.001 par value, 300,000,000 shares authorized; 65,236,297 and 64,029,378 shares issued as of June 30, 2026 and December 31, 2025, respectively	65	64
Additional paid-in capital	351,966	337,371
Accumulated deficit	(282,826)	(248,992)
Accumulated other comprehensive income (loss)	(52)	72
Treasury stock, at cost; 259,673 and 165,513 shares as of June 30, 2026 and December 31, 2025, respectively	(1,416)	(1,183)
Total stockholders' equity	67,737	87,332
Total liabilities and stockholders' equity	<u>\$ 181,055</u>	<u>\$ 190,581</u>

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

Treace Medical Concepts, Inc.
Condensed Statements of Operations and Comprehensive Loss
(in thousands, except share and per share amounts)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	\$ 45,376	\$ 47,387	\$ 92,574	\$ 99,957
Cost of goods sold	9,769	9,635	19,560	20,312
Gross profit	35,607	37,752	73,014	79,645
Operating expenses				
Sales and marketing	30,940	33,084	64,715	69,206
Research and development	4,376	5,498	8,998	11,060
General and administrative	15,249	16,144	31,426	31,935
Total operating expenses	50,565	54,726	105,139	112,201
Loss from operations	(14,958)	(16,974)	(32,125)	(32,556)
Interest income	445	775	946	1,616
Interest expense	(1,562)	(1,321)	(3,132)	(2,632)
Other income, net	202	122	477	252
Other non-operating income (expense), net	(915)	(424)	(1,709)	(764)
Net loss	\$ (15,873)	\$ (17,398)	\$ (33,834)	\$ (33,320)
Other comprehensive income (loss)				
Unrealized gain (loss) on marketable securities	(26)	(7)	(124)	(47)
Comprehensive loss	\$ (15,899)	\$ (17,405)	\$ (33,958)	\$ (33,367)
Net loss per share, basic and diluted	\$ (0.24)	\$ (0.28)	\$ (0.52)	\$ (0.53)
Weighted-average shares used in computing net loss per share, basic and diluted	65,049,844	63,006,891	64,822,526	62,843,337

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

Treace Medical Concepts, Inc.
Condensed Statements of Stockholders' Equity
(in thousands, except share amounts)
(unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Stockholders' Equity
	Outstanding Shares	Amount					
Balances at December 31, 2025	63,863,865	\$ 64	\$ 337,371	\$ (248,992)	\$ 72	\$ (1,183)	\$ 87,332
Issuance of common stock upon exercise of stock options	106,420	—	91	—	—	—	91
Issuance of common stock for vesting of restricted stock units	898,014	1	(1)	—	—	—	—
Share-based compensation expense	—	—	8,034	—	—	—	8,034
Net loss	—	—	—	(17,961)	—	—	(17,961)
Unrealized gain (loss) on available-for-sale marketable securities	—	—	—	—	(98)	—	(98)
Shares directly withheld from employees for tax payment	(82,613)	—	—	—	—	(207)	(207)
Balances at March 31, 2026	64,785,686	\$ 65	\$ 345,495	\$ (266,953)	\$ (26)	\$ (1,390)	\$ 77,191
Issuance of common stock upon exercise of stock options	5,500	—	8	—	—	—	8
Issuance of common stock for vesting of restricted stock units	196,985	—	—	—	—	—	—
Share-based compensation expense	—	—	6,463	—	—	—	6,463
Net loss	—	—	—	(15,873)	—	—	(15,873)
Unrealized gain (loss) on available-for-sale marketable securities	—	—	—	—	(26)	—	(26)
Shares directly withheld from employees for tax payment	(11,547)	—	—	—	—	(26)	(26)
Balances at June 30, 2026	64,976,624	\$ 65	\$ 351,966	\$ (282,826)	\$ (52)	\$ (1,416)	\$ 67,737
Balances at December 31, 2024	62,361,710	\$ 62	\$ 303,004	\$ (189,990)	\$ 97	\$ (281)	\$ 112,892
Issuance of common stock upon exercise of stock options	82,829	1	118	—	—	—	119
Issuance of common stock for vesting of restricted stock units	499,572	—	—	—	—	—	—
Share-based compensation expense	—	—	8,693	—	—	—	8,693
Net loss	—	—	—	(15,922)	—	—	(15,922)
Unrealized gain (loss) on available-for-sale marketable securities	—	—	—	—	(40)	—	(40)
Shares directly withheld from employees for tax payment	(52,605)	—	—	—	—	(401)	(401)
Balances at March 31, 2025	62,891,506	\$ 63	\$ 311,815	\$ (205,912)	\$ 57	\$ (682)	\$ 105,341
Issuance of common stock upon exercise of stock options	87,313	—	116	—	—	—	116
Issuance of common stock for vesting of restricted stock units	65,389	—	—	—	—	—	—
Share-based compensation expense	—	—	9,577	—	—	—	9,577
Net loss	—	—	—	(17,398)	—	—	(17,398)
Unrealized gain (loss) on available-for-sale marketable securities	—	—	—	—	(7)	—	(7)
Shares directly withheld from employees for tax payment	(1,894)	—	—	—	—	(14)	(14)
Balances at June 30, 2025	63,042,314	\$ 63	\$ 321,508	\$ (223,310)	\$ 50	\$ (696)	\$ 97,615

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

Treace Medical Concepts, Inc.
Condensed Statements of Cash Flows
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities		
Net loss	\$ (33,834)	\$ (33,320)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Depreciation and amortization expense	2,787	5,037
Provision for allowance for credit losses	243	581
Share-based compensation expense	14,497	18,270
Non-cash lease expense	1,103	1,133
Amortization of debt issuance costs	505	148
Amortization (accretion) of premium (discount) on marketable securities, net	11	(114)
Other, net	1,383	219
Net changes in operating assets and liabilities, net of acquisitions		
Accounts receivable	13,180	9,985
Inventory	(3,511)	(3,142)
Prepaid expenses and other assets	(1,060)	84
Other non-current assets	(320)	(365)
Operating lease liabilities	(1,683)	(1,553)
Accounts payable	9,335	9,437
Accrued liabilities	(372)	(5,309)
Other, net	278	57
Net cash provided by (used in) operating activities	<u>2,542</u>	<u>1,148</u>
Cash flows from investing activities		
Purchases of available-for-sale marketable securities	(18,669)	(30,249)
Sales and maturities of available-for-sale marketable securities	23,184	33,408
Purchases of property and equipment	(5,263)	(8,310)
Net cash provided by (used in) investing activities	<u>(748)</u>	<u>(5,151)</u>
Cash flows from financing activities		
Proceeds from insurance premium financing	983	983
Debt issuance costs	(6)	—
Payments on insurance premium financing	(735)	(98)
Proceeds from exercise of employee stock options	99	235
Taxes from withheld shares	(233)	(415)
Net cash provided by (used in) financing activities	<u>108</u>	<u>705</u>
Net increase (decrease) in cash and cash equivalents	<u>1,902</u>	<u>(3,298)</u>
Cash and cash equivalents at beginning of period	10,708	11,350
Cash and cash equivalents at end of period	<u><u>\$ 12,610</u></u>	<u><u>\$ 8,052</u></u>
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 2,193	\$ 2,495
Noncash investing activities		
Unrealized (gains) losses, net on marketable securities	\$ 124	\$ 47
Noncash financing activities		
Legal cost financing	\$ 1,176	\$ 228

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

TREACE MEDICAL CONCEPTS, INC.
Notes to Condensed Financial Statements
(unaudited)

1. Formation and Business of the Company

Treace Medical Concepts, Inc. (the "Company") is a medical technology company with the goal of being the recognized leader in the surgical treatment of bunions and related deformities. The Company has pioneered and patented the Lapiplasty® 3D Bunion Correction System—a combination of instruments, implants, and surgical methods designed to surgically correct all three planes of the bunion deformity and secure the unstable joint, addressing the root cause of the bunion and helping patients get back to their active lifestyles. To further support the needs of surgeons and bunion patients, the Company has expanded its product offerings to continue to execute its strategy of becoming a comprehensive bunion solutions company and further penetrating the bunion market opportunity. The Company operates from its corporate headquarters located in Ponte Vedra, Florida.

2. Summary of Significant Accounting Policies

The Company prepared the unaudited interim condensed financial statements included in this report in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and the rules and regulations of the Securities and Exchange Commission ("SEC") related to quarterly reports on Form 10-Q.

Basis of Presentation

The condensed financial statements have been prepared on the same basis as the Company's annual financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the SEC on February 27, 2026. The condensed financial statements included herein reflect all adjustments, including normal recurring adjustments, which are, in the opinion of management, necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented. The results of operations for the three and six months ended June 30, 2026 are not necessarily indicative of the results that may be expected for future quarters or for the fiscal year ending December 31, 2026.

Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Although these estimates are based on the Company's knowledge of current events and actions it may undertake in the future, actual results may ultimately materially differ from these estimates and assumptions.

Significant estimates and assumptions include valuation of intangible assets and goodwill, reserves and write-downs related to accounts receivable, inventories, the recoverability of long-term assets, deferred tax assets and related valuation allowances, contingencies, and stock-based compensation.

Property and Equipment, Net

Effective January 1, 2026, the Company adjusted the useful life of its capitalized surgical instruments from three years to five years. The change in useful life was made as a prospective adjustment and resulted in a decrease of depreciation expense of \$1.2 million and \$2.4 million, respectively, for the three and six months ended June 30, 2026 and a decrease of \$0.02 and \$0.04, respectively, on a loss per share basis for the three and six months ended June 30, 2026. The change in useful life is expected to reduce depreciation expense by \$4.6 million for the year ended 2026 based on capitalized surgical instruments balances during the year.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of risk consist principally of cash, cash equivalents, marketable securities, and accounts receivable. The Company maintains its cash with established financial institutions and has exposure for balances in excess of the Federal Deposit Insurance Corporation insured limits. The Company's available-for-sale securities portfolio primarily consists of U.S. treasury and agency securities, money market funds, commercial paper, Yankee CDs, high credit quality asset-backed securities and corporate debt securities. The Company's investment policy requires its available-for-sale securities to meet certain criteria including investment type, credit ratings, and a maximum portfolio duration of one year.

The Company earns revenue from the sale of its products to customers such as hospitals, ambulatory surgery centers, and stocking distributors. The Company's accounts receivable are derived from revenue earned from customers. At June 30, 2026 and December 31, 2025, no customer accounted for more than 10% of accounts receivable. For the three and six months ended June 30, 2026 and 2025, there were no customers that represented 10% or more of revenue.

Rental Income

The Company recorded rental income for its subleases of \$0.2 million and \$0.1 million for the three months ended June 30, 2026 and 2025, respectively. The Company recorded rental income for its subleases of \$0.6 million and \$0.3 million for the six months ended June 30, 2026 and 2025, respectively. All subleases are classified as operating leases.

3. Recent Accounting Pronouncements

Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures Topic 220-40 ("ASC 220-40")*. The update requires all public business entities at interim and annual reporting periods to disclose in (1) a tabular format the amounts of certain specified natural expenses included in each relevant expense caption: the purchases of inventory, employee compensation, depreciation, and intangible asset amortization, (2) a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated, and (3) the total amount of selling expenses and an entity's definition of selling expenses annually. The new guidance is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. Early adoption is permitted. The amendments are to be applied on a prospective basis, with retrospective application permitted. The Company is currently evaluating the impact of the new standard on its financial statements and related disclosures.

4. Fair Value Measurements

Assets and liabilities recorded at fair value in the condensed financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

Level 1—Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.

Level 2—Inputs are observable, unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities.

Level 3—Unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date. This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

Assets and Liabilities Measured and Recorded at Fair Value on a Recurring Basis—The following assets and liabilities are measured at fair value on a recurring basis as of June 30, 2026 and December 31, 2025 (in thousands):

June 30, 2026				
	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents				
Money market funds	\$ 10,327	\$ —	\$ —	\$ 10,327
Yankee CD	—	500	—	500
Short-term marketable securities at fair value				
U.S. treasury and government agencies	6,011	498	—	6,509
Corporate debt	—	16,372	—	16,372
Asset-backed securities	—	8,728	—	8,728
Yankee CD	—	1,400	—	1,400
Total assets	<u>\$ 16,338</u>	<u>\$ 27,498</u>	<u>\$ —</u>	<u>\$ 43,836</u>
December 31, 2025				
	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents				
Money market funds	\$ 7,836	\$ —	\$ —	\$ 7,836
Short-term marketable securities at fair value				
U.S. treasury and government agencies	6,218	500	—	6,718
Corporate debt	—	19,302	—	19,302
Asset-backed securities	—	10,438	—	10,438
Yankee CD	—	1,201	—	1,201
Total assets	<u>\$ 14,054</u>	<u>\$ 31,441</u>	<u>\$ —</u>	<u>\$ 45,495</u>

The carrying amounts of the Company's money market funds classified as cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities, approximate their fair value due to the short-term nature of these assets and liabilities. Based on the borrowing rates currently available to the Company for debt with similar terms and consideration of default and credit risk, the carrying value of the term loan approximates fair value.

The Company's available-for-sale securities portfolio may consist of investments in U.S. treasury and government agency securities, commercial paper, corporate debt securities, asset-backed securities, and Yankee CDs. Yankee CDs are certificates of deposit issued in the United States by a branch of a foreign bank and are denominated in U.S. dollars. The fair value of Level 1 securities is determined on trade prices in active markets for identical assets. The fair value of Level 2 securities is determined using valuation models using inputs that are observable either directly or indirectly, such as quoted prices for similar assets, interest rates, yield curves, credit spreads, default rates, loss severity, broker and dealer quotes, as well as other relevant economic measures.

There were no assets or liabilities measured at fair value on a nonrecurring basis as of June 30, 2026 and December 31, 2025.

5. Balance Sheet Components

Cash and Cash Equivalents

The Company's cash and cash equivalents consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Cash	\$ 1,783	\$ 2,872
Cash equivalents		
Money market funds	10,327	7,836
Yankee CD	500	—
Total cash and cash equivalents	<u>\$ 12,610</u>	<u>\$ 10,708</u>

Marketable Securities

The Company's available-for-sale marketable securities consisted of the following (in thousands):

	June 30, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Marketable securities—short-term				
U.S. treasury and government agencies	\$ 6,527	\$ —	\$ (18)	\$ 6,509
Corporate debt	16,387	8	(23)	16,372
Asset-backed securities	8,747	2	(21)	8,728
Yankee CD	1,400	—	—	1,400
Total marketable securities—short-term	<u>\$ 33,061</u>	<u>\$ 10</u>	<u>\$ (62)</u>	<u>\$ 33,009</u>
	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Marketable securities—short-term				
U.S. treasury and government agencies	\$ 6,709	\$ 9	\$ —	\$ 6,718
Corporate debt	19,254	48	—	19,302
Asset-backed securities	10,423	16	(1)	10,438
Yankee CD	1,201	—	—	1,201
Total marketable securities—short-term	<u>\$ 37,587</u>	<u>\$ 73</u>	<u>\$ (1)</u>	<u>\$ 37,659</u>

As of June 30, 2026, there were no available-for-sale securities with unrealized losses greater than 12 months. An allowance for credit losses was not required for available-for-sale securities as of June 30, 2026 and December 31, 2025.

As of June 30, 2026, the Company had no plans to sell securities with unrealized losses, and believes it is more likely than not that it would not be required to sell such securities before recovery of their amortized cost. For the three and six months ended June 30, 2026 and 2025, there were no material gains or losses from sales of available-for-sale securities.

As of June 30, 2026 and December 31, 2025, accrued interest of \$0.3 million and \$0.3 million, respectively, is excluded from the amortized cost basis of available-for-sale securities in the tables above and is recorded in prepaid expenses and other current assets on the Condensed Balance Sheets.

As of June 30, 2026, all marketable securities mature within two years, except for asset-backed securities. Asset-backed securities are not due at a single maturity date. As such, these securities were not included.

Property and equipment, net

The Company's property and equipment, net consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Furniture and fixtures	\$ 2,569	\$ 2,569
Construction in progress	199	1,069
Machinery and equipment	4,397	3,663
Capitalized surgical equipment ¹	36,343	33,147
Computer equipment	1,237	1,225
Leasehold improvements	10,719	10,591
Software and website development	2,246	1,357
Total property and equipment	57,710	53,621
Less: accumulated depreciation and amortization	(25,214)	(23,869)
Property and equipment, net	<u>\$ 32,496</u>	<u>\$ 29,752</u>

¹ Capitalized surgical equipment includes \$30.2 million and \$28.0 million that is ready for its intended use and have started depreciating and \$6.1 million and \$5.1 million that is not ready for its intended use and have not started depreciating as of June 30, 2026 and December 31, 2025, respectively.

Depreciation expense on property and equipment was \$1.5 million and \$2.3 million for the three months ended June 30, 2026 and 2025, respectively. Depreciation expense on property and equipment was \$2.1 million and \$4.4 million for the six months ended June 30, 2026 and 2025, respectively. The decrease in depreciation expense is from a change in useful life of capitalized surgical instruments. Refer to Note 2, "Summary of Significant Accounting Policies," for more information regarding the change in accounting estimate.

Amortization expense on internal-use software and website development costs was \$0.2 million and \$0.1 million for the three months ended June 30, 2026 and 2025, respectively. Amortization expense on internal-use software and website development costs was \$0.3 million and \$0.2 million for the six months ended June 30, 2026 and 2025, respectively. Accumulated amortization for software and website development costs was \$0.9 million and \$0.6 million as of June 30, 2026 and December 31, 2025, respectively.

The Company did not record impairment charges for its property and equipment, net for the six months ended June 30, 2026 and 2025.

Accrued liabilities

Accrued liabilities consist of the following (in thousands):

	June 30, 2026	December 31, 2025
Accrued royalties expense	\$ 1,617	\$ 1,830
Accrued interest	515	239
Accrued professional services	2,403	1,532
Other accrued expense	1,746	2,183
Total accrued liabilities	\$ 6,281	\$ 5,784

Other liabilities

Other liabilities consist of the following (in thousands):

	June 30, 2026	December 31, 2025
Current portion of operating lease liabilities	\$ 388	\$ 552
Short-term debt ¹	3,169	1,745
SLR term loan fees for tranches two and three	360	—
Other	410	132
Total other liabilities	\$ 4,327	\$ 2,429

¹ See Note 6, "Long-Term Debt," for information regarding the legal cost financing related to the lawsuit against Stryker Corporation and its subsidiary Wright Medical Technology, Inc. Short-term debt includes \$2.3 million and \$1.1 million in financed legal costs as of June 30, 2026 and December 31, 2025, respectively, and reflects the amount that may be called within the next twelve months. In addition, short-term debt includes \$0.8 million and \$0.6 million of insurance premiums payable over the next three months and six months, respectively.

6. Long-Term Debt

The Company's long-term debt consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Term loan		
SLR term loan facility	\$ 60,000	\$ 60,000
Less: debt discount and issuance costs	(3,958)	(4,417)
Total long-term debt, net	\$ 56,042	\$ 55,583

As of June 30, 2026, future payments of long-term debt were as follows (in thousands):

Fiscal Year	
2026	\$ —
2027	—
2028	—
2029	—
2030	60,000
Total principal payments	60,000
Less: Unamortized debt discount and debt issuance costs	(3,958)
Total long-term debt, net	\$ 56,042

SLR Term Loan and Revolving Loan Facility

On December 17, 2025, the Company entered into a term loan agreement with SLR Investment Corp. ("SLRIC") and several affiliates and a revolving loan agreement with Gemino Healthcare Finance, LLC d/b/a SLR Healthcare ABL ("SLR ABL" and collectively with SLRIC, referred to as "SLR").

The term loan agreement provides a 60 month term loan facility for up to \$125.0 million in borrowing capacity to the Company over four tranches. At closing, the Company borrowed \$60.0 million under tranche one. The remaining three tranches provide up to an additional \$65.0 million, of which \$10.0 million (tranche two) is available immediately and \$55.0 million is subject to achievement of certain revenue objectives.

The revolving loan agreement provides a 60 month revolving loan facility for up to \$30.0 million in additional borrowing capacity. The amount available is based on a borrowing base calculation determined by the Company's accounts receivable and inventory assets. The borrowing base at June 30, 2026 was \$21.3 million. The Company may request SLR ABL to approve two additional \$10.0 million increases for a total commitment of \$50.0 million. As of June 30, 2026, the Company had not drawn on the revolving loan facility.

The term loan bears interest at a rate per annum equal to the 1-Month SOFR plus 5.05%. The 1-Month SOFR is the greater of (1) the forward looking term rate based on the one month tenor and (2) 3.0% per annum, with the rate reset monthly. The revolving loan bears interest at a rate per annum equal to the 3-Month SOFR plus 4.0%. The 3-Month SOFR is the greater of (1) the forward looking term rate based on the three month tenor and (2) 3.0% per annum, with the rate reset daily. The interest is payable monthly in arrears on the first day of each month and on the maturity of the loans. The Company is obligated to pay interest only for the first 48 months and straight-line amortization for the remaining 12 months, subject to the Company's election to extend the initial interest-only period by 12 months to 60 months total, subject to the Company's achievement of a trailing 12-month EBITDA objective measured as of September 30, 2029.

The Company pays a servicing collateral monitoring fee of 1.2% per annum on the average borrowing base and an unused line fee equal to 0.5% per annum on the average unused portion of the commitment. The revolving loan facility agreement provides for SLR ABL to control the Company's lockbox account in the event that the Company begins to draw on the revolving loan. If the Company draws on the revolving loan, the lockbox receipts sweep to the lender and reduce the revolving loan's outstanding balance.

The Company is obligated to pay a \$0.4 million fee on the earlier of funding tranche two, June 30, 2027, or the prepayment of the term loan and a \$0.2 million fee payable on the earlier of funding tranche three, March 31, 2028, or the prepayment of the term loan. In addition, the term loan has a final payment fee of 3.95% of the amount borrowed under the term loan. All of these fees are recorded as term loan debt issuance costs. The liability for fees payable on the earlier of funding tranche two, June 30, 2027, or the prepayment of the term loan are recorded within Other liabilities and the remaining fees are recorded within Other long-term liabilities on the Condensed Balance Sheets.

If the term loan is repaid before final maturity or the revolving loan facility is terminated before the end of its term, the Company pays a prepayment fee of 3.0% of the term loan balance or the commitment amount in the first year, 2.0% in the

second year and 1.0% in the third year and thereafter. The prepayment fees are waived if the Company refinances the outstanding balances with SLR or its affiliates.

The loans are secured by substantially all of the Company's assets, including intellectual property. The loan agreements contain customary representations and warranties and affirmative and negative covenants. The Company is required to meet a minimum liquidity requirement that the Company's cash and cash equivalents and marketable securities held subject to control agreements in favor of the lenders exceed 60% of the term loan outstanding. If the minimum liquidity requirement is not met, the Company must meet certain minimum revenue covenants. The Company met the minimum liquidity requirement at June 30, 2026.

Legal Cost Financing

On March 25, 2025, the Company entered into an agreement with its primary legal counsel related to the pending patent and unfair competition dispute with Stryker Corporation and its subsidiary Wright Medical Technology, Inc. (collectively, "Stryker") to defer payment of certain legal costs incurred in 2025 and 2026 related to the dispute. The agreement anticipates that the amount financed by the Company would not exceed \$5.0 million over this two-year period. The deferred portion of the legal costs bear interest at 10% per annum. The total principal and interest financed is scheduled to be repaid in twelve equal monthly installments beginning January 2027. However, if certain thresholds for the currently paid portion of legal costs are not reached in 2025 and 2026, primary counsel has the option to require a portion of the deferred balances up to the current threshold amount to be reallocated to currently due. The amount of legal costs that are not deferred are due according to normal billing terms and are subject to certain contractual thresholds. All current and deferred legal costs are expensed as incurred. All amounts financed as of June 30, 2026 are classified as current debt and are included in Other liabilities on the Condensed Balance Sheets as the primary legal counsel has the option to reallocate the deferred legal costs to currently due up to the threshold. See Note 5, "Balance Sheet Components," for additional information on the amounts of the deferred legal costs.

7. Commitments and Contingencies

License and Royalty Commitments

The Company has entered into product development and fee for service agreements with members of its Surgeon Advisory Board and other surgeon consultants that specify the terms under which the consultant is compensated for his or her consulting services and grants the Company rights to the intellectual property created by the consultant in the course of such services. As products are commercialized with the assistance of members of the Surgeon Advisory Board and other surgeon consultants, the Company may agree to enter into a royalty agreement if such consultant's contributions to the product are novel, significant and innovative.

As of June 30, 2026 and 2025, the Company has royalty agreements with certain surgeon consultants. The Company recognized royalty expense for the three months ended June 30, 2026 and 2025 of \$1.5 million and \$1.5 million, respectively, resulting in an aggregate royalty rate of 3.3% and 3.2%, respectively. The Company recognized royalty expense for the six months ended June 30, 2026 and 2025 of \$2.7 million and \$3.1 million, respectively, resulting in an aggregate royalty rate of 2.9% and 3.1%, respectively. The aggregate royalty rates are royalty expense for the period divided by revenue for the period.

Contingencies

In accordance with applicable accounting standards, the Company establishes an accrued liability for litigation contingencies when those matters present loss contingencies that are both probable and can be reasonably estimated. The Company discloses the nature of the contingency when management believes there is at least a reasonable possibility that the outcome may be material to the Company's financial statements and, where feasible, an estimate of the possible loss. In such cases, there still may be an exposure to loss in excess of any amounts reasonably estimated and accrued. When a loss contingency is not both probable and reasonably estimable, the Company does not establish an accrued liability, but continues to monitor, in conjunction with any outside counsel handling a matter, further developments that would make such loss contingency both probable and reasonably estimable. Once the Company establishes an accrued liability with respect to a loss contingency, the Company continues to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established, and any appropriate adjustments are made each quarter.

On April 11, 2025, a shareholder filed a class action complaint in the United States District Court for the Middle District of Florida (captioned *McCluney v. Treace Medical Concepts, Inc. et al.* Case No. 3:25-cv-00390-WWB-PDB) against the

Company and certain of its officers on behalf of all persons who purchased or otherwise acquired the Company's stock between May 8, 2023 and May 7, 2024 alleging that the Company and certain of its officers violated federal securities laws by making false or misleading statements and failing to disclose material adverse facts about the Company's business, operations and prospects. The plaintiffs seek unspecified monetary damages, costs, and attorneys' fees. On July 1, 2025, the court appointed the lead plaintiff and lead counsel. The plaintiff filed an amended complaint on July 31, 2025, and the Company filed a motion to dismiss on September 5, 2025. On July 15, 2026, the court case dismissed the plaintiff's complaint without prejudice. On July 29, 2026, the plaintiff filed a third amended complaint. The action is in the preliminary stage. The Company disputes the allegations in the complaint and intends to defend against this complaint vigorously. Based on the preliminary nature of the proceedings in this action, the outcome remains uncertain, and the Company cannot reasonably estimate the potential impact, if any, on its business or financial statements at this time. The Company is insured for Directors and Officers liability for amounts in excess of the retention and up to the policy limits.

There were no accrued contingent liabilities as of June 30, 2026 and December 31, 2025.

8. Stockholders' Equity

Stock Options

During the six months ended June 30, 2026 and 2025 the Company did not grant stock options to employees.

Restricted Stock Units

During the six months ended June 30, 2026 and 2025, the Company granted 3,432,100 and 2,669,694 restricted stock units ("RSUs"), respectively. The weighted average grant-date fair value of RSUs granted during the six months ended June 30, 2026 and 2025 was \$2.63 and \$8.58 per share, respectively.

Performance Share Units

The Company grants primarily market condition PSU awards subject to market and service vesting conditions to certain executives under the Company's 2021 Incentive Award Plan. The actual number of PSUs that will vest at the end of the measurement period is determined based on the Company's total stockholder return ("TSR") ranking relative to the TSR of a published index of the Company's peers. The measurement period for its outstanding awards is three years. The grant date fair value of each target PSU award was determined using a Monte Carlo valuation model. Over the performance period, if the service vesting conditions are met, the actual number of PSUs earned may vary from zero, if performance thresholds are not met, to as much as 200%. In 2025, the Company issued a small number of PSU awards that vest on other performance conditions. The fair value of these PSUs is based on the stock price on the grant date and expense is recognized if the performance condition is probable of occurring. The service requirement for these awards is up to approximately 3 years; however, the employee must remain employed at the time the performance condition is met to receive the award.

During the six months ended June 30, 2026 and 2025, the Company granted PSUs for 876,250 and 560,625 shares, respectively, at target performance levels. The weighted average grant-date fair value of the PSUs granted during the six months ended June 30, 2026 and 2025 was \$3.29 and \$11.17 per share, respectively.

Share-Based Compensation Expense

Share-based compensation expense is reflected in the Condensed Statements of Operations and Comprehensive Loss as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Cost of goods sold	\$ 115	\$ 98	\$ 230	\$ 197
Sales and marketing expense	1,589	2,033	3,442	3,447
Research and development expense	752	1,115	1,713	2,240
General and administrative expense	4,007	6,331	9,112	12,386
Total	<u>\$ 6,463</u>	<u>\$ 9,577</u>	<u>\$ 14,497</u>	<u>\$ 18,270</u>

9. Net Loss Per Share Attributable to Common Stockholders

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders which is computed by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period. As the Company reported a net loss for the three and six months ended June 30, 2026 and 2025, basic net loss per share attributable to common stockholders was the same as diluted net loss per share attributable to common stockholders as the inclusion of potentially dilutive shares would have been antidilutive if included in the calculation (in thousands, except share and per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator				
Net loss	\$ (15,873)	\$ (17,398)	\$ (33,834)	\$ (33,320)
Denominator				
Weighted-average common stock outstanding, basic and diluted	65,049,844	63,006,891	64,822,526	62,843,337
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.24)	\$ (0.28)	\$ (0.52)	\$ (0.53)

The following potentially dilutive securities outstanding have been excluded from the computation of diluted weighted average shares outstanding because such securities have an antidilutive impact due to the Company's net loss, in common stock equivalent shares:

	As of June 30,	
	2026	2025
Common stock options issued and outstanding	5,451,081	7,460,669
Unvested full value awards	8,109,832	6,275,490
Contingently issuable PSU shares	1,827,500	445,136
Total	15,388,413	14,181,295

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

You should read the following discussion and analysis of our financial condition and results of operations together with our condensed financial statements and related notes thereto included in this Quarterly Report on Form 10-Q (this "Quarterly Report") and our audited financial statements and related notes thereto for the year ended December 31, 2025, included in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on February 27, 2026 (our "Annual Report"). This discussion and other parts of this Quarterly Report contain forward-looking statements that involve risks and uncertainties, such as statements of our plans, objectives, expectations and intentions that are based on the beliefs of our management, as well as assumptions made by, and information currently available to, our management. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in our Annual Report under "Part I, Item 1A—Risk Factors," and in the section titled "Risk Factors" and elsewhere in this Quarterly Report. Please also see the section of this Quarterly Report titled "Special Note Regarding Forward-Looking Statements."

Overview

We are a medical technology company with the goal of being the recognized leader in the surgical treatment of bunions and related deformities. Bunions are complex 3-dimensional deformities that originate from an unstable joint in the middle of the foot and affect approximately 67 million Americans, of which we estimate 1.1 million are annual surgical candidates. We have pioneered and patented the Lapiplasty 3D Bunion Correction System—a combination of instruments, implants and surgical methods designed to surgically correct all three planes of the bunion deformity and secure the unstable joint, addressing the root cause of the bunion and helping patients get back to their active lifestyles. To further support the needs of surgeons and bunion patients, we offer the Adductoplasty® Midfoot Correction System, designed for reproducible surgical correction of the midfoot, two systems for minimally invasive osteotomy procedures, namely the Nanoplasty® 3D Minimally Invasive Bunion Correction System and the Percuplasty® percutaneous 3D Bunion Correction System, and the SpeedMTP® System for fusions of the great toe (the metatarsophalangeal ("MTP")) joint. We continue to expand our footprint in the marketplace by extending our SpeedPlate® rapid compression implant platform to new applications, providing surgeons with advanced digital solutions with our IntelliGuide® patient specific, pre-op planning and cut guide technology, and offering SuperBite™ Compression Screws, which are self-drilling beveled compression screws of different sizes designed for use in other foot fusions. With our Lapiplasty System, new osteotomy systems, and other complementary products, we are continuing to execute our strategy of becoming a comprehensive bunion solutions company and supporting further penetration in the bunion market opportunity. See the "Innovation and Growth" section below for more information on our new products.

We were formed in 2013, and since receiving 510(k) clearance for the Lapiplasty System in March 2015, we have expanded our bunion related products in the United States. We market and sell our products to surgeons, ambulatory surgery centers, hospitals, and stocking distributors. Our procedures can be performed in either hospital outpatient or ambulatory surgery center settings, and utilize existing, well-established reimbursement codes. We primarily market and sell our products through a combination of a direct employee sales force and independent sales agencies and stocking distributors in the United States.

As of June 30, 2026, we had cash and cash equivalents of \$12.6 million and marketable securities of \$33.0 million available for sale to fund operations, an accumulated deficit of \$282.8 million and \$60.0 million of principal outstanding under our term loan and revolving loan agreements.

Economic Environment

There is continuing uncertainty in the macroeconomic environment. Inflation, the ongoing military conflict in the Middle East, recession fears, reduced consumer confidence, higher insurance deductibles, fuel prices and other costs, and other adverse economic conditions have negatively impacted, and may continue to negatively impact, consumer demand for elective foot and ankle surgeries. While we continuously work with suppliers to mitigate higher costs and continue to invest in our direct sales channel, focused surgeon education training, and product innovations to build demand for our products, we expect these macroeconomic challenges to continue for the foreseeable future, which have impacted and likely will continue to impact the demand for our products and our results of operations.

Increased Competition, Procedure Preferences and Setting of Care Changes

Before we launched our flagship Lapiplasty System, there were no other products in the market that provided a 3D solution and specialized procedural instrumentation for traditionally freehand, difficult Lapidus surgeries. This allowed us to

capitalize on our pioneering technology and grow our market share quickly. Since we launched the Lapiplasty System, we have faced increasing competition from large, mid-sized and small companies that have launched their own Lapidus products. We are also experiencing a shift in patient and surgeon preferences for treating less severe bunions through minimally invasive osteotomy solutions as well as MTP fusions, with competitive products already addressing these types of surgery. Another trend is a shift in where bunion surgeries are performed from hospitals to ambulatory surgery centers, which receive lower procedure reimbursement rates and may be part of integrated delivery networks ("IDNs") that have established relationships with large orthopaedic companies. Hospital systems and other customers continue to seek pricing concessions from their medical device suppliers, like us, and larger medical device companies with multiple product franchises have increased their effort to leverage and contract broadly with customers across franchises by providing volume discounts, rebates and multi-year arrangements. Their contracting power has in the past limited and may continue to limit or prevent our access to these customers. These trends have negatively impacted, and may continue to negatively impact, our growth rates, market share, and results of operations. To address the shifting preferences for treating mild to moderate bunions, we have introduced new bunion systems, including two minimally invasive osteotomy systems and a MTP fusion system. While adoption of these new systems is increasing, they are generally sold at lower average selling prices than our Lapiplasty System. Our revenues and results of operations have been and may continue to be adversely affected by declines in sales of our Lapiplasty System that have not been fully offset by the increased sales of our new bunion systems. In addition, our customer mix initiatives, the use of stocking distributors, and advance purchases by hospitals and surgery centers have affected and may continue to affect both revenue growth and gross margins. Furthermore, we face extensive competition, pricing pressures, and new product introductions in the Lapidus, MTP fusion and minimally invasive osteotomy markets that have adversely impacted, and may continue to adversely impact our growth rates, market share and results of operations.

Innovation and Growth

We expect to continue to focus on long-term revenue growth through investments in our business and new products. In sales and marketing, we have dedicated meaningful resources to building a sales force and management team to support our future growth and to providing bunion-focused surgeon training and patient-focused outreach and education.

In research and development, our employee team and surgeon consultants are continually working on next-generation innovations for the surgical correction of bunions and other conditions that often present with bunions. Their work has resulted in the launch of a suite of new products in the past two years, including the following: (1) the Nanoplasty and Percuplasty Systems, which are minimally-invasive 3D osteotomy systems; (2) IntelliGuide PSI Cut Guides for Lapiplasty and Adductoplasty Procedures, which are cut guides created specifically for an individual patient's foot anatomy; (3) the Mini-Adductoplasty System, which is designed to allow the Adductoplasty midfoot correction procedure to be performed through an approximately 50% smaller incision; (4) the SpeedMTP Rapid Compression Implant, a specialized implant for addressing bunions through MTP fusions; (5) new SpeedPlate configurations, including the SpeedAkin™ implant and the SpeedPlate Micro-Quad implant; and (6) single use osteotomes. We have recently begun (1) full market release of the SpeedTMT™ Rapid Compression Implant, which combines our SpeedPlate and FastPitch® technologies in a fixation option for tarsometatarsal ("TMT") fusions, and SuperBite™ Compression Screws, which are self-drilling beveled compression screws of different sizes designed for use in other foot fusions, and (2) limited market release of our HyperPlate™ XM Dynamic Compression Locking Implant, which features a low profile SpeedPlate implant incorporating FastPitch locking screws in multiple sizes to accommodate a wide range of midfoot and hindfoot procedures. We expect to release other new solutions in 2026, including the Lapiplasty Lightning Next Generation Instrumentation designed to further increase the precision and speed of the Lapiplasty Procedure.

Intellectual Property Strategy

We actively seek to protect the technology, inventions, and improvements that we consider important to our business using patents, trade secrets, trademarks and copyrights in the United States and foreign markets. As of June 30, 2026, our patent portfolio included 101 granted U.S. patents, with an additional 45 granted patents worldwide and over 196 pending patent applications. In keeping with our strategy of protecting our intellectual property rights, on October 14, 2024, we filed a lawsuit against Stryker Corporation and its subsidiary Wright Medical Technology, Inc. (collectively, "Stryker") alleging infringement of 9 patents related to our innovative Lapiplasty 3D Bunion Correction technologies and unfair competition. The suit was filed in the United States District Court for the District of New Jersey, and seeks injunctive relief and damages. In addition, on May 12, 2025, we filed a lawsuit against Zimmer Biomet Holdings, Inc. and Paragon 28, Inc. (collectively, "ZB") alleging infringement of 4 patents related to our innovative Lapiplasty 3D Bunion Correction technologies. The suit was filed in the United States District Court for the District of Delaware and seeks injunctive relief and damages. On August 5, 2025, we filed an amended complaint alleging infringement of an additional patent.

Market Share Growth

The growth of our business depends on our ability to gain broader acceptance of our proprietary procedures and systems by successfully marketing and distributing these products. While surgeon adoption of our products and procedures remains critical to supporting revenue growth, hospital and ambulatory surgery center facility approvals are necessary for existing and future surgeon customers to access our products. To facilitate greater access to our products and support future sales growth, we intend to continue educating hospitals and facility administrators on the differentiated benefits associated with our procedures and systems, supported by our robust portfolio of clinical data on our existing procedures and additional clinical data we expect to develop on our new products. While we have experienced overall increases in bunion procedure cases and in our market share, our flagship Lapiplasty System has contributed and may continue to contribute less to our market share growth in future quarters, which has reduced, and may continue to reduce, revenues and impact our liquidity if product sales from our new bunion systems do not increase sufficiently to offset the decline in sales of the Lapiplasty System. If we are unable to continue to successfully commercialize our procedures and systems, we may not be able to generate sufficient revenue to achieve or sustain profitability.

Seasonality

We have experienced and expect to continue to experience seasonality in our business, with higher sales volumes in the fourth calendar quarter, historically accounting for approximately 30 to 35% of full year revenues, and lower sales volumes in subsequent calendar quarters. Our sales volumes in the fourth quarter tend to be higher as many patients elect to have surgery after meeting their annual deductible and having time to recover over the winter holidays. Our sales volumes in subsequent first calendar quarters also tend to be lower versus the prior year fourth quarters as a result of adverse weather and by resetting annual patient healthcare insurance plan deductibles, both of which may cause patients to delay elective procedures; however, in some years the first quarter may benefit from additional sales volumes when high patient demand for surgeries in the fourth quarter cannot be fully accommodated and those surgical procedures are rolled over into the first quarter. In addition to the seasonality noted above, we generally expect lower sales volumes in the second and third quarters than throughout the rest of the year as elective procedures generally decline during the spring and summer months.

Coverage and Reimbursement

Hospitals, ambulatory surgery centers and surgeons that purchase or use our products generally rely on third-party payors to reimburse for all or part of the costs and fees associated with procedures using our products. As a result, sales of our products depend, in part, on the extent to which the procedures using our products are covered by third-party payors, including government programs such as Medicare and Medicaid, private insurance plans and managed care programs. Based on historical claims data, more than 60% of all bunion surgical cases are paid by private payors.

Medicare payment rates to hospital outpatient departments are set under the Medicare hospital outpatient prospective payment system, which groups clinically similar hospital outpatient procedures and services with similar costs to ambulatory payment classifications ("APCs"). Each APC is assigned a single lump sum payment rate, which includes payment for the primary procedure as well as any integral, ancillary, and adjunctive services. The primary current procedure terminology ("CPT") codes for the Lapiplasty Procedure, CPT 28297 and CPT 28740, are grouped under APC 5115 and APC 5114, respectively. For Lapiplasty Procedures in which fusion is performed on multiple TMT joints, CPT 28730 applies and is classified under APC 5115. For Adductoplasty Procedures in which fusion is performed on multiple TMT joints, either CPT 28730 or CPT 27835 applies and are classified under APC 5115. For the Nanoplasty and Percuplasty Procedures, CPT 28306 applies and are classified under APC 5114. For MTP fusions using the SpeedMTP implant or our other plates, CPT 28750 applies and are classified under APC 5114.

Components of Our Results of Operations

Revenue

We currently generate revenue from the sale of our implant kit systems, single-use sterile instruments, and other complementary products. Our systems bring together single-use implant kits, reusable instrument trays, and surgical techniques. We sell the kits and single-use instruments and other products to hospitals, ambulatory surgery centers, and stocking distributors in the United States primarily through a network of employee sales representatives and independent sales agencies.

Cost of Goods Sold

Cost of goods sold consists primarily of direct costs for the purchase of our products from third-party manufacturers. Cost of goods sold also includes royalties, overhead, shipping costs, tariffs, sterilization, product testing, and packaging. We expense all inventory provisions for excess, obsolete, and field losses as cost of goods sold. We evaluate the carrying value of our inventories in relation to historical sales, current inventory levels, and consideration of the life cycle of the product. A significant decrease in demand or development of products could result in an increase in the amount of excess or obsolete inventory on hand, which could lead to additional provisions.

Gross Profit and Gross Margin

We calculate gross profit as revenue less cost of goods sold, and gross margin as gross profit divided by revenue. Our gross margin has been and will continue to be affected by a variety of factors, primarily average selling prices, production, and ordering volumes, change in mix of customers, third-party manufacturing costs and cost-reduction strategies.

Operating Expenses***Sales and Marketing***

Sales and marketing expenses consist primarily of compensation for personnel, including salaries, bonuses, benefits, sales commissions and share-based compensation, related to selling and marketing functions, surgical instrument expense, physician education programs, training, shipping costs related to sending products to our sales representatives, travel expenses, marketing initiatives including our direct-to-consumer outreach program and advertising, market research and analysis and conferences and trade shows.

Research and Development

Research and development ("R&D") expenses consist primarily of engineering, product development, clinical studies to develop and support our products, regulatory expenses, and other costs associated with products and technologies that are in development. These expenses include compensation for personnel, including salaries, bonuses, benefits and share-based compensation, supplies, consulting, prototyping, testing, materials, travel expenses, depreciation, and allocated facilities-related expenses.

General and Administrative

General and administrative expenses consist primarily of compensation for personnel, including salaries, bonuses, benefits, and share-based compensation, related to finance, information technology, legal and human resource functions, as well as professional services fees (including legal, audit and tax fees), insurance costs, general corporate expenses, and allocated facilities-related expenses.

Interest Income

Interest income consists of interest received on our money market funds and marketable securities.

Interest Expense

Interest expense consists of interest incurred and amortization of debt discount and issuance costs related to our term loan and revolving debt facility.

Results of Operations

Comparison of the three and six months ended June 30, 2026 and 2025

The following table summarizes our results of operations for the periods presented below (\$ in thousands):

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	Amount	%	2026	2025	Amount	%
Revenue	\$ 45,376	\$ 47,387	\$ (2,011)	(4.2) %	\$ 92,574	\$ 99,957	\$ (7,383)	(7.4) %
Cost of goods sold	9,769	9,635	134	1.4 %	19,560	20,312	(752)	(3.7) %
Gross profit	35,607	37,752	(2,145)	(5.7) %	73,014	79,645	(6,631)	(8.3) %
Operating expenses								
Sales and marketing	30,940	33,084	(2,144)	(6.5) %	64,715	69,206	(4,491)	(6.5) %
Research and development	4,376	5,498	(1,122)	(20.4) %	8,998	11,060	(2,062)	(18.6) %
General and administrative	15,249	16,144	(895)	(5.5) %	31,426	31,935	(509)	(1.6) %
Total operating expenses	50,565	54,726	(4,161)	(7.6) %	105,139	112,201	(7,062)	(6.3) %
Loss from operations	(14,958)	(16,974)	2,016	(11.9) %	(32,125)	(32,556)	431	(1.3) %
Interest income	445	775	(330)	(42.6) %	946	1,616	(670)	(41.5) %
Interest expense	(1,562)	(1,321)	(241)	18.2 %	(3,132)	(2,632)	(500)	19.0 %
Other income, net	202	122	80	65.6 %	477	252	225	89.3 %
Other non-operating income (expense), net	(915)	(424)	(491)	115.8 %	(1,709)	(764)	(945)	123.7 %
Net loss	<u>\$ (15,873)</u>	<u>\$ (17,398)</u>	<u>\$ 1,525</u>	<u>(8.8) %</u>	<u>\$ (33,834)</u>	<u>\$ (33,320)</u>	<u>\$ (514)</u>	<u>1.5 %</u>

Comparison of the three months ended June 30, 2026 and 2025

Revenue. Revenue decreased by \$2.0 million, or 4.2%, for the three months ended June 30, 2026 as compared to the same period in 2025. The decrease was primarily driven by lower sales to stocking distributors and a mix shift from higher priced flagship procedure kits to lower priced minimally invasive procedure kits, partially offset by higher volume of procedure kits sold, excluding stocking distributors transactions, during the three months ended June 30, 2026. Revenue for the three months ended June 30, 2026 included a \$3.1 million decrease in sales to stocking distributors as compared to the same period in 2025.

Cost of Goods Sold, Gross Profit and Gross Margin. Cost of goods sold increased by \$0.1 million, or 1.4%, for the three months ended June 30, 2026 as compared to the same period in 2025. The increase in cost of goods sold was primarily due to a \$0.2 million increase in payroll and other related costs from allocations, and a \$0.3 million increase in other costs of goods sold, partially offset by a \$0.4 million decrease in direct cost of goods sold resulting from decreased sales. During the three months ended June 30, 2026, gross profit decreased by \$2.1 million, or 5.7%, as compared to the same period in 2025, due to decreased sales. Gross profit margin for the three months ended June 30, 2026 decreased from 79.7% to 78.5%, as compared to the same period in 2025, primarily due to an increase in payroll and related costs from allocations, a shift in product mix, and higher other costs of goods sold, partially offset by decreased sales to stocking distributors at a lower margin.

Sales and Marketing Expenses. Sales and marketing expenses decreased by \$2.1 million, or 6.5%, for the three months ended June 30, 2026 as compared to the same period in 2025. Sales and marketing expenses decreased due to a \$2.2 million decrease in direct to consumer advertising costs, a \$0.8 million decrease for surgeon training and clinical-related expenses, and a \$0.8 million decrease in payroll and related costs primarily from restructuring the size and organization of our direct employee sales force, and a \$0.7 million decrease in surgical instrument expense primarily from an increase in useful life from three to five years, partially offset by a \$2.5 million increase in commissions. The increase in commissions is primarily due to a change in our sales channel mix as well as changes made when we optimized the compensation structure of our employee sales force earlier in the current year.

Research and Development Expenses. R&D expenses decreased by \$1.1 million, or 20.4%, for the three months ended June 30, 2026 as compared to the same period in 2025. The decrease in R&D expenses was primarily due to a \$0.7 million decrease in payroll and related costs, including stock compensation expense and an increase in allocations to cost of goods sold, and a \$0.3 million decrease in clinical and regulatory expenses.

General and Administrative Expenses. General and administrative expenses decreased by \$0.9 million, or 5.5%, for the three months ended June 30, 2026 as compared to the same period in 2025. The decrease in general and administrative expenses

was due to a \$1.6 million decline in payroll and related costs, primarily from lower stock compensation expense, partially offset by a \$0.8 million increase in legal fees primarily driven by ongoing litigation matters.

Interest Income. Interest income decreased \$0.3 million, or 42.6%, for the three months ended June 30, 2026 as compared to the same period in 2025. The decrease in interest income was primarily due to lower balances invested in marketable securities during the current year period.

Interest Expense. Interest expense increased \$0.2 million, or 18.2%, for the three months ended June 30, 2026 as compared to the same period in 2025. The increase in interest expense was primarily due to increased amortization of debt issuance costs and a higher debt balance as a result of the debt refinancing in December 2025, partially offset by slightly lower interest rates.

Comparison of the six months ended June 30, 2026 and 2025

Revenue. Revenue decreased by \$7.4 million, or 7.4%, for the six months ended June 30, 2026 as compared to the same period in 2025. The decrease was primarily driven by lower sales to stocking distributors, a mix shift from higher priced flagship procedure kits to lower priced minimally invasive procedure kits, and lower volume of procedure kits sold during the six months ended June 30, 2026. Revenue for the six months ended June 30, 2026 included a \$2.3 million decrease in sales to stocking distributors as compared to the same period in 2025.

Cost of Goods Sold, Gross Profit and Gross Margin. Cost of goods sold decreased by \$0.8 million, or 3.7%, for the six months ended June 30, 2026 as compared to the same period in 2025. The decrease in cost of goods sold was primarily due to a \$0.8 million decrease in direct costs of goods sold resulting from lower sales, a \$0.5 million decrease in royalties, and a \$0.5 million decrease in inventory provisions, partially offset by a \$0.3 million increase in payroll and other related costs from allocations and a \$0.7 million increase in other costs of goods sold. During the six months ended June 30, 2026, gross profit decreased by \$6.6 million, or 8.3%, as compared to the same period in 2025, due to decreased sales. Gross profit margin for the six months ended June 30, 2026 decreased from 79.7% to 78.9%, as compared to the same period in 2025, primarily due to an increase in payroll and related costs from allocations and higher other costs of goods sold, partially offset by lower inventory provisions and royalties.

Sales and Marketing Expenses. Sales and marketing expenses decreased by \$4.5 million, or 6.5%, for the six months ended June 30, 2026 as compared to the same period in 2025. Sales and marketing expenses decreased due to a \$3.0 million reduction in direct to consumer advertising costs, a \$2.2 million decrease for surgeon training and clinical-related expenses, a \$1.5 million decrease in surgical instrument expense primarily from an increase in useful life from three to five years, a \$0.3 million decrease in professional services related to marketing, and a \$0.4 million decrease in payroll and related costs primarily from restructuring the size and organization of our direct employee sales force, partially offset by a \$3.5 million increase in commissions. The increase in commissions is primarily due to a change in our sales channel mix as well as changes made when we optimized the compensation structure of our employee sales force earlier in the current year.

Research and Development Expenses. R&D expenses decreased by \$2.1 million, or 18.6%, for the six months ended June 30, 2026 as compared to the same period in 2025. The decrease in R&D expenses was primarily due to a \$1.1 million decrease in payroll and related costs, including stock compensation expense, and a \$0.8 million decrease in clinical and regulatory expenses, primarily due to a \$0.4 million decrease in the Company's products and instrumentation used for the R&D process.

General and Administrative Expenses. General and administrative expenses decreased by \$0.5 million, or 1.6%, for the six months ended June 30, 2026 as compared to the same period in 2025. The decrease in general and administrative expenses was due to a \$3.1 million decrease in payroll and related costs, primarily from lower stock compensation expense, and a \$0.3 million decrease in the provision for allowance for credit losses, partially offset by a \$2.9 million increase in legal fees primarily driven by ongoing litigation matters.

Interest Income. Interest income decreased \$0.7 million, or 41.5%, for the six months ended June 30, 2026 as compared to the same period in 2025. The decrease in interest income was primarily due to lower balances invested in marketable securities during the current year period.

Interest Expense. Interest expense increased \$0.5 million, or 19.0%, for the six months ended June 30, 2026 as compared to the same period in 2025. The increase in interest expense was primarily due to increased amortization of debt issuance costs and a higher debt balance as a result of the debt refinancing in December 2025, partially offset by slightly lower interest rates.

Liquidity and Capital Resources

Overview

Before our initial public offering ("IPO"), our primary sources of capital were private placements of common stock and convertible preferred stock, debt financing agreements and revenue from the sale of our products. In April 2021, we received net proceeds of \$107.6 million from our IPO. On February 10, 2023, we received net proceeds of \$107.5 million from a follow-on public offering of our common stock.

In December 2025, we entered into a five year \$175.0 million senior secured loan arrangement for a term loan and a revolving credit facility. At the loan closing, we borrowed \$60.0 million under tranche one of the term loan. The remaining tranches provide up to an additional \$65.0 million in borrowing capacity, of which \$55.0 million is subject to the achievement of certain revenue objectives.

The revolving loan agreement currently provides \$30.0 million in borrowing capacity with the ability to request two additional \$10.0 million increases for a total of \$50.0 million. The amount available is based on a borrowing base calculation determined by our accounts receivable and inventory assets.

As of June 30, 2026, we had cash and cash equivalents of \$12.6 million and marketable securities of \$33.0 million available for sale, an accumulated deficit of \$282.8 million, and principal outstanding under our new term loan of \$60.0 million. We believe that our existing cash and cash equivalents, marketable securities, available debt borrowings and expected revenues will be sufficient to meet our capital requirements and fund our operations for at least twelve months from the date of issuance of these condensed financial statements. We may be required or decide to raise additional debt or equity financing to support further growth of our operations.

Funding Requirements

We use our cash, marketable securities, and revenues to fund our operations, which primarily include the costs of manufacturing our products, capital expenditures, as well as our operating expenses. The timing and amount of our operating and capital expenditures and use of available funding will depend on many factors, including:

- the degree and rate of market acceptance of our products;
- the scope and timing of our investment in our commercial infrastructure and sales force;
- the costs of our ongoing commercialization activities including product sales, marketing, manufacturing, and distribution;
- the success of competitors and their products, emergence of new competing technologies or other adverse market developments;
- the scope of our marketing efforts, including the degree to which we utilize direct to consumer campaigns;
- the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights, including enforcing our intellectual property rights against infringing products or technologies or enforcing contractual rights against parties breaching agreements with us, including the litigation proceedings we initiated against Stryker and ZB;
- the research and development activities we intend to undertake to improve the Lapiplasty System and other products, to commercialize PSI technologies, to gain share in the minimally invasive osteotomy market, and to develop or acquire additional products;
- our need to implement additional infrastructure and internal systems;
- shifts in the surgical setting where bunion surgeries are performed and the pricing and reimbursement sensitivity, contract restrictions, IDNs, GPO and other established relationships, and decision-making processes of the surgical facility;
- the effect of softening consumer sentiment, higher health insurance, fuel and other costs, inflation, interest rate changes, evolving or increased tariffs, geopolitical tensions, changes in trade policy or global trade disruptions and other general economic conditions on our operations and business;
- the ability of customers to pay us for our products, including stocking distributors which generally have longer payment terms than hospital and ambulatory surgery center customers;

- the ability to obtain adequate supplies of materials and components for our products, including from single-source suppliers;
- any product liability or other lawsuits related to our products;
- the expenses needed to attract and retain skilled personnel; and
- the impact of any infectious disease outbreak or natural or other disaster or event beyond our control on our business or on the healthcare industry, particularly elective surgeries where our products are used.

Based upon our current operating plan, we believe that our existing cash, cash equivalents, marketable securities, and available debt borrowings will enable us to fund our operating expenses and capital expenditure requirements for at least the next twelve months. We have based this estimate on assumptions that may prove to be wrong or that may change in the future, and we could utilize our available capital resources sooner than we expect. We may seek to raise any necessary additional capital through public or private equity offerings or debt financings, credit or loan facilities or a combination of one or more of these or other funding sources. Additional funds may not be available to us on acceptable terms or at all. If we fail to obtain necessary capital when needed on acceptable terms, or at all, we could be forced to delay, limit, reduce or terminate our product development programs, commercialization efforts, sales and marketing initiatives, or other operations. If we raise additional funds by issuing equity securities, our stockholders will suffer dilution, and the terms of any financing may adversely affect the rights of our stockholders. In addition, as a condition to providing additional funds to us, future investors may demand, and may be granted, rights superior to those of existing stockholders. Debt financing, if available, is likely to involve restrictive covenants limiting our flexibility in conducting future business activities, and in the event of insolvency, debt holders would be repaid before holders of our equity securities received any distribution of our corporate assets.

Cash Flows

The following table sets forth the primary sources and uses of cash and cash equivalents for the periods presented below (in thousands):

	Six Months Ended June 30,	
	2026	2025
Net cash provided by (used in):		
Operating activities	\$ 2,542	\$ 1,148
Investing activities	(748)	(5,151)
Financing activities	108	705
Net increase (decrease) in cash and cash equivalents	\$ 1,902	\$ (3,298)

Cash Flows from Operating Activities

Net cash provided by operating activities for the six months ended June 30, 2026 was \$2.5 million, consisting primarily of a net loss of \$33.8 million, adjusted for non-cash charges of \$20.5 million and a decrease in net operating assets. The non-cash charges consist primarily of \$14.5 million in share-based compensation expense, \$2.8 million in depreciation and amortization expense, \$1.2 million in financed legal fees, \$1.1 million in non-cash lease expense, and \$0.5 million in amortization of debt issuance costs. The decrease in net operating assets was primarily due to a \$13.2 million decrease in accounts receivable from collection on higher sales in the fourth quarter of 2025, a \$9.3 million increase in accounts payable due to timing of payments, partially offset by a \$3.5 million increase in inventory, a \$1.7 million decrease in operating lease liabilities, and a \$1.1 million increase in prepaid and other current assets.

Net cash provided by operating activities for the six months ended June 30, 2025 was \$1.1 million, consisting primarily of a net loss of \$33.3 million, adjusted for non-cash charges of \$25.3 million and a decrease in net operating assets. The non-cash charges consist primarily of \$18.3 million in share-based compensation expense, \$5.0 million in depreciation and amortization expense, \$1.1 million in non-cash lease expense, and \$0.6 million in provision for allowance for credit losses. The decrease in net operating assets was primarily due to a \$10.0 million decrease in accounts receivable from collection on higher sales in the fourth quarter of 2024 and a \$9.4 million increase in accounts payable due to timing of payments, partially offset by a \$5.3 million decrease in accrued liabilities, specifically from a decrease in accrued commissions from lower sales in the second quarter of 2025 compared to the fourth quarter of 2024, a \$1.6 million decrease in operating lease liabilities, and a \$3.1 million increase in inventory.

Cash Flows from Investing Activities

Net cash used in investing activities was \$0.7 million for the six months ended June 30, 2026, consisting primarily of \$18.7 million in purchases of available-for-sale marketable securities and \$5.3 million in purchases of property and equipment, partially offset by \$23.2 million in sales and maturities of available-for-sale marketable securities. The net of marketable securities sales and maturities and purchases of \$4.5 million were used to fund our current operations. The purchases of property and equipment included \$4.4 million in capitalized surgical instruments for the reusable instrument trays primarily related to our new products, and \$0.9 million primarily for equipment and internal use software to support the business.

Net cash used in investing activities was \$5.2 million for the six months ended June 30, 2025, consisting primarily of \$30.2 million in purchases of available-for-sale marketable securities and \$8.3 million in purchases of property and equipment, partially offset by \$33.4 million in sales and maturities of available-for-sale marketable securities. The net of marketable securities sales and maturities and purchases of \$3.2 million were primarily used to fund our current operations. The purchases in property and equipment included \$7.2 million in capitalized surgical instruments for the reusable instrument trays related to new products, and \$1.1 million primarily for equipment, software, and leasehold improvements, to support the growth of our business.

Cash Flows from Financing Activities

Net cash provided by financing activities was \$0.1 million for the six months ended June 30, 2026, consisting primarily of \$1.0 million in proceeds from insurance premium financing, partially offset by \$0.7 million in payments on insurance premium financing and \$0.2 million of shares repurchased for tax withholding on vested restricted stock units.

Net cash provided by financing activities was \$0.7 million for the six months ended June 30, 2025, consisting primarily of \$1.0 million in proceeds from insurance premium financing and \$0.2 million in proceeds from stock option exercises, partially offset by \$0.4 million of shares repurchased for tax withholding on vested RSUs.

Operating Lease

We have commitments for future payments related to our corporate headquarters office located in Ponte Vedra, Florida. We entered into a 10-year lease in February 2022 for our headquarters which expires in July 2032. Lease payments comprise the base rent plus operating costs which include taxes, insurance, and common area maintenance. We also have commitments for future payments related to our former headquarters which expire in August 2026 and have subleased this space for the remainder of our lease term. The remaining lease obligations are \$18.2 million under these leases as of June 30, 2026.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our condensed financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of the condensed financial statements requires us to make estimates and assumptions for the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

Our critical accounting policies and estimates are described in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates" in our Annual Report. There were no material changes to these accounting policies during the six months ended June 30, 2026.

Recently Issued Accounting Pronouncements

Refer to Note 3, "Recent Accounting Pronouncements," of the Notes to Condensed Financial Statements for new accounting pronouncements not yet adopted as of this Quarterly Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market Risk

There have been no material changes from the market risk information previously disclosed in our Annual Report under "Part II. Item 7A. Quantitative and Qualitative Disclosures About Market Risk."

Item 4. Controls and Procedures.

Evaluation of disclosure controls and procedures

Our management, with the participation and supervision of our Chief Executive Officer and our Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of the period covered by this Quarterly Report, our disclosure controls and procedures were effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in internal control over financial reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent limitation on the effectiveness of internal control

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

Except as described below, we are not a party to any legal proceedings which we believe would have a material adverse effect on our business or results of operations. From time to time, we may become involved in various legal proceedings that arise in the ordinary course of our business.

On April 11, 2025, a shareholder filed a class action complaint in the United States District Court for the Middle District of Florida (captioned *McCluney v. Treace Medical Concepts, Inc. et al.* Case No. 3:25-cv-00390-WWB-PDB) against us and certain of our officers on behalf of all persons who purchased or otherwise acquired our stock between May 8, 2023 and May 7, 2024 alleging that we and certain of our current executives violated the federal securities laws by making false or misleading statements and failing to disclose material adverse facts about our business, operations and prospects. Specifically, the complaint alleges that we failed to disclose the impact of competition on demand for and utilization of our products and the need to accelerate our plans to offer a new osteotomy product and that our positive statements about our business, operations, and prospects were materially misleading and/or lacked a reasonable basis. The plaintiffs seek unspecified monetary damages, costs, and attorneys' fees. On July 1, 2025, the court appointed the lead plaintiff and lead counsel. The plaintiffs filed an amended complaint on July 31, 2025, and we filed a motion to dismiss on September 5, 2025. On July 15, 2026, the court dismissed the plaintiff's complaint without prejudice. On July 29, 2026, the plaintiff filed a third amended complaint. The action is in the preliminary stage. We dispute the allegations in the complaint and intend to defend against this complaint vigorously. Based on the preliminary nature of the proceedings in this action, the outcome remains uncertain, and we cannot reasonably estimate the potential impact, if any, on our business or financial statements at this time. We are insured for Directors and Officers liability for amounts in excess of the retention and up to the policy limits.

On October 14, 2024, we filed a lawsuit against Stryker Corporation and its subsidiary Wright Medical Technology, Inc. (collectively, "Stryker") alleging infringement of 9 patents related to our innovative Lapiplasty 3D Bunion Correction technologies and unfair competition. The suit was filed in the United States District Court for the District of New Jersey and seeks injunctive relief and damages. On January 24, 2025, Stryker filed a motion to dismiss the unfair competition claims which the Court granted on October 2, 2025 without prejudice. We filed a first amended complaint on October 24, 2025, and Stryker subsequently filed another motion to dismiss the unfair competition claims on December 5, 2025. The Court denied Stryker's motions and applications to stay discovery pending a ruling on its new motion to dismiss. A Markman hearing was held on May 21, 2026. On July 13, 2026, the Court granted Stryker's motion to dismiss the unfair competition claims, again without prejudice, and granted leave for the Company to file a second amended complaint by August 13, 2026. The case has continued, and discovery is ongoing. We plan to supplement our claims and intend to file the second amended complaint by the deadline.

On May 22, 2025, Stryker European Operations Holdings LLC and Howmedica Osteonics Corp. filed a suit in the United States District Court for the District of Delaware (captioned *Stryker European Operations Holdings LLC et al v. Treace Medical Concepts, Inc.* Case No. 1:25-cv-00637-GBW) against us for patent infringement by our PEEK hammertoe product. The plaintiffs seek findings of patent infringement, equitable relief, unspecified monetary damages, enhanced damages for willful patent infringement, interest, costs, and attorneys' fees. We dispute the allegations in the complaint, and on August 4, 2025, we moved to dismiss all of the claims in the suit. The court denied our motion to dismiss, noting that additional claim construction proceedings would be helpful for the court to resolve the issues presented in the motion to dismiss. We filed an answer on February 19, 2026, amended on March 12, 2026, including defenses and declaratory judgment of invalidity and non-infringement counterclaims. The plaintiffs filed an answer to our counterclaims on March 26, 2026. On April 20, 2026, the plaintiffs filed a first amended complaint adding an additional patent in their claims of infringement by our PEEK hammertoe product. We filed an amended answer and counterclaims on May 14, 2026. Plaintiffs filed an answer to our counterclaims on June 4, 2026. Based on the preliminary nature of the proceedings in this action, the outcome remains uncertain, and we cannot estimate the potential impact, if any, on our business or financial statements at this time.

On May 12, 2025, we filed a lawsuit in the United States District Court for the District of Delaware (captioned *Treace Medical Concepts, Inc. v. Zimmer Biomet Holdings, Inc. et al.* Case No. 1:25-cv-00592-CBW) against Zimmer Biomet Holdings, Inc. and Paragon 28, Inc. alleging infringement of four patents related to our innovative Lapiplasty 3D Bunion Correction technologies and seeking injunctive relief and damages. On August 5, 2025, we filed an amended complaint alleging infringement of an additional patent. On December 19, 2025, the defendants moved to dismiss certain patent claims, claims of willful infringement, and all claims against Zimmer Biomet Holdings, Inc. In December 2025 and January 2026, Paragon 28 filed petitions for inter partes review ("IPR") and post-grant review ("PGR") before the Patent Trial and Appeal Board ("PTAB") seeking further administrative review of the validity of the five patents-in-suit. On February 17, 2026, we filed an opposition to the defendants' motion to dismiss. On March 4, 2026, the defendants filed a motion to stay the case.

pending review by the PTAB of the patents that were subject to Paragon 28, Inc.'s IPR and PGR petitions. We filed a motion to sever and consolidate the patent claims of Case No. 25-1092-GBW into this case. All motions have been briefed, and we are awaiting a decision on defendants' motions to dismiss and stay and our motion to sever and consolidate. On June 12 and June 23, 2026, the PTAB issued notices of institution granting Paragon 28, Inc.'s PGR petitions (PGR2026-0017, -00020) and IPR petition IPR2026-00194 and denying institution of PGR petition PGR2026-00022. These decisions cover four of the five petitions that Paragon 28, Inc. filed. Institution of the PGRs and IPR means that a panel of three Administrative Patent Judges from the PTAB will be reviewing the validity of patents asserted against Zimmer Biomet Holdings, Inc. and Paragon 28, Inc. over the next twelve months. We intend to defend the validity of the three patents under review by the PTAB, but the ultimate outcome of the pending PGR and IPR proceedings remains uncertain.

On August 29, 2025, Paragon 28, Inc. and Disior Oy filed a lawsuit in the United States District Court for the District of Delaware (captioned *Paragon 28, Inc. et al v. Treace Medical Concepts, Inc. et al.* Case No. 1:25-cv-01092-GBW) against us and RPM-3D alleging RPM-3D improperly acquired, used, and disclosed confidential and trade secret technology from Disior's software to develop software acquired by us and seeking injunctive relief and damages. On December 18, 2025, Paragon 28, Inc. and Disior Oy filed an amended complaint adding patent and copyright infringement to their claims. We filed an answer to the amended complaint, including defenses and declaratory judgment of invalidity and non-infringement counterclaims, on February 17, 2026. On March 10, 2026, the plaintiffs filed an answer to our counterclaims, and we filed motions to sever and consolidate the patent claims into C.A. No. 25-592-CBW, our patent infringement case against Zimmer Biomet Holdings, Inc. and Paragon 28, Inc. We filed an amended answer on March 27, 2026, and the plaintiffs filed an amended answer on April 9, 2026. The case has continued, and discovery is ongoing. Based on the preliminary nature of the proceedings in this action, the outcome remains uncertain, and we cannot estimate the potential impact, if any, on our business or financial statements at this time.

Item 1A. Risk Factors.

There have been no material changes from the risk factors previously disclosed in our Annual Report on Form 10-K under "Part I, Item 1A. Risk Factors" for the year ended December 31, 2025, filed with the SEC on February 27, 2026.

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

Issuer Purchases of Equity Securities

The following table presents information with respect to the Company's repurchases of stock during the three months ended June 30, 2026.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
April 1 to April 30, 2026 ⁽¹⁾⁽²⁾	11,547	\$ 2.23	—	—
May 1 to May 31, 2026	—	—	—	—
June 1 to June 30, 2026	—	—	—	—
Totals	11,547	\$ 2.23	—	—

(1) Includes restricted shares withheld pursuant to the terms of awards under the Company's share-based compensation plans to offset tax withholding obligations that occur upon vesting and release of restricted shares.

(2) The value of the restricted shares withheld is the closing price of the Company's common stock on the date the relevant transaction occurs.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

On August 6, 2026, our Board of Directors (the "Board") approved and adopted amendments to our existing Bylaws (as so amended, the "Amended and Restated Bylaws") to, among other things:

- (i) address the universal proxy rules adopted by the U.S. Securities and Exchange Commission, by clarifying that no person may solicit proxies in support of a director nominee other than the Board's nominees unless such person has complied with Rule 14a-19 under the Securities Exchange Act of 1934, as amended, including applicable notice and solicitation requirements;
- (ii) clarify and enhance procedural mechanics and disclosure requirements in connection with stockholder nominations of directors and submissions of proposals regarding other business at stockholder meetings, including, without limitation, to:
 - a. require that the nominating or proposing stockholder be a stockholder of record both at the time notice is given and at the time of the meeting,
 - b. require additional background information and disclosures regarding nominating or proposing stockholders, proposed director nominees and business, and other persons related to the stockholder's solicitation of proxies,
 - c. require proposed director nominees to provide certain additional representations regarding disclosure of voting commitments and intent to serve the entire term,
 - d. prohibit a stockholder from nominating a greater number of director candidates than are subject to election by stockholders at the applicable meeting, and
 - e. specify that notice deadlines and disclosure requirements apply to any stockholder director nominations made in connection with a special meeting at which directors are to be elected;
- (iii) require that a stockholder directly or indirectly soliciting proxies from other stockholders use a proxy card color other than white;
- (iv) provide that special meetings of the Board may be called by the chairperson of the Board, the chief executive officer, the president, or the secretary, in addition to a majority of the total number of directors constituting the Board; and
- (v) make other technical, conforming, modernizing and clarifying amendments.

The foregoing description of the amendments does not purport to be complete and is qualified in its entirety by reference to the full text of the Amended and Restated Bylaws, a copy of which is attached hereto as Exhibit 3.1 and is incorporated by reference herein.

Item 6. Exhibits.

Exhibit No.	Description
3.1	<u>Amended and Restated Bylaws of Treace Medical Concepts, Inc.</u>
31.1	<u>Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2	<u>Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1†	<u>Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2†	<u>Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

† The certifications attached as Exhibit 32.1 and 32.2 to this Quarterly Report are deemed furnished and not filed with the U.S. Securities and Exchange Commission and are not to be incorporated by reference into any filing of Treace Medical Concepts, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report, irrespective of any general incorporation language contained in such filing.

SIGNATURES

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

Treace Medical Concepts, Inc.

Date: August 7, 2026

By: /s/ John T. Treace
Name: John T. Treace
Title: Chief Executive Officer (Principal Executive Officer)

Date: August 7, 2026

By: /s/ Mark L. Hair
Name: Mark L. Hair
Title: Chief Financial Officer (Principal Financial Officer)

Amended and Restated Bylaws of
Treace Medical Concepts, Inc.
(a Delaware corporation)

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**Amended and Restated Bylaws of
Treace Medical Concepts, Inc.**

Article I – Corporate Offices

1.1 Registered Office.

The address of the registered office of Treace Medical Concepts, Inc. (the “Corporation”) in the State of Delaware, and the name of its registered agent at such address, shall be as set forth in the Corporation’s certificate of incorporation, as the same may be amended and/or restated from time to time (the “Certificate of Incorporation”).

1.2 Other Offices.

The Corporation may have additional offices at any place or places, within or outside the State of Delaware, as the Corporation’s board of directors (the “Board”) may from time to time establish or as the business of the Corporation may require.

Article II – Meetings of Stockholders

2.1 Place of Meetings.

Meetings of stockholders shall be held at any place within or outside the State of Delaware, designated by the Board. The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the General Corporation Law of the State of Delaware (the “DGCL”). In the absence of any such designation or determination, stockholders’ meetings shall be held at the Corporation’s principal executive office.

2.2 Annual Meeting.

The Board shall designate the date and time of the annual meeting of stockholders. At the annual meeting of stockholders, directors shall be elected and other proper business properly brought before the meeting in accordance with Section 2.4 of these bylaws may be transacted. The Board may postpone, reschedule or cancel any previously scheduled annual meeting of stockholders.

2.3 Special Meeting.

Special meetings of the stockholders may be called only by such Persons and only in such manner as set forth in the Certificate of Incorporation. As used in these bylaws, unless the context otherwise requires, “Person” means any individual, general partnership, limited partnership, limited liability company, corporation, trust, business trust, joint stock company, joint venture, unincorporated association, cooperative or association or any other legal entity or organization of whatever nature, and shall include any successor (by merger or otherwise) of such entity.

No business may be transacted at any special meeting of stockholders other than the business specified in the notice of such meeting. The Board may postpone, reschedule or cancel any previously scheduled special meeting of stockholders.

2.4 Advance Notice Procedures for Business Brought before a Meeting.

(i) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in a notice of meeting given by or at the direction of the Board, (b) if not specified in a notice of meeting, otherwise brought before the meeting by or at the direction of the Board or the chairperson of the meeting, or (c) otherwise properly brought before the meeting by a stockholder present in person (as defined below) who (A)(1) was a record owner of shares of capital stock of the Corporation both at the time of giving the notice provided for in this Section 2.4 and at the time of the meeting, (2) is entitled to vote at the meeting, and (3) has complied with this Section 2.4 in all applicable respects or (B) properly made such proposal in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations, the “Exchange Act”), which proposal has been included in the proxy statement for the annual meeting. The foregoing clause (c) shall be the exclusive means for a stockholder to propose business to be brought before an annual meeting of the stockholders. The only matters that may be brought before a special meeting are the matters specified in the Corporation’s notice of meeting given by or at the direction of the Person calling the meeting pursuant to the Certificate of Incorporation and Section 2.3 of these bylaws, and stockholders shall not be permitted to propose business to be brought before a special meeting of the stockholders. For purposes of this Section 2.4 and Section 2.5 of these bylaws, “present in person” shall mean that the stockholder proposing that the business be brought before the annual meeting of the Corporation, or, if the proposing stockholder is not an individual, a qualified representative of such proposing stockholder, appear at such annual meeting, either in person or by means of remote communication. A “qualified representative” of such proposing stockholder shall be a duly authorized officer, manager or partner of such stockholder or any other Person authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such Person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at or before the meeting of stockholders in writing or by electronic transmission. Stockholders seeking to nominate Persons for election to the Board must comply with Section 2.5 of these bylaws, and this Section 2.4 shall not be applicable to nominations for election to the Board except as expressly provided in Section 2.5 of these bylaws.

(ii) Without qualification, for business to be properly brought before an annual meeting by a stockholder, the stockholder must (a) provide Timely Notice (as defined below) thereof in writing and in proper form to the Secretary of the Corporation and (b) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.4. To be timely, a stockholder’s notice must be delivered to, or mailed and received at, the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the one-year anniversary of the preceding year’s annual meeting; *provided, however*, that if the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, notice by the stockholder to be timely must be so delivered, or mailed and received, not more than the hundred twentieth (120th) day prior to such annual meeting and not later than (a) the ninetieth (90th) day prior to such annual meeting or, (b) if later, the tenth (10th) day following the day on which public disclosure of the date of such annual meeting was first made by the Corporation (such notice within such time periods, “Timely Notice”). In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of Timely Notice as described above.

(iii) To be in proper form for purposes of this Section 2.4, a stockholder’s notice to the Secretary shall set forth:

(a) As to each Proposing Person (as defined below), (A) the name and address of such Proposing Person (including, if applicable, the name and address that appear on the Corporation’s

books and records), (B) the number of shares of each class or series of capital stock of the Corporation that are, directly or indirectly, owned of record or beneficially owned (within the meaning of Rule 13d-3 under the Exchange Act) by such Proposing Person, except that such Proposing Person shall in all events be deemed to beneficially own any shares of any class or series of capital stock of the Corporation as to which such Proposing Person has a right to acquire beneficial ownership at any time in the future, (C) the date or dates such shares were acquired, (D) the investment intent of such acquisition and (E) any pledge by such Proposing Person with respect to any of such shares (the disclosures to be made pursuant to the foregoing clauses (A) through (E) are referred to as “Stockholder Information”);

(b) As to each Proposing Person,

(A) the material terms and conditions of any “derivative security” (as such term is defined in Rule 16a-1(c) under the Exchange Act) that constitutes a “call equivalent position” (as such term is defined in Rule 16a-1(b) under the Exchange Act) or a “put equivalent position” (as such term is defined in Rule 16a-1(h) under the Exchange Act) or other derivative or synthetic arrangement in respect of any class or series of shares of the Corporation (“Synthetic Equity Position”) that is, directly or indirectly, held or maintained by, held for the benefit of, or involving such Proposing Person, including, without limitation,

(1) any option, warrant, convertible security, stock appreciation right, future or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation,

(2) any derivative or synthetic arrangement having the characteristics of a long position or a short position in any class or series of shares of the Corporation, including, without limitation, a stock loan transaction, a stock borrow transaction, or a share repurchase transaction or

(3) any contract, derivative, swap or other transaction or series of transactions designed to

(x) produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation,

(y) mitigate any loss relating to, reduce the economic risk (of ownership or otherwise) of, or manage the risk of share price decrease in, any class or series of shares of the Corporation, or

(z) increase or decrease the voting power in respect of any class or series of shares of capital stock of the Corporation held or maintained by, held for the benefit of or involving such Proposing Person,

including, without limitation, due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of the Corporation, through

the delivery of cash or other property, or otherwise, and without regard to whether the holder thereof may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right, or any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the price or value of any class or series of stock of the Corporation;

provided that, for the purposes of the definition of “Synthetic Equity Position,” the term “derivative security” shall also include any security or instrument that would not otherwise constitute a “derivative security” as a result of any feature that would make any conversion, exercise or similar right or privilege of such security or instrument becoming determinable only at some future date or upon the happening of a future occurrence, in which case the determination of the amount of securities into which such security or instrument would be convertible or exercisable shall be made assuming that such security or instrument is immediately convertible or exercisable at the time of such determination; and, *provided, further*, that any Proposing Person satisfying the requirements of Rule 13d-1(b)(1) under the Exchange Act (other than a Proposing Person that so satisfies Rule 13d-1(b)(1) under the Exchange Act solely by reason of Rule 13d-1(b)(1)(ii)(E)) shall not be deemed to hold or maintain the notional amount of any securities that underlie a Synthetic Equity Position that is, directly or indirectly, held by or maintained by, held for the benefit of, or involving such Proposing Person as a hedge with respect to a bona fide derivatives trade or position of such Proposing Person arising in the ordinary course of such Proposing Person’s business as a derivatives dealer,

(B) a description of any agreement, arrangement or understanding with respect to any rights to dividends on the shares of any class or series of stock of the Corporation owned beneficially by such Proposing Person that are separated or separable pursuant to such agreement, arrangement or understanding from the underlying shares of the Corporation,

(C) any material pending or threatened legal proceeding in which such Proposing Person is a party or material participant involving the Corporation or any of its officers or directors, or any affiliate of the Corporation,

(D) any other material relationship between such Proposing Person, on the one hand, and the Corporation or any affiliate of the Corporation, on the other hand,

(E) any direct or indirect material interest in any material contract or agreement of such Proposing Person with the Corporation or any affiliate of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement),

(F) any proportionate interest in shares of the Corporation or a Synthetic Equity Position held, directly or indirectly, by a general or limited partnership, limited liability company or similar entity in which any such Proposing Person (1) is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership or (2) is the manager, managing member or, directly or indirectly, beneficially owns an interest in the manager or managing member of such limited liability company or similar entity,

(G) a representation that such Proposing Person intends or is part of a group that intends to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation’s outstanding capital stock required to approve or adopt the proposal or otherwise solicit proxies or votes from stockholders in support of such proposal, and

(H) any other information relating to such Proposing Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proposing Person in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act,

(the disclosures to be made pursuant to the foregoing clauses (A) through (H) are referred to as “Disclosable Interests”); *provided, however*, that Disclosable Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner; and

(c) As to each item of business that the stockholder proposes to bring before the annual meeting, (A) a brief description of the business desired to be brought before the annual meeting, the reasons for conducting such business at the annual meeting and any material interest in such business of each Proposing Person, (B) the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws, the language of the proposed amendment), (C) a reasonably detailed description of all agreements, arrangements and understandings (1) between or among any of the Proposing Persons or (2) between or among any Proposing Person and any other Person or entity (including their names) in connection with the proposal of such business by such stockholder, and (D) any other information relating to such item of business that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act; *provided, however*, that the disclosures required by this Section 2.4(iii) shall not include any disclosures with respect to any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner.

For purposes of this Section 2.4, the term “Proposing Person” shall mean (a) the stockholder providing the notice of business proposed to be brought before an annual meeting, (b) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the business proposed to be brought before the annual meeting is made, and (c) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) with such stockholder in such solicitation.

(iv) The Board may request that any Proposing Person furnish such additional information as may be reasonably required by the Board. Such Proposing Person shall provide such additional information within ten (10) days after it has been requested by the Board.

(v) A Proposing Person shall update and supplement its notice to the Corporation of its intent to propose business at an annual meeting, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.4 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the

obligation to update and supplement as set forth in this paragraph or any other Section of these bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder, or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding matters, business or resolutions proposed to be brought before a meeting of the stockholders.

(vi) Notwithstanding anything in these bylaws to the contrary, no business shall be conducted at an annual meeting that is not properly brought before the meeting in accordance with this Section 2.4. The presiding officer of the meeting (or, in advance of any meeting of stockholders, the Board or an authorized committee thereof) shall, if the facts warrant, determine that the business was not properly brought before the meeting in accordance with this Section 2.4, and if he or she should so determine, he or she shall so declare to the meeting, and any such business not properly brought before the meeting shall not be transacted.

(vii) This Section 2.4 is expressly intended to apply to any business proposed to be brought before an annual meeting of stockholders other than any proposal made in accordance with Rule 14a-8 under the Exchange Act and included in the Corporation's proxy statement. In addition to the requirements of this Section 2.4 with respect to any business proposed to be brought before an annual meeting, each Proposing Person shall comply with all applicable requirements of the Exchange Act with respect to any such business. Nothing in this Section 2.4 shall be deemed to affect the rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(viii) For purposes of these bylaws, "public disclosure" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

2.5 Advance Notice Procedures for Nominations of Directors.

(i) Nominations of any Person for election to the Board at an annual meeting or at a special meeting (but only if the election of directors is a matter specified in the notice of meeting given by or at the direction of the Person calling such special meeting) may be made at such meeting only (a) by or at the direction of the Board, including by any committee or Persons authorized to do so by the Board or these bylaws, or (b) by a stockholder present in person (as defined in Section 2.4) (A) who was a record owner of shares of capital stock of the Corporation both at the time of giving the notice provided for in this Section 2.5 and at the time of the meeting, (B) is entitled to vote at the meeting and (C) has complied with this Section 2.5 as to such notice and nomination. The foregoing clause (b) shall be the exclusive means for a stockholder to make any nomination of a Person or Persons for election to the Board at any annual meeting or special meeting of stockholders.

(ii) (a) Without qualification, for a stockholder to make any nomination of a Person or Persons for election to the Board at an annual meeting, the stockholder must (A) provide Timely Notice (as defined in Section 2.4(ii) of these bylaws) thereof in writing and in proper form to the Secretary of the Corporation, (B) provide the information, agreements and questionnaires with respect to each Nominating Person (as defined below) and its candidate for nomination as required to be set forth by this Section 2.5, and (C) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5.

(b) Without qualification, if the election of directors is a matter specified in the notice of meeting given by or at the direction of the Person calling a special meeting, then for a stockholder

to make any nomination of a Person or Persons for election to the Board at a special meeting, the stockholder must (A) provide timely notice thereof in writing and in proper form to the Secretary of the Corporation at the principal executive offices of the Corporation, (B) provide the information with respect to each Nominating Person and its candidate for nomination as required by this Section 2.5 and (C) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5. To be timely, a stockholder's notice for nominations to be made at a special meeting must be delivered to, or mailed and received at, the principal executive offices of the Corporation not earlier than the one hundred twentieth (120th) day prior to such special meeting and not later than the ninetieth (90th) day prior to such special meeting or, if later, the tenth (10th) day following the day on which public disclosure (as defined in Section 2.4) of the date of such special meeting was first made (such notice within such time periods, "Special Meeting Timely Notice").

(c) In no event shall any adjournment or postponement of an annual meeting or special meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(d) In no event may a Nominating Person deliver a notice of nomination, as applicable, with respect to a greater number of director candidates than are subject to election by stockholders at the applicable meeting. If the Corporation shall, subsequent to such notice, increase the number of directors subject to election at the meeting, such notice as to any additional nominees shall be due on the later of (A) the conclusion of the time period for Timely Notice or Special Meeting Timely Notice, as applicable, or (B) the tenth day following the date of public disclosure (as defined in Section 2.4) of such increase.

(iii) To be in proper form for purposes of this Section 2.5, a stockholder's notice to the Secretary shall set forth:

(a) As to each Nominating Person, the Stockholder Information (as defined in Section 2.4(iii)(a) of these bylaws) except that for purposes of this Section 2.5, the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.4(iii)(a);

(b) As to each Nominating Person, any Disclosable Interests (as defined in Section 2.4(iii)(b), except that for purposes of this Section 2.5 the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.4(iii)(b) and the disclosure with respect to the business to be brought before the meeting in Section 2.4(iii)(c) shall be made with respect to the nomination of each Person for election as a director at the meeting); and *provided* that, in lieu of including the information set forth in Section 2.4(iii)(b)(G), the Nominating Person's notice for purposes of this Section 2.5 shall include a representation as to whether the Nominating Person intends or is part of a group that intends to deliver a proxy statement and solicit the holders of shares representing at least 67% of the voting power of shares entitled to vote on the election of directors in support of director nominees other than the Corporation's nominees in accordance with Rule 14a-19 promulgated under the Exchange Act; and

(c) As to each candidate whom a Nominating Person proposes to nominate for election as a director, (A) all information relating to such candidate for nomination that is required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14(a) under the Exchange Act (including such candidate's written consent to being named in a proxy statement and accompanying proxy card relating to the Corporation's next meeting of stockholders at which

directors are to be elected and to serving as a director for a full term if elected), (B) a description of any direct or indirect material interest in any material contract or agreement between or among any Nominating Person, on the one hand, and each candidate for nomination or his or her respective associates (as defined in Rule 14a-1(a) promulgated under the Exchange Act) or any other participants (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) in such solicitation, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such Nominating Person were the “registrant” for purposes of such rule and the candidate for nomination were a director or executive officer of such registrant (the disclosures to be made pursuant to the foregoing clauses (A) and (B) are referred to as “Nominee Information”), and (C) a completed and signed questionnaire, representation and agreement as provided in Section 2.5(vi).

For purposes of this Section 2.5, the term “Nominating Person” shall mean (a) the stockholder providing the notice of the nomination proposed to be made at the meeting, (b) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the nomination proposed to be made at the meeting is made, and (c) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) with such stockholder in such solicitation.

(iv) The Board may request that any Nominating Person furnish such additional information as may be reasonably required by the Board. Such Nominating Person shall provide such additional information within ten (10) days after it has been requested by the Board.

(v) A stockholder providing notice of any nomination proposed to be made at a meeting and any candidate for nomination as a director shall further update and supplement such notice or the materials delivered pursuant to this Section 2.5, as applicable, if necessary, so that the information provided or required to be provided in such notice or by such candidate, as applicable, pursuant to this Section 2.5 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these bylaws shall not limit the Corporation’s rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any nomination, including by changing or adding nominees, or to submit any new nomination, or submit any new proposal, matters, business or resolutions proposed to be brought before a meeting of the stockholders.

(vi) To be eligible to be a candidate for election as a director of the Corporation at an annual or special meeting, a candidate nominated pursuant to Section 2.5(i)(b) must have previously delivered, to the Secretary at the principal executive offices of the Corporation, (a) a completed written questionnaire (in the form provided by the Corporation within ten (10) days upon written request of any stockholder of record therefor) with respect to the background, qualifications, stock ownership and independence of such proposed nominee and (b) a written representation and agreement (in the form provided by the Corporation within ten (10) days upon written request of any stockholder of record therefor) that such candidate for nomination (A) is not and, if elected as a director during his or her term of office, will not become a party

to (1) any agreement, arrangement or understanding with, and has not given and will not give any commitment or assurance to, any Person or entity as to how such proposed nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a “Voting Commitment”) or (2) any Voting Commitment that could limit or interfere with such proposed nominee’s ability to comply, if elected as a director of the Corporation, with such proposed nominee’s fiduciary duties under applicable law, (B) is not, and will not become a party to, any agreement, arrangement or understanding with any Person or entity other than the Corporation with respect to any direct or indirect compensation or reimbursement for service as a director of the Corporation that has not been disclosed therein, (C) if elected as a director of the Corporation, will comply with all applicable corporate governance, conflict of interest, confidentiality, stock ownership and trading and other policies and guidelines of the Corporation applicable to all directors and in effect during such Person’s term in office as a director (and, if requested by any candidate for nomination, the Secretary of the Corporation shall provide to such candidate for nomination all such policies and guidelines then in effect), and (D) if elected as a director of the Corporation, intends to serve the entire term until the next meeting at which such candidate would face re-election.

(vii) The Board may also require any proposed candidate for nomination as a director to furnish such other information as may reasonably be requested by the Board in writing prior to the meeting of stockholders at which such candidate’s nomination is to be acted upon. Without limiting the generality of the foregoing, the Board may request such other information in order for the Board to determine the eligibility of such candidate for nomination to be an independent director of the Corporation or to comply with the director qualification standards and additional selection criteria in accordance with the Corporation’s Corporate Governance Guidelines. Such other information shall be delivered to, or mailed and received by, the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the request by the Board has been delivered to, or mailed and received by, the Nominating Person.

(viii) In addition to the requirements of this Section 2.5 with respect to any nomination proposed to be made at a meeting, each Nominating Person shall comply with all applicable requirements of the Exchange Act with respect to any such nominations. Notwithstanding the foregoing provisions of this Section 2.5, unless otherwise required by law, (a) no Nominating Person shall solicit proxies in support of director nominees other than the Corporation’s nominees unless such Nominating Person has, or is part of a group that has, complied with Rule 14a-19 promulgated under the Exchange Act in connection with the solicitation of such proxies, including the provision to the Corporation of notices required thereunder, in accordance with the time frames required in this Section 2.5 or by Rule 14a-19 promulgated under the Exchange Act, as applicable, and (b) if (A) any Nominating Person provides notice in accordance with Rule 14a-19(b) promulgated under the Exchange Act and (B) (1) such notice in accordance with Rule 14a-19(b) is not provided within the time period for Timely Notice or Special Meeting Timely Notice, as applicable, (2) such Nominating Person subsequently fails to comply with the requirements of Rule 14a-19(a)(2) or Rule 14a-19(a)(3) promulgated under the Exchange Act or (3) such Nominating Person fails to timely provide reasonable evidence sufficient to satisfy the Corporation that such Nominating Person has met the requirements of Rule 14a-19(a)(3) promulgated under the Exchange Act in accordance with the following sentence, then the nomination of such Nominating Person’s proposed nominees shall be disregarded, notwithstanding that each such nominee is included as a nominee in the Corporation’s proxy statement, notice of meeting or other proxy materials for any meeting of stockholders (or any supplement thereto) and notwithstanding that proxies or votes in respect of the election of such proposed nominees may have been received by the Corporation (which proxies and votes shall be disregarded). If any Nominating Person provides notice in accordance with Rule 14a-19(b) promulgated under the Exchange Act, such Nominating Person shall deliver to the Corporation, no later than seven (7) business days prior to the applicable meeting, reasonable evidence that it has met the requirements of Rule 14a-19(a)(3) promulgated under the Exchange Act.

(ix) No candidate nominated pursuant to Section 2.5(i)(b) shall be eligible for nomination as a director of the Corporation unless such candidate for nomination and the Nominating Person seeking to place such candidate's name in nomination has complied with this Section 2.5, as applicable. The presiding officer at the meeting (or, in advance of any meeting of stockholders, the Board or an authorized committee thereof) shall, if the facts warrant, determine that a nomination was not properly made in accordance with this Section 2.5, and if he or she should so determine, he or she shall so declare such determination to the meeting, the defective nomination shall be disregarded and any ballots cast for the candidate in question (but in the case of any form of ballot listing other qualified nominees, only the ballots cast for the nominee in question) shall be void and of no force or effect.

(x) Notwithstanding anything in these bylaws to the contrary, no candidate for nomination shall be eligible to be seated as a director of the Corporation unless nominated in accordance with this Section 2.5 and elected as a director.

2.6 Notice of Stockholders' Meetings.

Unless otherwise provided by law, the Certificate of Incorporation or these bylaws, the notice of any meeting of stockholders shall be sent or otherwise given in accordance with Section 8.1 of these bylaws not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place, if any, date and time of the meeting, the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.7 Quorum.

Unless otherwise provided by law, the Certificate of Incorporation or these bylaws, the holders of a majority in voting power of the stock issued and outstanding and entitled to vote, present in person, or by remote communication, if applicable, or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders. A quorum, once established at a meeting, shall not be broken by the withdrawal of enough votes to leave less than a quorum. If, however, a quorum is not present or represented at any meeting of the stockholders, then either (i) the Person presiding over the meeting or (ii) a majority in voting power of the stockholders entitled to vote at the meeting, present in person, or by remote communication, if applicable, or represented by proxy, shall have power to recess the meeting or adjourn the meeting from time to time in the manner provided in Section 2.8 of these bylaws until a quorum is present or represented. At any recessed or adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

2.8 Adjourned Meeting; Notice.

When a meeting is adjourned to another time or place, unless these bylaws otherwise require, notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken or are provided in any other manner permitted by the DGCL. At any adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the

adjourned meeting to each stockholder of record entitled to vote at such meeting as of the record date so fixed for notice of such adjourned meeting.

2.9 Conduct of Business.

The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the Person presiding over the meeting. The Board may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board, the Person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures (which need not be in writing) and to do all such acts as, in the judgment of such presiding Person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the Person presiding over the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present (including, without limitation, rules and procedures for removal of disruptive Persons from the meeting); (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other Persons as the Person presiding over the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The presiding Person at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting (including, without limitation, determinations with respect to the administration and/or interpretation of any of the rules, regulations or procedures of the meeting, whether adopted by the Board or prescribed by the Person presiding over the meeting), shall, if the facts warrant, determine and declare to the meeting that a matter of business was not properly brought before the meeting and if such presiding Person should so determine, such presiding Person shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board or the Person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

2.10 Voting.

Except as may be otherwise provided in the Certificate of Incorporation, these bylaws or the DGCL, each stockholder shall be entitled to one (1) vote for each share of capital stock held by such stockholder.

Except as otherwise provided by the Certificate of Incorporation, at all duly called or convened meetings of stockholders at which a quorum is present, for the election of directors, a plurality of the votes cast shall be sufficient to elect a director. Except as otherwise provided by the Certificate of Incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or applicable law or pursuant to any regulation applicable to the Corporation or its securities, each other matter presented to the stockholders at a duly called or convened meeting at which a quorum is present shall be decided by the affirmative vote of the holders of a majority in voting power of the votes cast (excluding abstentions and broker non-votes) on such matter.

2.11 Record Date for Stockholder Meetings and Other Purposes.

In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and

which record date shall, unless otherwise required by law, not be more than sixty (60) days nor less than ten (10) days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be the close of business on the next day preceding the day on which notice is first given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however*, that the Board may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting; and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment or any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of capital stock, or for the purposes of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

2.12 Proxies.

Each stockholder entitled to vote at a meeting of stockholders may authorize another Person or Persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law, including Rule 14a-19 promulgated under the Securities Exchange Act of 1934, as amended, filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL. A proxy may be in the form of an electronic transmission which sets forth or is submitted with information from which it can be determined that the transmission was authorized by the stockholder.

Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board.

2.13 List of Stockholders Entitled to Vote.

The Corporation shall prepare, no later than the tenth day before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (*provided, however*, that if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth (10th) day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of ten (10) days ending on the day before the meeting date: (i) on a reasonably accessible electronic network, *provided* that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the Corporation's principal executive office. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such

information is available only to stockholders of the Corporation. Such list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 2.13 or to vote in person or by proxy at any meeting of stockholders.

2.14 Inspectors of Election.

Before any meeting of stockholders, the Corporation shall appoint an inspector or inspectors of election to act at the meeting or its adjournment and make a written report thereof. The Corporation may designate one or more Persons as alternate inspectors to replace any inspector who fails to act. If any Person appointed as inspector or any alternate fails to appear or fails or refuses to act, then the Person presiding over the meeting shall appoint a Person to fill that vacancy.

Such inspectors shall:

- (i) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting and the validity of any proxies and ballots;
- (ii) count all votes or ballots;
- (iii) count and tabulate all votes;
- (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspector(s); and
- (v) certify its or their determination of the number of shares represented at the meeting and its or their count of all votes and ballots.

Each inspector, before entering upon the discharge of the duties of inspector, shall take and sign an oath faithfully to execute the duties of inspection with strict impartiality and according to the best of such inspector's ability. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein. The inspectors of election may appoint such Persons to assist them in performing their duties as they determine.

2.15 Delivery to the Corporation.

Whenever this Article II requires one or more Persons (including a record or beneficial owner of stock) to deliver a document or information to the Corporation or any officer, employee or agent thereof (including any notice, request, questionnaire, revocation, representation or other document or agreement), such document or information shall be in writing exclusively (and not in an electronic transmission) and shall be delivered exclusively by hand (including, without limitation, overnight courier service) or by certified or registered mail, return receipt requested, and the Corporation shall not be required to accept delivery of any document not in such written form or so delivered. For the avoidance of doubt, the Corporation expressly opts out of Section 116 of the DGCL with respect to the delivery of information and documents to the Corporation required by this Article II.

Article III – Directors

3.1 Powers.

Except as otherwise provided by the Certificate of Incorporation or the DGCL, the business and affairs of the Corporation shall be managed by or under the direction of the Board.

3.2 Number of Directors.

Subject to the Certificate of Incorporation, the total number of directors constituting the Board shall be determined from time to time by resolution of the Board. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

3.3 Election, Qualification and Term of Office of Directors.

Except as provided in Section 3.4 of these bylaws, and subject to the Certificate of Incorporation, each director, including a director elected to fill a vacancy or newly created directorship, shall hold office until the expiration of the term of the class, if any, for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation, disqualification or removal. Directors need not be stockholders. The Certificate of Incorporation or these bylaws may prescribe qualifications for directors.

3.4 Resignation and Vacancies.

Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. The resignation shall take effect at the time specified therein or upon the happening of an event specified therein, and if no time or event is specified, at the time of its receipt. When one or more directors so resigns and the resignation is effective at a future date or upon the happening of an event to occur on a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in Section 3.3.

Unless otherwise provided in the Certificate of Incorporation or these bylaws, vacancies and newly created directorships resulting from any increase in the authorized number of directors shall be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director. A vacancy in the Board shall be deemed to exist under these bylaws in the case of the death, removal or resignation of any director.

3.5 Place of Meetings; Meetings by Telephone.

The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the Certificate of Incorporation or these bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all Persons participating in the meeting can hear each other, and such participation in a meeting pursuant to this bylaw shall constitute presence in person at the meeting.

3.6 Regular Meetings.

Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board.

3.7 Special Meetings; Notice.

Special meetings of the Board for any purpose or purposes may be called at any time by the chairperson of the Board, the chief executive officer, the president, the secretary or a majority of the total number of directors constituting the Board.

Notice of the time and place of special meetings shall be:

- (i) delivered personally by hand, by courier or by telephone;
- (ii) sent by United States first-class mail, postage prepaid;
- (iii) sent by facsimile or electronic mail; or
- (iv) sent by other means of electronic transmission,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, or other address for electronic transmission, as the case may be, as shown on the Corporation's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or electronic mail, or (iii) sent by other means of electronic transmission, it shall be delivered or sent at least twenty-four (24) hours before the time of the holding of the meeting. If the notice is sent by U.S. mail, it shall be deposited in the U.S. mail at least four (4) days before the time of the holding of the meeting. The notice need not specify the place of the meeting (if the meeting is to be held at the Corporation's principal executive office) nor the purpose of the meeting.

3.8 Quorum.

At all meetings of the Board, unless otherwise provided by the Certificate of Incorporation, a majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the Certificate of Incorporation or these bylaws. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.9 Board Action by Written Consent without a Meeting.

Unless otherwise restricted by the Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission. After an action is taken, the consent or consents relating thereto shall be filed with the minutes of the proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form, and shall have the same force and effect as a unanimous vote of the Board.

3.10 Fees and Compensation of Directors.

Unless otherwise restricted by the Certificate of Incorporation or these bylaws, the Board shall have the authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

Article IV – Committees

4.1 Committees of Directors.

The Board may designate one (1) or more committees, each committee to consist, of one (1) or more of the directors of the Corporation. The Board may designate one (1) or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board or in these bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Corporation.

4.2 Committee Minutes.

Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

4.3 Meetings and Actions of Committees.

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

- (i) Section 3.5 (place of meetings and meetings by telephone);
- (ii) Section 3.6 (regular meetings);
- (iii) Section 3.7 (special meetings and notice);
- (iv) Section 3.9 (action without a meeting); and
- (v) Section 7.13 (waiver of notice),

with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. *However:*

(vi) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;

(vii) special meetings of committees may also be called by resolution of the Board or the chairperson of the applicable committee; and

(viii) the Board may adopt rules for the governance of any committee to override the provisions that would otherwise apply to the committee pursuant to this Section 4.3, *provided* that such rules do not violate the provisions of the Certificate of Incorporation or applicable law.

4.4 Subcommittees.

Unless otherwise provided in the Certificate of Incorporation, these bylaws or the resolutions of the Board designating the committee, a committee may create one (1) or more subcommittees, each subcommittee to consist of one (1) or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

Article V – Officers

5.1 Officers.

The officers of the Corporation shall include a chief executive officer and a secretary. The Corporation may also have, at the discretion of the Board, a chairperson of the Board, a vice chairperson of the Board, a president, a chief financial officer, a treasurer, one (1) or more vice presidents, one (1) or more assistant vice presidents, one (1) or more assistant treasurers, one (1) or more assistant secretaries and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same Person. No officer need be a stockholder or director of the Corporation.

5.2 Appointment of Officers.

The Board shall appoint the officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 5.3 of these bylaws.

5.3 Subordinate Officers.

The Board may appoint, or empower the chief executive officer or, in the absence of a chief executive officer, the president, to appoint, such other officers and agents as the business of the Corporation may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

5.4 Removal and Resignation of Officers.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

5.5 Vacancies in Offices.

Any vacancy occurring in any office of the Corporation shall be filled by the Board or as provided in Section 5.2.

5.6 Representation of Shares of Other Corporations.

The chairperson of the Board, the chief executive officer, the president, any vice president, the treasurer, the secretary or assistant secretary of this Corporation, or any other Person authorized by the Board, the chief executive officer, the president or a vice president, is authorized to vote, represent and exercise on behalf of this Corporation all rights incident to any and all shares or voting securities of any other corporation or corporations or other entity or entities standing in the name of this Corporation. The authority granted herein may be exercised either by such Person directly or by any other Person authorized to do so by proxy or power of attorney duly executed by such Person having the authority.

5.7 Authority and Duties of Officers.

All officers of the Corporation shall respectively have such authority and perform such duties in the management of the business of the Corporation as may be provided herein or designated from time to time by the Board and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

5.8 Compensation.

The compensation of the officers of the Corporation for their services as such shall be fixed from time to time by or at the direction of the Board. An officer of the Corporation shall not be prevented from receiving compensation by reason of the fact that he or she is also a director of the Corporation.

Article VI – Records

A stock ledger consisting of one or more records in which the names of all of the Corporation's stockholders of record, the address and number of shares registered in the name of each such stockholder, and all issuances and transfers of stock of the corporation are recorded in accordance with Section 224 of the DGCL shall be administered by or on behalf of the Corporation. Any records administered by or on behalf of the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be kept on, or by means of, or be in the form of, any information storage device, or method, or one or more electronic networks or databases (including one or more distributed electronic networks or databases), *provided* that the records so kept can be converted into clearly legible paper form within a reasonable time and, with respect to the stock ledger, that the records so kept (i) can be used to prepare the list of stockholders specified in Sections 219 and 220 of the DGCL, (ii) record the information specified in Sections 156, 159, 217(a) and 218 of the DGCL, and (iii) record transfers of stock as governed by Article 8 of the Uniform Commercial Code as adopted in the State of Delaware.

Article VII – General Matters

7.1 Execution of Corporate Contracts and Instruments.

The Board, except as otherwise provided in these bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances.

7.2 Stock Certificates.

The shares of the Corporation shall be represented by certificates, *provided* that the Board by resolution may provide that some or all of the shares of any class or series of stock of the Corporation shall be uncertificated. Certificates for the shares of stock, if any, shall be in such form as is consistent with the

Certificate of Incorporation and applicable law. Every holder of stock represented by a certificate shall be entitled to have a certificate signed by, or in the name of the Corporation by, any two officers authorized to sign stock certificates representing the number of shares registered in certificate form. The chairperson or vice chairperson of the Board, the chief executive officer, the president, vice president, the treasurer, any assistant treasurer, the secretary or any assistant secretary of the Corporation shall be specifically authorized to sign stock certificates. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

The Corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the Corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

7.3 Special Designation of Certificates.

If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or on the back of the certificate that the Corporation shall issue to represent such class or series of stock (or, in the case of uncertificated shares, set forth in a notice provided pursuant to Section 151 of the DGCL); *provided, however*, that except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock (or, in the case of any uncertificated shares, included in the aforementioned notice) a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

7.4 Lost Certificates.

Except as provided in this Section 7.4, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation and cancelled at the same time. The Corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

7.5 Shares Without Certificates.

The Corporation may adopt a system of issuance, recordation and transfer of its shares of stock by electronic or other means not involving the issuance of certificates, *provided* the use of such system by the Corporation is permitted in accordance with applicable law.

7.6 Construction; Definitions.

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural and the plural number includes the singular.

7.7 Dividends.

The Board, subject to any restrictions contained in either (i) the DGCL or (ii) the Certificate of Incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property or in shares of the Corporation's capital stock.

The Board may set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the Corporation, and meeting contingencies.

7.8 Fiscal Year.

The fiscal year of the Corporation shall be fixed by resolution of the Board and may be changed by the Board.

7.9 Seal.

The Corporation may adopt a corporate seal, which shall be adopted and which may be altered by the Board. The Corporation may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

7.10 Transfer of Stock.

Shares of the Corporation shall be transferable in the manner prescribed by law and in these bylaws. Shares of stock of the Corporation shall be transferred on the books of the Corporation only by the holder of record thereof or by such holder's attorney duly authorized in writing, upon surrender to the Corporation of the certificate or certificates representing such shares endorsed by the appropriate Person or Persons (or by delivery of duly executed instructions with respect to uncertificated shares), with such evidence of the authenticity of such endorsement or execution, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps. No transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing the names of the Persons from and to whom it was transferred.

7.11 Stock Transfer Agreements.

The Corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes or series of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

7.12 Registered Stockholders.

The Corporation:

(i) shall be entitled to recognize the exclusive right of a Person registered on its books as the owner of shares to receive dividends and to vote as such owner; and

(ii) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another Person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Delaware.

7.13 Waiver of Notice.

Whenever notice is required to be given under any provision of the DGCL, the Certificate of Incorporation or these bylaws, a written waiver, signed by the Person entitled to notice, or a waiver by electronic transmission by the Person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a Person at a meeting shall constitute a waiver of notice of such meeting, except when the Person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the Certificate of Incorporation or these bylaws.

Article VIII – Notice by Electronic Transmission

8.1 Delivery of Notice; Notice by Electronic Transmission.

Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provisions of the DGCL, the Certificate of Incorporation, or these bylaws may be given in writing directed to the stockholder's mailing address (or by electronic transmission directed to the stockholder's electronic mail address, as applicable) as it appears on the records of the Corporation and shall be given (i) if mailed, when the notice is deposited in the U.S. mail, postage prepaid, (ii) if delivered by courier service, the earlier of when the notice is received or left at such stockholder's address or (iii) if given by electronic mail, when directed to such stockholder's electronic mail address unless the stockholder has notified the Corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail. A notice by electronic mail must include a prominent legend that the communication is an important notice regarding the Corporation.

Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice or electronic transmission to the Corporation. Notwithstanding the provisions of this paragraph, the Corporation may give a notice by electronic mail in accordance with the first paragraph of this section without obtaining the consent required by this paragraph.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(ii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and

(iii) if by any other form of electronic transmission, when directed to the stockholder.

Notwithstanding the foregoing, a notice may not be given by an electronic transmission from and after the time that (a) the Corporation is unable to deliver by such electronic transmission two (2) consecutive notices given by the Corporation and (b) such inability becomes known to the secretary or an assistant secretary of the Corporation or to the transfer agent, or other Person responsible for the giving of notice, *provided, however*, the inadvertent failure to discover such inability shall not invalidate any meeting or other action.

An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the Corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

8.2 Definitions.

As used in these bylaws, unless the context otherwise requires, the following terms shall have the following meanings:

An “electronic transmission” means any form of communication, not directly involving the physical transmission of paper, including the use of, or participation in, one or more electronic networks or databases (including one or more distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

An “electronic mail” means an electronic transmission directed to a unique electronic mail address (which electronic mail shall be deemed to include any files attached thereto and any information hyperlinked to a website if such electronic mail includes the contact information of an officer or agent of the Corporation who is available to assist with accessing such files and information).

An “electronic mail address” means a destination, commonly expressed as a string of characters, consisting of a unique user name or mailbox (commonly referred to as the “local part” of the address) and a reference to an internet domain (commonly referred to as the “domain part” of the address), whether or not displayed, to which electronic mail can be sent or delivered.

Article IX – Indemnification

9.1 Indemnification of Directors and Officers.

The Corporation shall indemnify and hold harmless, to the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, any director or officer of the Corporation who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a “Proceeding”) by reason of the fact that he or she, or a Person for whom he or she is the legal representative, is or was a director or officer of the Corporation or, while serving as a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, non-profit entity or other enterprise, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys’ fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred by such Person in connection with any such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 9.4, the Corporation shall be required to indemnify a Person in connection with a Proceeding initiated by such Person only if the Proceeding was authorized in the specific case by the Board.

9.2 Indemnification of Others.

The Corporation shall have the power to indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any employee or agent of the Corporation who was or is made or is threatened to be made a party or is otherwise involved in any Proceeding by reason of the fact that he or she, or a Person for whom he or she is the legal representative, is or was an employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, non-profit entity or other enterprise, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such Person in connection with any such Proceeding.

9.3 Prepayment of Expenses.

The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by any officer or director of the Corporation, and may pay the expenses incurred by any employee or agent of the Corporation, in defending any Proceeding in advance of its final disposition; *provided, however*, that such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Person to repay all amounts advanced if it should be ultimately determined that the Person is not entitled to be indemnified under this Article IX or otherwise.

9.4 Determination; Claim.

If a claim for indemnification (following the final disposition of such Proceeding) under this Article IX is not paid in full within sixty (60) days, or a claim for advancement of expenses under this Article IX is not paid in full within thirty (30) days, after a written claim therefor has been received by the Corporation the claimant may thereafter (but not before) file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action the Corporation shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

9.5 Non-Exclusivity of Rights.

The rights conferred on any Person by this Article IX shall not be exclusive of any other rights which such Person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

9.6 Insurance.

The Corporation may purchase and maintain insurance on behalf of any Person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, non-profit entity or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the DGCL.

9.7 Other Indemnification.

The Corporation's obligation, if any, to indemnify or advance expenses to any Person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, non-profit entity or other enterprise shall be reduced by any amount such Person may collect

as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, non-profit entity or other enterprise.

9.8 Continuation of Indemnification.

The rights to indemnification and to prepayment of expenses provided by, or granted pursuant to, this Article IX shall continue notwithstanding that the Person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributees of such Person.

9.9 Amendment or Repeal; Interpretation.

The provisions of this Article IX shall constitute a contract between the Corporation, on the one hand, and, on the other hand, each individual who serves or has served as a director or officer of the Corporation (whether before or after the adoption of these bylaws), in consideration of such Person's performance of such services, and pursuant to this Article IX the Corporation intends to be legally bound to each such current or former director or officer of the Corporation. With respect to current and former directors and officers of the Corporation, the rights conferred under this Article IX are present contractual rights and such rights are fully vested, and shall be deemed to have vested fully, immediately upon adoption of these bylaws. With respect to any directors or officers of the Corporation who commence service following adoption of these bylaws, the rights conferred under this provision shall be present contractual rights and such rights shall fully vest, and be deemed to have vested fully, immediately upon such director or officer commencing service as a director or officer of the Corporation. Any repeal or modification of the foregoing provisions of this Article IX shall not adversely affect any right or protection (i) hereunder of any Person in respect of any act or omission occurring prior to the time of such repeal or modification or (ii) under any agreement providing for indemnification or advancement of expenses to an officer or director of the Corporation in effect prior to the time of such repeal or modification.

Any reference to an officer of the Corporation in this Article IX shall be deemed to refer exclusively to the chairperson of the Board, a vice chairperson of the Board, a chief executive officer, a chief financial officer, a treasurer appointed pursuant to Article V of these bylaws, and to any vice president, assistant secretary, assistant treasurer or other officer of the Corporation appointed by (i) the Board pursuant to Article V of these bylaws or (ii) an officer to whom the Board has delegated the power to appoint officers pursuant to Article V of these bylaws, and any reference to an officer of any other corporation, partnership, joint venture, trust, employee benefit plan, non-profit entity or other enterprise shall be deemed to refer exclusively to an officer appointed by the board of directors (or equivalent governing body) of such other entity pursuant to the Certificate of Incorporation and bylaws (or equivalent organizational documents) of such other corporation, partnership, joint venture, trust, employee benefit plan, non-profit entity or other enterprise. The fact that any Person who is or was an employee of the Corporation or an employee of any other corporation, partnership, joint venture, trust, employee benefit plan, non-profit entity or other enterprise has been given or has used the title of "vice president" or any other title that could be construed to suggest or imply that such Person is or may be an officer of the Corporation or of such other corporation, partnership, joint venture, trust, employee benefit plan, non-profit entity or other enterprise shall not result in such Person being constituted as, or being deemed to be, an officer of the Corporation or of such other corporation, partnership, joint venture, trust, employee benefit plan, non-profit entity or other enterprise for purposes of this Article IX.

Article X – Amendments

The Board is expressly empowered to adopt, amend or repeal the bylaws of the Corporation. The stockholders also shall have power to adopt, amend or repeal the bylaws of the Corporation; *provided*,

however, that, in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by the Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of at least 66 2/3% of the voting power of all the then- outstanding shares of voting stock of the Corporation with the power to vote at an election of directors, voting together as a single class.

Article XI – Forum Selection

Unless the Corporation consents in writing to the selection of an alternative forum, (i) the Court of Chancery (the “Chancery Court”) of the State of Delaware (or, in the event that the Chancery Court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (a) any derivative action, suit or proceeding brought on behalf of the Corporation, (b) any action, suit or proceeding asserting a claim of breach of a fiduciary duty owed by any director, officer or stockholder of the Corporation to the Corporation or to the Corporation’s stockholders, (c) any action, suit or proceeding arising pursuant to any provision of the DGCL or the Certificate of Incorporation or these bylaws (as either may be amended from time to time) or (d) any action, suit or proceeding asserting a claim against the Corporation governed by the internal affairs doctrine; and (ii) subject to the preceding provisions of this Article XI, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act of 1933, as amended, including all causes of action asserted against any defendant to such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by the Corporation, its officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional or entity whose profession gives authority to a statement made by that Person or entity and who has prepared or certified any part of the documents underlying the offering. If any action the subject matter of which is within the scope of clause (i) of the immediately preceding sentence is filed in a court other than the courts in the State of Delaware (a “Foreign Action”) in the name of any stockholder, such stockholder shall be deemed to have consented to (A) the personal jurisdiction of the state and federal courts in the State of Delaware in connection with any action brought in any such court to enforce the provisions of clause (i) of the immediately preceding sentence and (B) having service of process made upon such stockholder in any such action by service upon such stockholder’s counsel in the Foreign Action as agent for such stockholder.

Any Person or entity purchasing or otherwise acquiring any interest in any security of the Corporation shall be deemed to have notice of and consented to this Article XI. Notwithstanding the foregoing, the provisions of this Article XI shall not apply to claims brought to enforce any liability or duty created by the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts of the United States have exclusive jurisdiction.

If any provision or provisions of this Article XI shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article XI (including, without limitation, each portion of any paragraph of this Article XI containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and (ii) the application of such provision to other Persons or entities and circumstances shall not in any way be affected or impaired thereby.

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, John T. Treace, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Treace Medical Concepts, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2026

By: /s/ John T. Treace
John T. Treace
Chief Executive Officer (Principal Executive Officer)

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark L. Hair, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Treace Medical Concepts, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2026

By: /s/ Mark L. Hair

Mark L. Hair
Chief Financial Officer
(Principal Financial Officer)

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ John T. Treace
John T. Treace
Chief Executive Officer
(Principal Executive Officer)

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Mark L. Hair
Mark L. Hair
Chief Financial Officer
(Principal Financial Officer)

