Table of Contents

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 September 30, 2026

☐ **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: 001-42199

ADAGIO MEDICAL HOLDINGS, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**99-1151466** **(I.R.S. Employer Identification No.)**
26051 Merit Circle, Suite 102 **Laguna Hills, CA**	**92653**
(Address of principal executive offices)	**(Zip Code)**

(949) 348-1188
(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, par value $0.0001 per share	**ADGM**	**The Nasdaq Stock Market LLC**

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

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

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

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

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

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

As of November 11, 2026, there were 983,434 shares of common stock, $0.0001 par value, issued and outstanding.

ADAGIO MEDICAL HOLDINGS, INC.

FORM 10-Q FOR THE QUARTER ENDED SEPTEMBER 30, 2026
TABLE OF CONTENTS

		Page
PART I: FINANCIAL INFORMATION		
Item 1.	Condensed Consolidated Financial Statements	3
	Condensed Consolidated Balance Sheets as of September 30, 2026 (Unaudited) and December 31, 2025	3
	Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the three and nine months ended September 30, 2026 and September 30, 2025	4
	Unaudited Condensed Consolidated Statements of Stockholders' Equity (Deficit) for the three and nine months ended September 30, 2026 and September 30, 2025	5
	Unaudited Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2026 and September 30, 2025	6
	Notes to Condensed Consolidated Financial Statements (Unaudited)	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	36
Item 3.	Quantitative and Qualitative Disclosures about Market Risk	53
Item 4.	Controls and Procedures	54
PART II: OTHER INFORMATION		
Item 1.	Legal Proceedings	55
Item 1A.	Risk Factors	55
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds from Registered Securities	58
Item 3.	Defaults Upon Senior Securities	58
Item 4.	Mine Safety Disclosures	58
Item 5.	Other Information	58
Item 6.	Exhibits	59
SIGNATURES		60

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q including statements regarding our future results of operations or financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will" or "would" or the negative of these words or other similar terms or expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our exploration of strategic alternatives to maximize stockholder value, in a timely manner or at all, and whether we will be able to obtain sufficient funding to complete this process and whether any such transactions would generate value for stockholders;
- our ability to fund our working capital requirements;
- our estimates regarding future expenses and needs for additional financing;
- our ability to access capital markets;
- the timing, progress and results of our clinical trials of our product candidates, including statements regarding the timing of initiation and completion of studies or trials and related preparatory work, the period during which the results of the trials will become available and our research and development programs;
- our ability to continue to develop innovative, proprietary products that address significant clinical needs in a manner that is safe and effective for patients and easy-to-use for physicians;
- our ability to obtain and maintain regulatory clearances or approvals;
- our ability to demonstrate safety and effectiveness in our sponsored and third-party clinical trials;
- our ability to increase physician awareness;
- our ability to obtain and maintain coverage and adequate reimbursement for procedures using our products;
- our ability to attract and retain skilled research, development, sales and clinical personnel;
- our ability to cost-effectively manufacture, market and sell our products;
- our estimates of our market opportunity;
- our expectations regarding the scope of protection from intellectual property rights covering our products;
- developments or disputes concerning our intellectual property or other proprietary rights;
- timing of and results from our clinical trials and other studies;
- marketing clearances and authorization from the FDA and regulators in other jurisdictions;
- timing of regulatory filings and feedback;
- competition in the markets we serve;
- our expectations of the reliability and performance of our products;
- our expectations of the benefits of our products to patients, providers, and payors;
- the impact of proposed tariffs on our business, including the impact on gross margins related to our international product sales and the impact of resulting economic uncertainty on demand for our products;
- our reliance on a limited number of suppliers, including sole source suppliers, which may impact the availability of instruments and materials;
- our ability to sustain or increase demand for our products;
- our estimates regarding our costs and risks associated with our international operations and expansion;
- our ability to attract and retain employees, including those with specialized skills and experience;
- our expectations regarding strategic operations;
- our compliance with, and the cost of, federal, state, and foreign regulatory requirements;
- our ability to maintain compliance with the continued listing standards of the Nasdaq Capital Market;
- anticipated trends and challenges in our business and the markets in which we operate; and
- our ability to continue as a going concern.

You should not rely on forward-looking statements as predictions of future events. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described under the header "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained herein. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made, and we undertake no obligation to update them to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information or the occurrence of unanticipated events, except as required by law.

References in this Quarterly Report on Form 10-Q to "we," "us," "ListCo" or the "Company" refer to Adagio Medical Holdings, Inc. and its consolidated subsidiaries at and after the consummation of the Business Combination (as defined below). References to our "management" or our "management team" refer to our officers and directors. We do not intend our use or display of other companies' trade names or trademarks to imply an endorsement or sponsorship of us by such companies, or any relationship with any of these companies.

We may announce material business and financial information to our investors using our investor relations website (investors.adagiomedical.com). We therefore encourage investors and others interested in Adagio Medical Holdings, Inc. to review the information that we make available on our website, in addition to following our filings with the Securities and Exchange Commission (the "SEC"), webcasts, press releases and conference calls.

Special Note Regarding the November 2026 Reverse Stock Split

On November 6, 2026, the Company effected a one-for-thirty (1-for-30) reverse stock split of its issued and outstanding common stock (the "Reverse Stock Split"). The Company's common stock began trading on The Nasdaq Capital Market on a split-adjusted basis at the opening of trading on November 9, 2026. Unless otherwise indicated, all share and per share amounts in this Quarterly Report on Form 10-Q, including the unaudited condensed consolidated financial statements and the accompanying notes, have been retroactively adjusted to give effect to the Reverse Stock Split for all periods presented. The Reverse Stock Split did not change the number of authorized shares of common stock or the par value of $0.0001 per share. Stockholders who would otherwise have been entitled to receive a fractional share will receive a cash payment in lieu thereof. As a result of the Reverse Stock Split, the common stock and additional paid-in capital amounts in the condensed consolidated balance sheets and statements of stockholders' equity (deficit) have been retroactively adjusted for all periods presented to reflect the reduction in the aggregate par value of common stock, with an offsetting increase to additional paid-in capital. Proportionate adjustments were made to the per share exercise price and the number of shares of common stock that may be purchased upon exercise of outstanding stock options and warrants and the number of shares of common stock reserved for future issuance under the Company's equity compensation plans. Refer to *Note 18 - Subsequent Events* for additional information.

PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements.

Adagio Medical Holdings, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except share data)

	September 30, 2026	December 31, 2025
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 3,095	$ 17,105
Inventory, net	2,719	1,672
Prepaid expenses	1,020	989
Other current assets	79	316
Total current assets	6,913	20,082
Property and equipment, net	939	1,535
Right-of-use assets, net	1,072	697
Intangible assets, net	6,969	6,969
Goodwill, net	13,967	13,967
Other assets	—	3
Total assets	$ 29,860	$ 43,253
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 568	$ 1,082
Accrued liabilities	6,908	6,996
Operating lease liabilities, current	240	155
Total current liabilities	7,716	8,233
Operating lease liabilities, long-term	872	563
Convertible notes payable, net	2,010	21,040
Warrant liabilities	16	132
Deferred tax liabilities, net	883	883
Total liabilities	11,497	30,851
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Common stock, $0.0001 par value; 210,000,000 shares authorized at September 30, 2026 and December 31, 2025; 889,644 and 740,348 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	109,909	108,110
Accumulated other comprehensive income (loss)	14	(99)
Accumulated deficit	(91,560)	(95,609)
Total stockholders' equity	18,363	12,402
Total liabilities and stockholders' equity	$ 29,860	$ 43,253

** Unless otherwise indicated, all share and per share amounts have been retroactively adjusted to give effect to the Reverse Stock Split effected on November 6, 2026, for all periods presented.*

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

Adagio Medical Holdings, Inc.
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ —	$ —	$ —	$ —
Cost of revenue and operating expenses:				
Cost of revenue	—	31	—	626
Research and development	1,799	2,774	6,990	8,404
Selling, general, and administrative	2,572	2,916	7,515	8,892
Total cost of revenue and operating expenses	4,371	5,721	14,505	17,922
Loss from operations	(4,371)	(5,721)	(14,505)	(17,922)
Other income (expense):				
Convertible notes fair value adjustment	22,950	(3,508)	20,725	(1,891)
Warrant liabilities fair value adjustment	66	(231)	116	(334)
Interest expense	(843)	(749)	(2,426)	(2,131)
Interest income	40	79	219	345
Other (expense) income, net	(2)	12	(1)	155
Total other income (expense), net	22,211	(4,397)	18,633	(3,856)
Net income (loss)	$ 17,840	$ (10,118)	$ 4,128	$ (21,778)
Other comprehensive income (loss):				
Foreign currency translation adjustment	4	4	113	(96)
Comprehensive income (loss)	$ 17,844	$ (10,114)	$ 4,241	$ (21,874)
Basic net income (loss) per share	$ 2.40	$ (19.73)	$ 0.56	$ (42.48)
Diluted net income (loss) per share	$ (5.13)	$ (19.73)	$ (17.13)	$ (42.48)
Weighted-average shares used to compute net income (loss) per common share, basic	747,657	512,718	742,811	512,618
Weighted-average shares used to compute net income (loss) per common share, diluted	833,254	512,718	828,408	512,618

** Unless otherwise indicated, all share and per share amounts have been retroactively adjusted to give effect to the Reverse Stock Split effected on November 6, 2026, for all periods presented.*

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

Adagio Medical Holdings, Inc.
Condensed Consolidated Statements of Stockholders' Equity (Deficit)
(in thousands, except share data)
(unaudited)

Three Months Ended September 30, 2026

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total Stockholders' (Deficit) Equity
	Shares	Amount				
Balance as of June 30, 2026 (unaudited)	740,348	$ —	$ 108,978	$ (109,403)	$ 10	$ (415)
Foreign currency translation adjustment	—	—	—	3	4	7
Conversion of convertible notes	149,296	—	713			713
Stock-based compensation	—	—	218	—	—	218
Net income	—	—	—	17,840	—	17,840
Balance as of September 30, 2026 (unaudited)	889,644	$ —	$ 109,909	$ (91,560)	$ 14	$ 18,363

Nine Months Ended September 30, 2026

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive (Loss) Income	Total Stockholders' Equity (Deficit)
	Shares	Amount				
Balance as of December 31, 2025	740,348	$ —	$ 108,110	$ (95,609)	$ (99)	$ 12,402
Foreign currency translation adjustment	—	—	—	(79)	113	34
Conversion of convertible notes	149,296	—	713	—		713
Stock-based compensation	—	—	1,086	—	—	1,086
Net income	—	—	—	4,128	—	4,128
Balance as of September 30, 2026 (unaudited)	889,644	$ —	$ 109,909	$ (91,560)	$ 14	$ 18,363

Three Months Ended September 30, 2025

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity (Deficit)
	Shares	Amount				
Balance as of June 30, 2025 (unaudited)	512,718	$ —	$ 90,949	$ (82,184)	$ (99)	$ 8,666
Foreign currency translation adjustment	—	—	—	(1)	4	3
Stock-based compensation	—	—	137	—	—	137
Net loss	—	—	—	(10,118)	—	(10,118)
Balance as of September 30, 2025 (unaudited)	512,718	$ —	$ 91,086	$ (92,303)	$ (95)	$ (1,312)

Nine Months Ended September 30, 2025

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity (Deficit)
	Shares	Amount				
Balance as of December 31, 2024	506,607	$ —	$ 90,497	$ (70,586)	$ 1	$ 19,912
Foreign currency translation adjustment	—	—	—	61	(96)	(35)
Issuance of Waiver Shares	6,111	—	—	—	—	—
Stock-based compensation	—	—	589	—	—	589
Net loss	—	—	—	(21,778)	—	(21,778)
Balance as of September 30, 2025 (unaudited)	512,718	$ —	$ 91,086	$ (92,303)	$ (95)	$ (1,312)

** Unless otherwise indicated, all share and per share amounts have been retroactively adjusted to give effect to the Reverse Stock Split effected on November 6, 2026, for all periods presented.*

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

Adagio Medical Holdings, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income (loss)	$ 4,128	$ (21,778)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	605	733
Stock-based compensation	1,086	589
Loss on disposal of property and equipment	1	507
Change in fair value of convertible notes payable	(20,725)	1,891
Change in fair value of warrant liabilities	(116)	334
Net change in operating assets and liabilities:		
Accounts receivable, net	—	37
Inventory, net	(1,047)	1,053
Prepaid expenses and other current assets	247	252
Accounts payable	(514)	(1,814)
Accrued liabilities	(86)	4,802
Other accrued liabilities	2,408	2,119
Operating lease liabilities	18	15
Other long-term liabilities	—	(3,616)
Net cash used in operating activities	(13,995)	(14,876)
Cash flows from investing activities:		
Purchases of property and equipment	(12)	(865)
Net cash used in investing activities	(12)	(865)
Cash flows from financing activities:		
Net cash provided by (used in) financing activities	—	—
Effect of foreign currency translation on cash and cash equivalents	(3)	(172)
Net change in cash and cash equivalents	(14,010)	(15,913)
Cash and cash equivalents, at beginning of period	17,105	20,586
Cash and cash equivalents, at end of period	$ 3,095	$ 4,673
Supplemental disclosure of noncash investing and financing activities:		
Conversion of accrued interest on convertible notes into common stock	$ 713	$ —

** Unless otherwise indicated, all share and per share amounts have been retroactively adjusted to give effect to the Reverse Stock Split effected on November 6, 2026, for all periods presented.*

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

Adagio Medical Holdings, Inc.
Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 1 - Description of Organization and Business Operations

Our Company

Adagio Medical Holdings, Inc. together with its wholly-owned subsidiaries (collectively, the "Company"), is a medical technology company focused on the development and commercialization of ablation technologies for the treatment of cardiac arrhythmias. The Company is currently focused on the treatment of ventricular arrhythmias with its purpose-built vCLAS™ Ventricular Ablation Systems. The Company's technologies are based on its proprietary Ultra-Low Temperature Ablation ("ULTA") platform, which is designed to produce durable, contiguous, transmural lesions anywhere in the heart using the Company's differentiated catheters and consoles.

The Company's first-generation vCLAS System is currently under evaluation in the FULCRUM-VT study, a U.S. Investigational Device Exemption ("IDE") Pivotal Study. Enrollment in the FULCRUM-VT IDE was completed in October 2025, and in April 2026, the Company announced the six-month pivotal results from this trial, which were used to support the Company's May 2026 submission to the U.S. Food and Drug Administration ("FDA") of a Premarket Approval ("PMA") application for the vCLAS Ventricular Ablation System. In April 2025, the Company received Breakthrough Device designation from the FDA for the Company's vCLAS Ventricular Ablation System for the treatment of drug-refractory, recurrent, sustained monomorphic ventricular tachycardia ("SMVT") in patients with ischemic or non-ischemic structural heart disease. Legacy Adagio (as defined below) received CE Mark in Europe for the vCLAS Ventricular Ablation System for ventricular tachycardia ("VT") in March 2024.

The Company also has in development its next-generation vCLAS *Ultra* Ventricular Ablation System for the treatment of SMVT, the design of which is faster, smaller and more flexible than its predecessor vCLAS device. The Company received IDE approval from the FDA in April 2026 to expand the Company's FULCRUM-VT trial to evaluate the safety and effectiveness of the vCLAS *Ultra* System and that trial is currently under way in the United States and Canada. This next-generation device, which was designed to improve customer usability, requires only a single freeze.

The Company is also developing a dual therapy ablation platform technology that combines ULTA with pulsed field ablation ("PFA"), which the Company calls pulsed field cryoablation ("PFCA"). The Company is headquartered in Laguna Hills, California.

On July 31, 2024 (the "Closing Date"), ARYA Sciences Acquisition Corp IV, a Cayman Islands exempted company ("ARYA"), Aja Holdco, Inc. ("ListCo"), a Delaware corporation and wholly-owned subsidiary of ARYA, Aja Merger Sub 1, a Cayman Islands exempted company and wholly-owned subsidiary of ListCo ("ARYA Merger Sub"), Aja Merger Sub 2, Inc., a Delaware corporation and wholly-owned subsidiary of ListCo ("Company Merger Sub"), and Adagio Medical, Inc., a Delaware corporation ("Legacy Adagio" or the "Predecessor"), consummated the business combination (the "Business Combination") pursuant to the terms of the Business Combination Agreement, dated February 13, 2024, by and among the foregoing parties, as amended by the Consent and Amendment No. 1 to Business Combination Agreement, dated as of June 25, 2024, by and between ARYA and Adagio (the "Business Combination Agreement").

Pursuant to the Business Combination Agreement, on the Closing Date, (i) ARYA Merger Sub merged with and into ARYA (the "ARYA Merger") and Company Merger Sub merged with and into Legacy Adagio (the "Adagio Merger" and, together with the ARYA Merger, the "Mergers"), with ARYA and Legacy Adagio surviving the Mergers and, after giving effect to such Mergers, each of ARYA and Legacy Adagio becoming a wholly owned subsidiary of ListCo (the time that the ARYA Merger became effective being referred to as the "ARYA Merger Effective Time," the time that the Adagio Merger became effective being referred to as the "Adagio Merger Effective Time," the time after which both Mergers became effective being referred to as the "Closing," and the date on which the Closing occurred being referred to as the "Closing Date"), (ii) ListCo filed with the Secretary of State of the State of Delaware an amended and restated certificate of incorporation of ListCo, and the board of directors of ListCo approved and adopted amended and restated bylaws of ListCo, and (iii) ListCo changed its name to Adagio Medical Holdings, Inc.

In September 2026, the Company adopted a plan to extend its capital resources in connection with initiating a process to explore a full range of strategic alternatives.

The Company's Common Stock (as defined below) began trading on the Nasdaq Capital Market on August 1, 2024, under the symbol "ADGM".

Liquidity and Going Concern

The accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has limited revenue and has experienced recurring operating losses and negative cash flows from operations since its inception and anticipates that it will continue to do so for at least the next several years. While the Company has begun to implement cost reductions in 2026, the Company has finite cash resources available to fund its operations. In September 2026, the Company adopted a plan to extend its capital resources in connection with initiating a process to explore a full range of strategic alternatives. Effective September 23, 2026, the Company reduced its workforce to 18 full-time employees from 43 full-time employees. In connection with the workforce reduction, the Company recognized $0.6 million in one-time severance expenses during the three and nine months ended September 30, 2026, consisting of $0.4 million in research and development expenses and $0.2 million in selling, general, and administrative expenses. No related severance liability remained outstanding as of September 30, 2026. Strategic alternatives under consideration may include, but are not limited to, mergers, acquisitions, partnerships, joint ventures, licensing arrangements or other strategic transactions. If a strategic alternative is not available, the Company will be required to take additional actions to fund the Company's operations, or it may be forced to wind down its operations.

As of September 30, 2026, the Company had cash and cash equivalents of $3.1 million and an accumulated deficit of $91.6 million. The Convertible Securities Notes (as defined below) contain certain covenants, including a requirement to maintain Available Cash (as defined in the Convertible Securities Notes) in an aggregate amount equal to or exceeding $4.0 million. As of September 30, 2026, the Company had failed to maintain the required amount of Available Cash. The Requisite Holders, as defined in the subscription agreements relating to the Convertible Securities Notes, waived the covenant default.

For the three months ended September 30, 2026, net income was $17.8 million, and for the three months ended September 30, 2025, net loss was $10.1 million. For the nine months ended September 30, 2026, net income was $4.1 million, and for the nine months ended September 30, 2025, net loss was $21.8 million.

For the nine months ended September 30, 2026 and September 30, 2025, net cash used in operating activities was $14.0 million and $14.9 million, respectively.

Pursuant to ASC 205-40, Presentation of Financial Statements — Going Concern, the Company evaluates at each annual and interim reporting period whether conditions or events, considered in the aggregate, raise substantial doubt about its ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are issued. As of the report date, the Company does not believe its existing cash and cash equivalents are sufficient to fund its operating and capital expenditure requirements for at least 12 months from the date of issuance of these unaudited consolidated financial statements. Based on its current plans and forecasted expenses, the Company expects that its cash and cash equivalents as of the report date will enable the Company to fund its planned operating expenses and capital expenditure requirements into the first quarter of 2027. The Company has based this estimate on assumptions that may prove to be wrong, and it could exhaust its capital resources sooner than expected.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

These condensed consolidated financial statements have been prepared in accordance with U.S. GAAP. Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the Accounting Standards Codification ("ASC") and Accounting Standards Update ("ASU") of the Financial Accounting Standards Board ("FASB").

Certain information and disclosures normally included in consolidated financial statements presented in accordance with U.S. GAAP have been condensed or omitted. Accordingly, these unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission ("SEC") on March 27, 2026, as amended by the Amendment No. 1 on Form 10-K/A filed with the SEC on July 13, 2026 (the "2025 Annual Report").

Unaudited Interim Financial Information

The accompanying unaudited interim condensed consolidated financial statements include the condensed consolidated balance sheet as of September 30, 2026; the condensed consolidated statements of operations and comprehensive income (loss) and condensed consolidated statements of stockholders' equity (deficit) for the three and nine months ended September 30, 2026 and September 30, 2025; the condensed consolidated statements of cash flows for the nine months ended September 30, 2026 and September 30, 2025; and the related footnote disclosures.

These unaudited interim condensed consolidated financial statements have been prepared in accordance with U.S. GAAP and, in management's opinion, include all adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of the Company's financial position as of September 30, 2026, and its results of operations and comprehensive income (loss) for the three and nine months ended September 30, 2026, and September 30, 2025, and its cash flows for the nine months ended September 30, 2026 and September 30, 2025.

The results for the three and nine months ended September 30, 2026, are not necessarily indicative of the results that may be expected for the year ending December 31, 2026, or for any other interim period.

Reverse Stock Split

On November 6, 2026, subsequent to the balance sheet date but prior to the issuance of these unaudited condensed consolidated financial statements, the Company effected a one-for-thirty (1-for-30) reverse stock split of its issued and outstanding common stock (the "Reverse Stock Split"). Refer to *Note 18 - Subsequent Events* for additional information. In accordance with ASC 260-10-55-12, all share and per share amounts presented in these unaudited condensed consolidated financial statements and the accompanying notes, including common shares issued and outstanding, weighted-average shares outstanding, net income (loss) per share, stock options, warrants, exercise and conversion prices, and shares reserved for issuance, have been retroactively adjusted to reflect the Reverse Stock Split for all periods presented, unless otherwise indicated. The par value of the common stock was not changed by the Reverse Stock Split; accordingly, an amount equal to the reduction in the aggregate par value of common stock has been reclassified to additional paid-in capital for all periods presented, with no effect on total stockholders' equity (deficit).

Emerging Growth Company Status

The Company is an "emerging growth company," as defined in Section 2(a) of the Securities Act of 1933, as amended, (the "Securities Act"), as modified by the Jumpstart our Business Startups Act of 2012 (the "JOBS Act").

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act) are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can elect to opt out of the extended transition period and comply with the requirements that apply to non-emerging growth companies but any such election to opt out is irrevocable. The Company has elected not to opt out of such extended transition period which means that when an accounting standard is issued or revised and it has different application dates for public or private companies, the Company, as an emerging growth company, can adopt the new standard at the time private companies adopt the new or revised standard.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of Adagio Medical Holdings, Inc., and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates and Assumptions

The preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and disclosures of contingent assets and liabilities. These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of revenue and expenses that are not readily apparent from other sources. Actual results could differ from those estimates.

Segments

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources to an individual segment and in assessing performance. The Company's CODM is its Chief Executive Officer. The Company has determined that it operates as one reportable segment, as the CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less from the date of purchase, including its money market account, to be cash equivalents. All of the Company's cash equivalents have liquid markets. Cash deposits held in accounts at each United States financial institution are insured up to $0.25 million by the Federal Deposit Insurance Corporation (FDIC). Cash deposits held in accounts at each European Union financial institution are insured up to €0.1 million by the Deposit Guarantee Scheme. The Company maintains its cash in bank deposit accounts that, at times, may exceed the stated insured limits. Any loss incurred or lack of access to uninsured funds could have a significant adverse impact on the Company's financial condition, results of operations and cash flows. Management does not expect any losses on such accounts. Cash and cash equivalents were $3.1 million and $17.1 million as of September 30, 2026 and December 31, 2025, respectively.

Concentrations of Credit Risk and Off-Balance Sheet Risk

Financial instruments that potentially subject the Company to credit risk consist principally of cash and cash equivalents. The Company deposits its cash and cash equivalents with major financial institutions; however, at times, deposits may exceed the amount of insurance provided. The Company has not experienced any losses on its deposits since inception.

Revenue Recognition

In the European region, the Company may generate product revenue primarily from the sale of catheters (the "Consumables") used with the Company's consoles. The Company may sell its products directly to hospitals and medical centers. To a lesser extent, the Company may also generate lease revenue from the implied rental of consoles loaned to customers at no charge.

Generally, the Company accounts for revenue earned from contracts with customers under ASC 606, Revenue from Contracts with Customers ("ASC 606"). The core principle of ASC 606 is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company recognizes revenue from sales to customers applying the following five steps:

- Step 1: Identify the contract with the customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when, or as, the Company satisfies a performance obligation.

The Company's customer contracts generally have performance obligations that contain deliverables consisting of the Consumables and may also include consoles loaned to customers. The Company evaluates each promise within a multiple-performance obligation arrangement to determine whether it represents a distinct performance obligation. The primary performance obligation in the Company's customer arrangements, from which it derives revenue, is the sale of the Consumables.

When the Company loans the Console to the customer, it retains title to the Console at all times and does not require minimum purchase commitments from the customer related to any Consumables. In such cases, the Company invoices the customer for the Consumables based on customer orders received. Over time, the Company expects to recover the cost of the loaned Console through the customer's continued purchasing and use of additional Consumables. For these reasons, the Company has determined that part of the arrangement consideration for the Consumables is an implied rental payment for use of the Console. Therefore, the Company allocates the arrangement consideration between the lease components (i.e., the Console) and non-lease components (i.e., the Consumables) based on the relative estimated standalone selling price of each distinct performance obligation consistent with ASC 842, Leases and ASC 606. As no revenue was recognized during the three and nine months ended September 30, 2026 and 2025, no revenue was allocated to the lease components during these periods.

Revenue from sales to customers of the Consumables is classified as revenue in the Company's condensed consolidated statements of operations and comprehensive income (loss). The performance obligation to deliver the Consumables is satisfied at the point in time at which control of the goods is transferred to the customer (i.e., FOB Shipping Point). Revenue is recognized when control is transferred to the customer in an amount that reflects the consideration the Company expects to be entitled to in exchange for the product.

Other Revenue Considerations

Revenue is reported net of sales tax. The Company has made the accounting policy election not to recognize a separate performance obligation for the shipment of products to the customer but to account for it as fulfillment cost.

The Company's contracts primarily include fixed consideration. The Company only includes estimated variable amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. Customers are generally required to pay within 30 days.

Any incremental costs to obtain contracts are recorded as selling, general, and administrative expense as incurred due to the short duration of the Company's contracts.

The Company does not assess whether promised goods or services are performance obligations if they are deemed immaterial in the context of the contract with the customer. Additionally, the Company does not assess whether a contract has a significant financing component if the expectation at contract inception is that the period between payment by the customer and the transfer of the promised goods or services to the customer will be one year or less.

For the three and nine months ended September 30, 2026 and September 30, 2025, no revenue was recognized.

Inventory

Inventory consists of raw materials, work-in-process, and finished products and is valued at the lower of cost or net realizable value. The method by which those amounts are removed from the inventory is first-in first-out. Cost may include materials, labor, and manufacturing overhead. The carrying value of inventory is reviewed for potential impairment whenever indicators suggest that the cost of inventory exceeds the carrying value and management adjusts the inventory to its net realizable value. The Company also periodically evaluates inventory for estimated losses from excess quantities and obsolescence and writes down the cost of inventory to net realizable value at the time such determinations are made. Net realizable value is determined using the estimated selling price, in the ordinary course of business, less estimated costs to complete and dispose. Inventory used in research and development activities is expensed when incurred.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the related assets, generally three to five years, or, in the case of leasehold improvements, over the remaining life of the lease term. The Company uses an estimate of three years for the useful life of its consoles.

Property and equipment include equipment that is loaned to customers and located at customer premises. The Company retains ownership of the equipment held for evaluation by customers and has the right to remove the equipment if it is not being utilized according to expectations.

Intangible Assets

Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives. In determining the estimated useful lives of definite-lived intangibles, the Company considers the nature, competitive position, life cycle position and expected future operating cash flows of the acquired asset, as well as its commitment to support these assets through continued investment and legal infringement protection.

The Company's intangible assets subject to amortization and other long-lived assets are reviewed for impairment in accordance with ASC 360, Property, Plant and Equipment, which requires that companies consider whether events or changes in facts and circumstances, both internally and externally, may indicate that an impairment of long-lived assets held for use is present. The Company reviews long-lived assets for impairment at least annually or whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable or that the useful lives of these assets are no longer appropriate. Determination of recoverability is based on an estimate of undiscounted future cash flows resulting from the use of the asset and its eventual disposition. In the event that such cash flows are not expected to be sufficient to recover the carrying amount of the asset, the assets are written down to their estimated fair value, and the loss is recognized in the condensed consolidated statements of operations and comprehensive income (loss).

For the three and nine months ended September 30, 2026 and September 30, 2025, the Company determined that there was no impairment of definite-lived intangible assets.

Indefinite-lived intangible assets consist of In-Process Research and Development ("IPR&D"). Intangible assets with indefinite lives are tested for impairment if impairment indicators arise and, at a minimum, annually. However, an entity is permitted to first assess qualitative factors to determine if a quantitative impairment test is necessary. If, based on the qualitative assessment, the Company determines that it is more likely than not that the asset's fair value is less than its carrying amount, or if the Company elects to bypass the qualitative assessment, the Company performs a quantitative impairment test. The quantitative impairment test consists of a one-step analysis that compares the fair value of the indefinite-lived intangible asset to its carrying amount. If the carrying amount exceeds the fair value, an impairment loss is recognized for this difference.

For the three and nine months ended September 30, 2026 and September 30, 2025, the Company determined that there was no impairment of indefinite-lived intangible assets.

Goodwill

In accordance with ASC 350, Intangibles - Goodwill and Other, the Company tests goodwill for impairment at the reporting unit level. The Company has one reporting unit for goodwill impairment testing purposes.

Goodwill is tested for impairment on an annual basis in the fourth quarter, or more frequently if events or changes in circumstances indicate the carrying value of goodwill may not be recoverable (a "triggering event"). On the occurrence of a triggering event, an entity has the option to first assess qualitative factors to determine whether a quantitative impairment test is necessary. If it is more likely than not that goodwill is impaired, the fair value of the reporting unit (the Company) is compared with its carrying value. An impairment charge is recognized for the amount by which the carrying amount exceeds the fair value, provided the loss recognized cannot exceed the total amount of goodwill.

No goodwill impairment charges were recorded for the three and nine months ended September 30, 2026 and September 30, 2025.

Concentrations

The Company had one supplier exceed 10% of total accounts payable as of September 30, 2026, representing 15% of accounts payable.

The Company had three suppliers exceed 10% of total accounts payable as of December 31, 2025, representing 74% of accounts payable.

The Company's five and ten largest suppliers accounted for approximately 27% and 38%, respectively, of the Company's expenditures for the nine months ended September 30, 2026.

The Company's five and ten largest suppliers accounted for approximately 26% and 40%, respectively, of the Company's expenditures for the nine months ended September 30, 2025.

Impairment of Long-Lived Assets

The Company reviews long-lived assets, including property and equipment and finite-lived intangible assets, for impairment annually or whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. An impairment loss is recognized when the asset's carrying value exceeds the total undiscounted cash flows expected from its use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

For the three and nine months ended September 30, 2026 and September 30, 2025, the Company determined that no impairment of long-lived assets was indicated.

Foreign Currency Translation and Transactions

The assets, liabilities, and results of operations of Adagio Medical GmbH are recorded using the Euro as the designated functional currency, which is the currency of the primary economic environment in which Adagio Medical GmbH operates. Consequently, transactions in currencies other than Euro are measured and recorded in Euro. Upon consolidation with the Company, its assets and liabilities are translated to U.S. Dollars at currency exchange rates as of the condensed consolidated balance sheet date and its revenues and expenses are translated at the weighted-average currency exchange rates during the applicable reporting periods. Translation adjustments resulting from the process of translating this entity's financial statements are reported in accumulated other comprehensive income (loss) in the condensed consolidated balance sheets and foreign currency translation adjustment in the condensed consolidated statements of operations and comprehensive income (loss).

Leases

The Company accounts for its lease property under ASC 842. Under this guidance, arrangements meeting the definition of a lease are classified as operating or financing leases, and are recorded on the condensed consolidated balance sheets as both a right-of-use asset and a lease liability, calculated by discounting fixed lease payments over the lease term at the rate implicit in the lease or the Company's incremental borrowing rate, which is the rate for collateralized borrowings based on the current economic environment, current borrowings, value of leases, currency in which the lease obligation is satisfied, rate sensitivity, lease term and materiality. Lease liabilities are increased by interest and reduced by payments each period, and the right-of-use asset is amortized over the lease term. For operating leases, interest on the lease liability and the amortization of the right-of-use asset results in straight-line rent expense over the lease term. Variable lease expenses are recorded when incurred.

The Company determines whether a contract is or contains a lease at the inception of the contract. A contract will be deemed to be or contain a lease if the contract conveys the right to control and direct the use of identified property or equipment for a period of time in exchange for consideration. The Company generally must also have the right to obtain substantially all of the economic benefits from the use of the property and equipment.

In calculating the right-of-use asset and lease liability, the Company elected to combine lease and non-lease components for its real estate leases. The Company adopted the policy election to exclude short-term leases having initial terms of twelve months or less from the initial recognition provisions of ASC 842. Refer to *Note 10 - Operating Leases* for additional details.

The Company's implied rental agreements for its consoles qualify as operating leases and as such, revenue is recognized in accordance with ASC 842, Leases and ASC 606, Revenue from Contracts with Customers. As no revenue was recognized during the three and nine months ended September 30, 2026 and September 30, 2025, no revenue was allocated to the lease components during these periods.

Cost of Revenue

Cost of revenue includes raw materials, direct labor, manufacturing overhead, shipping and receiving costs and other less significant indirect costs related to the production of the Company's products.

Historically, cost of revenue also included depreciation expense related to consoles loaned to customers. Following the pause in commercial activity in Europe in 2025, the Company classified depreciation expense associated with these consoles within research and development expenses.

Research and Development

Research and development expenses consist primarily of salaries and employee-related costs (including stock-based compensation) for personnel directly engaged in research and development activities, consulting fees, clinical trial expenses, equipment costs, prototype development costs, patent-related expenses, allocated rent and facilities costs, and depreciation. Research and development costs are expensed as incurred.

Selling, General, and Administrative

Selling, general, and administrative expenses consist primarily of salaries and employee-related costs (including stock-based compensation) for personnel in executive, finance and other administrative functions, allocated rent and facilities costs, legal fees, corporate and financial matters, professional fees for accounting and consulting services, marketing costs and insurance costs. The Company expenses all selling, general, and administrative costs as incurred.

Fair Value Measurements

Fair value measurements are based on the premise that fair value is an exit price representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the following three-tier fair value hierarchy is used in determining the inputs for measuring fair value:

- Level 1-Quoted prices in active markets for identical assets or liabilities.
- Level 2-Observable inputs other than Level 1 prices for similar assets or liabilities that are directly or indirectly observable in the marketplace.
- Level 3-Unobservable inputs which are supported by little or no market activity and consist of financial instruments valued using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

Financial instruments measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. The use of different assumptions and/or estimation methodologies may have a material effect on estimated fair values. Accordingly, the fair value estimates disclosed, or initial amounts recorded may not be indicative of the amount that the Company or holders of the instruments could realize in a current market exchange. The fair value of the convertible notes payable and warrant liabilities may be impacted by certain unobservable inputs, most significantly with regard to discount rates, expected volatility and historical and projected performance. Significant changes to these inputs in isolation could result in a significantly different fair value measurement.

Fair Value Option for Convertible Notes

As permitted under ASC 825, Financial Instruments ("ASC 825"), the Company elected the fair value option to account for the Convertible Securities Notes, in order to measure those liabilities at amounts that more accurately reflect the current economic environment in which the Company operates.

The Convertible Securities Notes were recorded at fair value at issuance and subsequently were remeasured to fair value at the end of each reporting period. The change in fair value of the Convertible Securities Notes, including amounts related to interest, is recorded in "Convertible notes fair value adjustment."

As a result of applying the fair value option, direct costs and fees related to the issuance of the Convertible Securities Notes were expensed as incurred (i.e., not recognized as deferred costs). Refer to *Note 3 - Fair Value Measurements* for further detail.

Warrants

The Company has Milestone Warrants (as defined below) issued along with the 2025 PIPE Pre-funded Warrants (as defined below) issued in the 2025 PIPE Financing (as defined below), which are classified as equity. The Company has Convert Warrants (as defined below) issued along with the Convertible Securities Notes, issued in the 2024 PIPE Financing (as defined below), which are classified as liabilities. The Company also has PIPE Base Warrants (as defined below) issued in the 2024 PIPE Financing, which are classified as equity.

The Company determines the classification of warrants based on an assessment of the warrant's specific terms and applicable authoritative guidance in ASC Topic 480, Distinguishing Liabilities from Equity, and ASC Topic 815, Derivatives and Hedging ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments and meet all of the requirements for equity classification, including whether the warrants are indexed to the Company's own shares of common stock, among other conditions for equity classification. This assessment is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding. For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are classified as liabilities and are required to be recorded at their initial fair value on the date of issuance, and each balance sheet date thereafter until settlement. Changes in the estimated fair value of the liability-classified warrants are recognized in warrant liabilities fair value adjustment in the condensed consolidated statements of operations and comprehensive income (loss).

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is reassessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to a liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities are classified in the condensed consolidated balance sheets as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within twelve months of the condensed consolidated balance sheet date.

Refer to *Note 9 - Warrants* for additional information related to the warrants.

Stock-Based Compensation

The Company recognizes compensation expense for all stock-based awards issued to employees and non-employees based on the estimated grant-date fair value, which is recognized as expense on a straight-line basis over the requisite service period. The Company has elected to recognize forfeitures as they occur. The fair value of stock options is determined using the Black-Scholes-Merton option-pricing model. The determination of fair value for stock-based awards on the date of grant using an option-pricing model requires management to make certain assumptions including expected volatility, expected term, risk-free interest rate and expected dividends in addition to the Company's common stock valuation.

The Company does not have sufficient historical exercise and post-vesting termination activity to provide accurate data for estimating the expected term of options and has opted to use the "simplified method," whereby the expected term equals the arithmetic average of the vesting term and the original contractual term of the option. Based on the lack of historical data of volatility for the Company's common stock, the Company bases its estimate of expected volatility on an average of the historical volatility of comparable public medical technology companies that reflect volatility characteristics relevant to the Company's expected volatility analysis. The dividend yield is based upon the assumption that the Company will not declare a dividend over the life of the options. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for bonds with maturities consistent with the expected term of the related award. Refer to *Note 13 - Stock-Based Compensation*.

Income Taxes

Income taxes are recorded in accordance with ASC 740, Income Taxes ("ASC 740"), which provides for deferred taxes using an asset and liability approach. The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the condensed consolidated financial statements. Deferred tax assets and liabilities are determined based on the difference between the condensed consolidated financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse and include Net Operating Loss ("NOL") carryforwards and Research and Development ("R&D") tax credit carryforwards. Valuation allowances are provided if, based upon the weight of available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

The Company accounts for uncertain tax positions in accordance with the provisions of ASC 740. When uncertain tax positions exist, the Company recognizes the tax benefit of tax positions to the extent that the benefit would more likely than not be realized assuming examination by the taxing authority. The determination as to whether the tax benefit will more likely than not be realized is based upon the technical merits of the tax position as well as consideration of the available facts and circumstances.

ASU 2019-12, Simplifying the Accounting for Income Taxes, was adopted in the first quarter of 2021 and the Company has recorded franchise taxes not based on income outside of income tax expense. The Company's practice is to recognize interest and/or penalties related to income tax matters in income tax expense. The Company had no accrual for interest or penalties on its condensed consolidated balance sheets and did not recognize any interest or penalties in its condensed consolidated statements of operations and comprehensive income (loss) for the three and nine months ended September 30, 2026 and September 30, 2025, respectively.

To date, there have been no interest or penalties charged in relation to the unrecognized tax benefits. Refer to *Note 15 - Income Taxes* for additional details.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued Accounting Standards Update ASU 2023-09, Income Taxes (Topics 740): Improvements to Income Tax Disclosures, ("ASU 2023-09"), which improves the transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the effective tax rate reconciliation and income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. ASU 2023-09 is effective for annual periods beginning after December 15, 2024. The new standard permits early adoption and can be applied prospectively or retrospectively. The Company adopted the updated standard in 2025 and the adoption did not have a material impact on its consolidated financial statements and related disclosures.

Recently Issued Accounting Pronouncements

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements, which clarifies the guidance on interim financial reporting by improving the organization of existing disclosure requirements and establishing a principle requiring disclosure of events and changes since the end of the most recent annual reporting period that have a material impact on an entity. The amendments are effective for interim reporting periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The amendments may be applied prospectively or retrospectively. The Company is currently evaluating the impact of this guidance.

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses, which requires annual and interim disclosure of disaggregated disclosures of certain costs and expenses on the income statement. The standard is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. Amendments are applied on a prospective basis with retrospective application permitted. The Company is currently evaluating the impact of this guidance.

Note 3 - Fair Value Measurements

The Company's financial instruments include its money market accounts (included as part of cash and cash equivalents), accounts receivable, accounts payable, common stock warrant liabilities (i.e., the Convert Warrants), and convertible notes payable (i.e., the Convertible Securities Notes). The recorded carrying amounts of cash and cash equivalents, accounts receivable and accounts payable approximate fair value due to their short-term nature. The convertible notes and common stock warrant liabilities are carried at fair value.

Assets and liabilities recognized at fair value on a recurring basis in the condensed consolidated balance sheets consist of cash equivalents, common stock warrant liabilities, and convertible notes payable. These items are categorized based upon the level of judgment associated with the inputs used to measure their fair values. Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following tables summarize the Company's financial instruments at fair value based on the fair value hierarchy for each class of instrument (in thousands):

September 30, 2026	**Level 1**	**Level 2**	**Level 3**
Assets:			
Money Market Account	$ 2,819	$ —	$ —
Liabilities:			
Convertible Securities Notes (including accrued interest)	$ —	$ —	$ 2,010
Convert Warrants	$ —	$ —	$ 16

December 31, 2025	**Level 1**	**Level 2**	**Level 3**
Assets:			
Money Market Account	$ 16,710	$ —	$ —
Liabilities:			
Convertible Securities Notes (including accrued interest)	$ —	$ —	$ 21,040
Convert Warrants	$ —	$ —	$ 132

There were no transfers made among the three levels in the fair value hierarchy for the nine months ended September 30, 2026 and for the year ended December 31, 2025.

Convertible Securities Notes

On July 31, 2024, the Company issued the $20.0 million Convertible Securities Notes to the Convert Investors (as defined below) having a maturity of three years and nine months after the Closing. The interest is accrued by quarterly compounding based on a 13% interest rate per annum. The Company received the funding from the Convertible Securities Notes as at the Closing. Refer to *Note 8 - Debt* for details.

The Company measures the Convertible Securities Notes at fair value based on significant inputs not observable in the market, which caused them to be classified as Level 3 measurements within the fair value hierarchy.

During the period ended September 30, 2026, the Company changed its valuation technique from a binomial lattice model to a Monte Carlo simulation model as a result of changes in facts and circumstances affecting the convertible debt. These developments included the commencement of conversions of a portion of the debt into common stock, an increased probability of additional near-term conversions, and the uncertainty of the outcome of the Company's evaluation of strategic alternatives. The Monte Carlo simulation was determined to better reflect the current economic characteristics of the instrument because it allows the Company to model multiple potential conversion and transaction scenarios and the probability and timing associated with those scenarios. The valuation incorporated probability weightings of 90% and 10%.

The following table summarizes the significant inputs as of the valuation dates:

Convertible Securities Notes	September 30, 2026 Scenario A	September 30, 2026 Scenario B	December 31, 2025
Scenario probability	90 %	10 %	—
Common stock price	$ 4.50	$ 4.50	$ 31.20
Discount rate	28.53 %	28.23 %	26.30 %
Expected term (years)	0.50	0.08	2.33
Risk-free interest rate	4.24 %	3.94 %	3.44 %
Volatility	150 %	260 %	70 %

The following table presents changes in the Level 3 convertible promissory notes measured at fair value for the nine months ended September 30, 2026 (in thousands):

Convertible Securities Notes - Nine Months Ended September 30, 2026	
Balance (beginning of period)	$ 21,040
Accrued interest	2,408
Conversions into common stock	(713)
Fair value measurement adjustments	(20,725)
Balance (end of period)	$ 2,010

During September 2026, a Holder converted $0.7 million of accrued interest on the Convertible Securities Notes into 149,296 shares of common stock. Of the $20.7 million fair value measurement adjustment recognized for the nine months ended September 30, 2026, a realized loss of $101 thousand relates to the notes converted, measured through the respective conversion dates, and an unrealized gain of $20,826 thousand relates to the notes outstanding at September 30, 2026.

The following table presents changes in the Level 3 convertible promissory notes measured at fair value for the nine months ended September 30, 2025 (in thousands):

Convertible Securities Notes - Nine Months Ended September 30, 2025	
Balance (beginning of period)	$ 17,180
Accrued interest	2,120
Fair value measurement adjustments	1,891
Balance (end of period)	$ 21,191

Warrant Liabilities

Convert Warrants

On July 31, 2024, the Company issued 50,000 Convert Warrants in connection with the issuance of the $20.0 million Convertible Securities Notes. Refer to *Note 9 - Warrants* for additional information.

As set forth in the agreement of the Convertible Securities Notes, the Convert Warrants are exercisable on a cashless basis or on a gross basis for one share of the Company's common stock at $720.0 per share, subject to adjustments. The Company may be required to cash settle the Convert Warrants if it fails to timely deliver shares to the holder who exercises the Convert Warrants or upon the occurrence of a fundamental transaction. It is determined that the Convert Warrants do not meet the equity classification requirements under ASC 815 as the Convert Warrants may require cash settlement outside of the Company's control upon a failure of timely delivery of shares or a fundamental transaction, and therefore the Convert Warrants are accounted for as derivative liabilities, and measured at fair value both initially and subsequently with changes in fair value recognized as warrant liabilities fair value adjustment within the condensed consolidated statements of operations and comprehensive income (loss).

The Convert Warrants are classified as Level 3 measurements within the fair value hierarchy. As of September 30, 2026, the Company estimated their fair value using a probability-weighted expected return method (PWERM), incorporating Black-Scholes-Merton option pricing calculations and estimates of future outcomes. The valuation incorporated probability weightings of 90% and 10%. As of December 31, 2025, the Company used the Black-Scholes-Merton option pricing model without scenario weighting to value the Convert Warrants. The following table summarizes the significant inputs as of the valuation dates:

Convert Warrants	September 30, 2026 Scenario A	September 30, 2026 Scenario B	December 31, 2025
Scenario probability	90 %	10 %	—
Common stock price	$ 20.10	$ 4.50	$ 31.20
Exercise price	$ 720.00	$ 720.00	$ —
Expected term (years)	4.34	4.84	5.58
Risk-free interest rate	4.94 %	4.96 %	3.72 %
Volatility	65 %	120 %	70 %
Discount rate	11.03 %	—	—
Discount term (years)	0.50	—	—

The following table presents changes in the Level 3 Convert Warrants measured at fair value for the nine months ended September 30, 2026 (in thousands):

Convert Warrants - Nine Months Ended September 30, 2026	
Balance (beginning of period)	$ 132
Fair value measurement adjustments	(116)
Balance (end of period)	$ 16

The following table presents changes in the Level 3 Convert Warrants measured at fair value for the nine months ended September 30, 2025 (in thousands):

Convert Warrants - Nine Months Ended September 30, 2025	
Balance (beginning of period)	$ 152
Fair value measurement adjustments	334
Balance (end of period)	$ 486

Note 4 - Inventory, net

Inventory as of September 30, 2026 and December 31, 2025, consists of the following (in thousands):

	September 30, 2026	December 31, 2025
Raw materials	$ 2,187	$ 1,423
Work-in-Process	81	163
Finished goods	451	86
Total inventory	$ 2,719	$ 1,672

Obsolete and expired inventory are expensed as incurred. Inventory is recorded net of obsolescence and manufacturing scrap of $149 thousand and $0.3 million as of September 30, 2026 and December 31, 2025, respectively. As of September 30, 2026, all the Company's inventory is related to catheters and consoles.

Note 5 - Property and Equipment

The Company's property and equipment, net, as of September 30, 2026 and December 31, 2025, consists of the following (in thousands):

	September 30, 2026	December 31, 2025
Consoles	$ 2,255	$ 2,199
Machinery and equipment	938	1,036
Leasehold improvements	296	296
Tools and molds	233	233
Computer equipment	256	250
Demo equipment	66	66
Furniture and fixtures	64	65
Vehicles	39	39
Total property and equipment	4,147	4,184
Less: accumulated depreciation	(3,208)	(2,649)
Property and equipment, net	$ 939	$ 1,535

Depreciation expense was $0.2 million and $0.6 million for the three and nine months ended September 30, 2026, respectively, and $0.2 million and $0.7 million for the three and nine months ended September 30, 2025, respectively.

Note 6 - Goodwill and Intangible Assets

The Company's intangible assets, net, as of September 30, 2026 and December 31, 2025, consist of the following (in thousands):

		September 30, 2026		
	Useful Life (years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
IPR&D	Indefinite	$ 6,969	$ —	$ 6,969
Total		$ 6,969	$ —	$ 6,969

		December 31, 2025		
	Useful Life (years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
IPR&D	Indefinite	$ 6,969	$ —	$ 6,969
Total		$ 6,969	$ —	$ 6,969

During the three and nine months ended September 30, 2026, the Company performed a qualitative assessment of its indefinite-lived intangible assets for impairment and determined that no indicators of impairment were present. Based on this assessment, the Company concluded that it was not more likely than not that the fair value of the indefinite-lived intangible assets was less than their carrying amounts.

Based on the Company's qualitative analysis, no intangible asset impairment charges were recorded for the three and nine months ended September 30, 2026.

During the year ended December 31, 2025, the Company performed a qualitative assessment of its indefinite-lived intangible assets for impairment and determined that no indicators of impairment were present. Based on this assessment, the Company concluded that it was not more likely than not that the fair value of the indefinite-lived intangible assets was less than their carrying amounts. Accordingly, no quantitative impairment testing was required. No impairment charges related to indefinite-lived intangible assets were recorded during the year ended December 31, 2025.

The following table presents the changes in goodwill (in thousands):

	September 30, 2026		
	Carrying Amount	Impairment	Net Carrying Amount
Goodwill	$ 13,967	$ —	$ 13,967

	December 31, 2025		
	Carrying Amount	Impairment	Net Carrying Amount
Goodwill	$ 13,967	$ —	$ 13,967

During the three and nine months ended September 30, 2026, the Company performed a qualitative assessment of goodwill for impairment and determined that no indicators of impairment were present. Based on this assessment, the Company concluded that it was not more likely than not that the fair value of the reporting unit was less than its carrying amount. Accordingly, no quantitative impairment testing was required. No impairment charges related to goodwill were recorded during the three and nine months ended September 30, 2026.

During the year ended December 31, 2025, the Company performed a qualitative assessment of goodwill for impairment and determined that no indicators of impairment were present. Based on this assessment, the Company concluded that it was not more likely than not that the fair value of the reporting unit was less than its carrying amount. Accordingly, no quantitative impairment testing was required. No impairment charges related to goodwill were recorded during the year ended December 31, 2025.

Note 7 - Accrued Liabilities

The following table presents details of accrued liabilities as of September 30, 2026, and December 31, 2025 (in thousands):

	September 30, 2026	December 31, 2025
Accrued deferred professional fees	$ 3,616	$ 3,616
Compensation and related expenses	1,725	1,533
Research and development expenses	989	1,436
Other	578	411
Total accrued liabilities	$ 6,908	$ 6,996

Note 8 - Debt

Outstanding debt as of September 30, 2026, and December 31, 2025, consists of the following (in thousands):

	September 30, 2026	December 31, 2025
Convertible Securities Notes (including accrued interest)	$ 2,010	$ 21,040
Total outstanding debt	$ 2,010	$ 21,040

Convertible Securities Notes

In connection with the execution of the Business Combination Agreement, certain investors ("Convert Investors") executed a securities purchase agreement dated February 13, 2024, with ListCo (the "Convertible Security Subscription Agreement"), pursuant to which ListCo issued on the Closing Date to the Convert Investors $20.0 million of 13% senior secured notes (the "Convertible Securities Notes"), which may be convertible into shares of the Company's common stock at a conversion price of $300.00 per share, subject to adjustment, and 50,000 warrants (the "Convert Warrants"), each Convert Warrant being exercisable on a cashless basis or for cash at a price of $720.00 per share, subject to adjustment.

The $20.0 million Convertible Securities Notes are convertible into shares of the Company's common stock at a conversion price of $300.00 per share, subject to adjustment per the terms of the agreement. In the event of default, the Company may irrevocably elect to permit the holder to effect alternate conversion, for which the conversion calculation and price are specified in the agreement.

On September 23, 2026, the Company notified holders of its Convertible Securities Notes that it would lower the Conversion Price (as defined in the Convertible Securities Notes) of the Convertible Securities Notes for each date during the period commencing on September 23, 2026 and ending on October 31, 2026, subject to extension (each, a "Conversion Price Reduction"), to the Alternate Conversion Price in effect on such applicable date of conversion (as adjusted for stock splits, stock dividends, stock combinations, recapitalizations and similar events, the "New Alternate Conversion Price"). Under the Notes, "Alternate Conversion Price" will be the lower of (x) the Conversion Price then in effect and (y) 85% of the lowest VWAP (as defined in the Convertible Securities Notes) of the common stock during the five (5) consecutive trading day period ending and including the trading day immediately preceding the delivery or deemed delivery of the applicable conversion notice.

Following the Conversion Price Reduction, between September 25, 2026 and September 30, 2026, a Holder exercised its right to convert $712,861 aggregate accrued and unpaid interest of the Convertible Securities Notes, resulting in the issuance of 149,296 shares of Common Stock, calculated using Alternate Conversion Prices ranging from $3.846 to $4.854 per share.

The Convertible Securities Notes have a maturity of three years and nine months after the Closing and interest will be payable in cash or compounded as additional principal outstanding, which accrues on a quarterly basis. At the Company's option, payment of interest can either be (i) made quarterly in cash, or (ii) compounded and become additional principal of the Convertible Securities Notes. As of September 30, 2026, the Company does not anticipate making a cash interest payment within the next 12 months. The Convertible Securities Notes contain certain covenants, including a requirement to maintain Available Cash (as defined in the Convertible Securities Notes) in an aggregate amount equal to or exceeding $4.0 million. As of September 30, 2026, the Company had failed to maintain the required amount of Available Cash. The Requisite Holders, as defined in the subscription agreements relating to the Convertible Securities Notes, waived the covenant default.

The conversion of the convertible notes issued in February 2024 (the "February 2024 Convertible Notes") was carried out on the same terms as the other Convert Investors executing the Convertible Security Subscription Agreement.

For the three and nine months ended September 30, 2026, the Company recognized interest expense of $0.8 million and $2.4 million, respectively.

For the three and nine months ended September 30, 2025, the Company recognized interest expense of $0.7 million and $2.1 million, respectively.

Note 9 - Warrants

Convert Warrants

As described in *Note 3 - Fair Value Measurements* and *Note 8 - Debt*, the Company issued $20.0 million of Convertible Securities Notes and 50,000 Convert Warrants at the Closing. Each of the Convert Warrants is exercisable on a cashless basis, or for one share of the Company's common stock, at an exercise price of $720.00 per share, subject to adjustment. The Convert Warrants expire on the seventh anniversary of the issuance date. In accordance with ASC 815, the Convert Warrants are classified as liabilities.

Refer to *Note 3 - Fair Value Measurements* and *Note 8 - Debt* for additional information related to the Convert Warrants.

PIPE Base Warrants

In connection with the execution of the Business Combination Agreement, ListCo and ARYA entered into Subscription Agreements (the "Initial Subscription Agreements"), with Perceptive Life Sciences Master Fund, Ltd. a Cayman Islands exempted company (the "Perceptive PIPE Investor"), and certain other investors (the "Initial Other PIPE Investors" and, together with the Perceptive PIPE Investor, the "Initial PIPE Investors"). In June 2024, ListCo and ARYA entered into additional Subscription Agreements (the "June Subscription Agreements" and, together with the Initial Subscription Agreements, the "Subscription Agreements") with certain additional investors (the "June PIPE Investors" and, together with the Initial Other PIPE Investors, the "Other PIPE Investors" and, the Other PIPE Investors, together with the Perceptive PIPE Investor, the "PIPE Investors").

Pursuant to the Subscription Agreements, the PIPE Investors committed financing valued at $64.5 million (the "2024 PIPE Financing").

The 2024 PIPE Financing included:

(i) Commitments by certain Other PIPE Investors to purchase $2.5 million of Class A ordinary shares of ARYA in the open market and not to redeem such shares before the Closing, resulting in the issuance of 11,848 shares of the Company's common stock and 9,996 warrants exercisable for shares of the Company's common stock (the "Base Warrants").

(ii) Commitments by certain Other PIPE Investors that were shareholders of ARYA not to redeem 247,700 Class A ordinary shares of ARYA, resulting in the issuance of 13,525 shares of the Company's common stock and 11,458 Base Warrants.

(iii) Agreements by certain Other PIPE Investors to purchase 34,555 shares of the Company's common stock, 48,000 Base Warrants and 22,333 pre-funded warrants (the "2024 PIPE Pre-Funded Warrants") for an aggregate cash investment of $12.0 million in the Company.

(iv) Contribution by the Perceptive PIPE Investor of an aggregate of $29.5 million in April 2023 Convertible Notes, November 2023 Convertible Notes, May 2024 Convertible Notes, June 2024 Convertible Notes and July 2024 Convertible Notes (collectively, the "Bridge Financing Notes"), together with $1.7 million of accrued interest. A total of 145,753 shares of the Company's common stock and 118,000 Base Warrants were issued to settle the Bridge Financing Notes and the related accrued and unpaid interest.

(v) An additional cash investment of $15.9 million by the Perceptive PIPE Investor in exchange for 75,011 shares of the Company's common stock and 63,502 Base Warrants.

On the Closing Date, the Company issued 118,000 Base Warrants along with 145,753 shares of the Company's common stock to settle the outstanding principal and accrued interest of the Bridge Financing Notes.

The Company issued 111,502 Base Warrants along with 109,566 shares of the Company's common stock and 22,333 2024 PIPE Pre-Funded Warrants to the PIPE Investors in exchange for cash proceeds received in the 2024 PIPE Financing.

The Company issued 21,455 Base Warrants along with 25,373 shares of the Company's common stock in exchange for the non-redeemable 468,941 Class A ordinary shares of ARYA held by certain Other PIPE Investors.

The Base Warrants may be exercised for shares of the Company's common stock at any time from the issuance date through the expiration date, which is the fifth anniversary of the issuance date. The Base Warrants may be exercised on a gross or net basis at an exercise price of $300.00 per share.

The Base Warrants had an issuance-date fair value of $72.30 per warrant based on assumptions that included (i) a value of the Company's common stock of $199.20 per share; (ii) a risk-free interest rate of 3.93%; (iii) a dividend yield of zero; (iv) common stock volatility of 84.0% and a volatility haircut of 10%; and (v) a remaining term of five years.

In accordance with ASC 815-40, the Company determined that the Base Warrants associated with the 2024 PIPE Financing are indexed to the Company's common stock and qualify for equity classification. Accordingly, the Base Warrants are accounted for as equity and were initially measured at fair value. The Base Warrants meet the ASC 815-40 indexation and settlement guidance because (i) the Base Warrants may be exercised at any time during the exercise period without contingencies and (ii) the Base Warrants may be settled in a fixed number of shares upon exercise, with any adjustments, such as antidilution and alternative issuance adjustments, consistent with ASC 815, and do not preclude equity classification. Additionally, the Company has sufficient authorized shares available to settle the Base Warrants, and all applicable adjustments are within the control of the Company, further supporting equity classification.

As of September 30, 2026 and December 31, 2025, there were 250,957 Base Warrants outstanding.

2025 PIPE Milestone and Pre-Funded Warrants

On October 14, 2025, the Company entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with certain accredited healthcare investors (the "Purchasers"), pursuant to which the Company issued and sold to the Purchasers in a private placement (the "2025 PIPE Financing"): (i) an aggregate of 326,416 shares (the "Shares") of its common stock, par value $0.0001 per share (the "Common Stock"), or pre-funded warrants to purchase shares of Common Stock in lieu thereof (the "2025 PIPE Pre-Funded Warrants"); and (ii) accompanying (a) Tranche A Warrants to purchase an aggregate of 200,431 shares of Common Stock (or pre-funded warrants in lieu thereof) (the "Tranche A Warrants"), (b) Tranche B Warrants to purchase an aggregate of 200,431 shares of Common Stock (or pre-funded warrants in lieu thereof) (the "Tranche B Warrants"), and (c) Tranche C Warrants to purchase an aggregate of 200,431 shares of Common Stock (or pre-funded warrants in lieu thereof) (the "Tranche C Warrants" and, together with the Tranche A Warrants and Tranche B Warrants, the "Milestone Warrants"), for aggregate gross proceeds of approximately $19.0 million (excluding up to approximately $31.0 million of additional aggregate gross proceeds that may be received in the future upon the cash exercise in full of the Milestone Warrants), before deducting placement agent fees and other expenses payable by the Company. Each Share, or 2025 PIPE Pre-Funded Warrant in lieu thereof, sold pursuant to the Securities Purchase Agreement was accompanied by one Tranche A Warrant, one Tranche B Warrant and one Tranche C Warrant (prior to adjustment for the Reverse Stock Split). The combined purchase price of each Share and accompanying Milestone Warrants was $58.209 (which included $6.909 for the Milestone Warrants sold with each Share in accordance with the rules and regulations of The Nasdaq Stock Market LLC). The combined purchase price of each 2025 PIPE Pre-Funded Warrant and accompanying Milestone Warrants was $58.206 (equal to the combined purchase price per Share and accompanying Milestone Warrants, less $0.003).

Each Milestone Warrant is exercisable for one share of Common Stock at an exercise price of $51.30 per share. The Tranche A Warrants expired unexercised in May 2026. The Tranche B and Tranche C Warrants will expire upon the earlier of (i) five years from the date of issuance or (ii) (a) for the Tranche B Warrants, the date that is thirty (30) days following the Company's announcement of FDA approval of the vCLAS Cryoablation System, and (b) for the Tranche C Warrants, the date that is thirty (30) days following the Company's announcement of FDA approval of its second-generation vCLAS catheter system. The 2025 PIPE Pre-Funded Warrants are exercisable for one share of Common Stock at an exercise price of $0.003 per share. The 2025 PIPE Pre-Funded Warrants are immediately exercisable and may be exercised at any time until all of the 2025 PIPE Pre-Funded Warrants are exercised in full.

A holder of the 2025 PIPE Pre-Funded Warrants or Milestone Warrants, together with its affiliates, may not exercise any portion of such warrants to the extent that the holder would beneficially own more than 4.99% (or, at the holder's option upon issuance, 9.99%) of the Company's outstanding Common Stock immediately after giving effect to such exercise. The beneficial ownership limitation may be changed at the holder's election to a lower or higher percentage not to exceed 19.99%, subject to 61 days' prior notice to the Company and the terms of the applicable warrants. In lieu of making the cash payment otherwise contemplated to be made to the Company upon exercise of a Milestone Warrant, after the deadline for effectiveness of the registration statement to be filed pursuant to the Registration Rights Agreement dated as of October 14, 2025, by and among the Company and the other parties thereto (the "Registration Rights Agreement"), the holder may elect instead to receive upon such exercise (either in whole or in part) the net number of shares of Common Stock determined according to a formula set forth in the Milestone Warrants, provided that such cashless exercise shall only be permitted if, at the time of such exercise, there is no effective registration statement registering the resale of shares of Common Stock underlying the Milestone Warrants or if the prospectus contained in such registration statement is not available for the resale of shares of Common Stock underlying the Milestone Warrants by the Milestone Warrant holder.

In lieu of making the cash payment otherwise contemplated to be made to the Company upon exercise of a 2025 PIPE Pre-Funded Warrant in payment of the aggregate exercise price, the holder may elect instead to receive upon such exercise (either in whole or in part) the net number of shares of Common Stock determined pursuant to the formula set forth in the 2025 PIPE Pre-Funded Warrants.

In accordance with ASC 815-40, the Company determined that the Milestone Warrants and the 2025 PIPE Pre-Funded Warrants issued in connection with the 2025 PIPE Financing are indexed to the Company's common stock and qualify for equity classification. Accordingly, the Milestone Warrants and the 2025 PIPE Pre-Funded Warrants are accounted for as equity and were initially measured at fair value.

The Milestone Warrants and the 2025 PIPE Pre-Funded Warrants meet the ASC 815-40 indexation and settlement guidance based on the following: (i) they may be exercised at any time during the exercise period without contingencies and (ii) may be settled in a fixed number of shares upon exercise, with any adjustments, such as antidilution and alternative issuance adjustments, consistent with ASC 815, and do not preclude equity classification. At issuance, the Milestone Warrants were exercisable for an aggregate of 601,294 shares of the Company's common stock, and the 2025 PIPE Pre-Funded Warrants were exercisable for an aggregate of 133,147 shares of the Company's common stock, representing the maximum number of shares issuable under the agreements. Additionally, the Company has sufficient authorized shares available to settle the Milestone Warrants and the 2025 PIPE Pre-Funded Warrants, and all applicable adjustments are within the control of the Company, further supporting equity classification.

In December 2025, 34,360 2025 PIPE Pre-Funded Warrant shares were exercised on a cash basis for 34,360 shares of the Company's common stock. The exercise price for the 2025 PIPE Pre-Funded Warrants was $0.003 per share.

As of September 30, 2026 and December 31, 2025, there were 98,787 2025 PIPE Pre-Funded Warrants outstanding.

In May 2026, the Tranche A Warrants, which were exercisable for an aggregate of 200,431 shares of the Company's common stock, expired unexercised.

As of September 30, 2026, the remaining Tranche B Warrants and Tranche C Warrants were exercisable for an aggregate of 400,862 shares of the Company's common stock.

Note 10 - Operating Leases

The Company leases distribution and research and development facilities as well as sub-leases office and manufacturing space from third parties under its operating leases. The leases have expirations ranging from January 2030 to March 2031, some of which include rent escalations or an option to extend the lease for up to three years per renewal. The exercise of lease renewal options is at the sole discretion of the Company. Where leases contain an option to renew, any period beyond the option date is only included as part of the lease term if the Company is reasonably certain to exercise the option.

As of September 30, 2026 and December 31, 2025, the Company does not have any finance or short-term leases and has not entered into leases which have not yet commenced that would entitle the Company to significant rights or create additional obligations during the periods as of September 30, 2026 and December 31, 2025.

The following table summarizes quantitative information of the Company's operating leases for the three and nine months ended September 30, 2026 and September 30, 2025.

	Three months ended September 30,		Nine months ended September 30,	
In thousands	**2026**	**2025**	**2026**	**2025**
Operating cash flows paid for operating leases	$ 75	$ 82	$ 243	$ 229

As of September 30, 2026, the weighted average remaining lease term for the Company's operating leases was 3.9 years, and the weighted average discount rate used to determine the present value of the Company's operating leases was 8.0%.

As of December 31, 2025, the weighted average remaining lease term for the Company's operating leases was 3.9 years, and the weighted average discount rate used to determine the present value of the Company's operating leases was 8.0%.

Operating lease cost was $0.1 million and $0.2 million for the three and nine months ended September 30, 2026, respectively.

Operating lease cost was $0.1 million and $0.3 million for the three and nine months ended September 30, 2025, respectively.

The Company did not incur any variable lease cost for the three and nine months ended September 30, 2026 and September 30, 2025.

The following table presents the future minimum payments under the non-cancelable operating leases as of September 30, 2026 (in thousands):

Remaining three months of year ending December 31, 2026	$	75
Year ending December 31, 2027		326
Year ending December 31, 2028		340
Year ending December 31, 2029		354
Year ending December 31, 2030		163
Year ending December 31, 2031		36
Total undiscounted future cash flows		1,294
Less: imputed interest		(182)
Total operating lease liability	$	1,112

Note 11 - Commitments and Contingencies

Litigation

The Company is not currently party to any material legal proceedings. At each reporting date, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. The Company expenses as incurred the costs related to such legal proceedings, if any.

Note 12 - Stockholders' (Deficit) Equity

Common Stock

As of September 30, 2026, the Company's certificate of incorporation, as amended and restated, authorized the Company to issue up to 210,000,000 shares of common stock at a par value of $0.0001 per share, and 20,000,000 shares of preferred stock, par value $0.0001 per share. As of September 30, 2026, 889,644 shares were issued and outstanding, including 38,250 Sponsor Earnout (as defined below).

In September 2024, the Company issued 38,250 shares of the Company's Common Stock (such issuance, the "Sponsor Earnout") to the ARYA Sponsor under the Sponsor Letter Agreement dated February 13, 2024 (the "Sponsor Letter Agreement"). Pursuant to the agreement, the Sponsor Earnout shall be unvested and vests upon the earlier of: (i) during the period from the effective time to the 10th anniversary of the Closing Date (the "Earn-Out Period"), the stock price of the Company's Common Stock equals or exceeds $720.00 per share for any 20 trading days within any 30 trading day period from and after the Closing Date and (ii) immediately prior to the consummation of a company sale during the Earn-Out Period.

As of the reporting date, the vesting of the Sponsor Earnout was not considered probable.

According to ASC 815, it is determined that the Sponsor Earnout is indexed to the Company's common stock and classified as equity and is initially measured at fair value and not subsequently remeasured. The Sponsor Earnout vests when the Company's stock price meets a stated price or there is a company sale during the earnout period. Upon meeting either vesting condition, the same number of the Company's common stock would be issued and no longer subject to forfeiture or cancellation. The Sponsor Earnout meets the ASC 815-40 indexation guidance. Specifically, the stated stock price and company sale, as the exercise contingencies, do not preclude equity indexation and there is no variability in the number of shares issuable under the Sponsor Earnout. Additionally, the Sponsor Earnout at the issuance meets the ASC 815-40 equity classification criterion as the Company has sufficient authorized shares available to settle the Sponsor Earnout and all the antidilution adjustments are in the control of the Company.

The holders of the Company's common stock are entitled to receive dividends whenever funds are legally available, when and if declared by the Company's Board of Directors. As of September 30, 2026, no cash dividend has been declared to date. Each share of the Company's common stock is entitled to one vote.

The table below summarizes the Company's reserved common stock for further issuance as of September 30, 2026 and December 31, 2025:

	September 30, 2026	December 31, 2025
Base Warrants	250,957	250,957
2025 PIPE Pre-funded Warrants	98,787	98,787
Convertible Securities Notes	104,830	107,744
2025 PIPE Milestone Warrants	400,862	601,294
Convert Warrants	50,000	50,000
Company's common stock issuable upon the exercise of outstanding options under Legacy Adagio's equity plans that were assumed in the Business Combination	219	252
Common stock reserved for future issuance under the 2024 Equity Incentive Plan	315,716	206,591
Common stock reserved for future issuance under the 2024 Key Employee Equity Incentive Plan	111,814	111,814
Common stock reserved for future issuance under the 2024 Employee Stock Purchase Plan	14,709	14,709
Common stock reserved for future issuance	1,347,894	1,442,148

Note 13 - Stock-Based Compensation

Stock-Based Compensation Expense

The following table summarizes the total stock-based compensation expense for the stock options expense recorded in the condensed consolidated statements of operations and comprehensive income (loss) for the three and nine months ended September 30, 2026 and September 30, 2025 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Research and development	$ 4	$ 24	$ 275	$ 112
Selling, general, and administrative	214	113	811	477
Total stock-based compensation expense	$ 218	$ 137	$ 1,086	$ 589

2024 Equity Incentive Plan

The Board of Directors of the Company adopted the 2024 Equity Incentive Plan on July 26, 2024. The purpose of the 2024 Equity Incentive Plan is to promote the success and enhance the value of the Company by linking the individual interests of the members of the Board of Directors, employees, and consultants to those of Company stockholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Company stockholders. The 2024 Equity Incentive Plan authorizes the issuance of up to 149,086 shares of the Company's Common Stock, plus an annual increase on the first day of each year beginning in 2025 and ending in (and including) 2034 equal to the lesser of (A) five percent (5%) of the shares of Common Stock outstanding on a fully diluted basis on the last day of the immediately preceding fiscal year and (B) such smaller number of shares of Company's Common Stock as determined by the Board or the compensation committee thereof. Accordingly, on January 1, 2026, the number of shares of common stock available for issuance under the 2024 Equity Incentive Plan increased by 109,125 shares. The Company may grant an option, a stock appreciation right, a restricted stock award, a restricted stock unit award, a performance stock award, a performance stock unit award, or other stock- or cash-based award, or a dividend equivalent award, which may be awarded or granted under the 2024 Equity Incentive Plan. The awards can be issued to any person who is an employee, a consultant, or a non-employee director.

During the nine months ended September 30, 2026, the Company granted 111,669 awards under this plan.

2024 Key Employee Equity Incentive Plan

The Board of Directors of the Company adopted the 2024 Key Employee Equity Incentive Plan on July 26, 2024. The purpose of the 2024 Key Employee Equity Incentive Plan is to promote the success and enhance the value of the Company by linking the individual interests of key employees of the Company to those of Company stockholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Company stockholders. The 2024 Key Employee Equity Incentive Plan authorizes the issuance of up to 111,814 shares of the Company's Common Stock. The Company may grant an option, a stock appreciation right, a restricted stock award, a restricted stock unit award, a performance stock award, a performance stock unit award, other stock- or cash-based award, or a dividend equivalent award, which may be awarded or granted under the plan. The awards can only be issued to certain individuals as identified in the 2024 Key Employee Equity Incentive Plan who are an employee, a consultant, or a non-employee director.

During the nine months ended September 30, 2026, the Company granted 44,666 awards under this plan.

2024 Employee Stock Purchase Plan

The Board of Directors of the Company adopted the 2024 Employee Stock Purchase Plan on July 26, 2024. The 2024 Employee Stock Purchase Plan provides a means by which eligible employees of the Company and certain designated related corporations may be given an opportunity to purchase shares of the Company's Common Stock. The 2024 Employee Stock Purchase Plan permits the Company to grant a series of purchase rights to eligible employees. The 2024 Employee Stock Purchase Plan authorizes the issuance of up to 14,709 shares of the Company's Common Stock, plus an annual increase on the first day of each year for the ten (10) calendar years immediately after the first Offering Date (as defined in the 2024 Employee Stock Purchase Plan) equal to one percent (1%) of the shares of common stock outstanding on a fully diluted basis on the last day of the immediately preceding fiscal year, provided that the Board or its compensation committee may reduce the amount of the increase in any particular year.

The Company has not granted any purchase rights under this plan as of September 30, 2026.

The following table summarizes stock option activity related to the 2024 Equity Incentive Plan and 2024 Key Employee Equity Incentive Plan during the nine months ended September 30, 2026:

	Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life (years)	Aggregate Intrinsic Value (in thousands)
Outstanding, December 31, 2025	192,836	$ —	—	$ —
Options granted	156,313	31.76	—	—
Options forfeited	(76,135)	32.39	—	—
Outstanding, September 30, 2026	273,014	$ 29.22	8.43	$ —
Options vested, September 30, 2026	106,417	$ 27.87	7.51	$ —
Options vested and expected to vest, September 30, 2026	273,014	$ 29.22	8.43	$ —

As of September 30, 2026, there was $3.5 million of unrecognized compensation cost related to unvested stock options.

As discussed above, the Company has not granted any options under the 2024 Employee Stock Purchase Plan.

Note 14 – Income (Loss) Per Share ("EPS")

The Company calculates basic and diluted net income (loss) per share in conformity with the two-class method required for companies with participating securities. The Company considers the Convertible Securities Notes to be participating securities because they participate, on an as-converted basis, in any distributions declared on the Company's common stock. The Convertible Securities Notes do not have a contractual obligation to share in the Company's losses. The Company's Base Warrants, Milestone Warrants, Convert Warrants and stock options are not participating securities because their holders have no right to receive dividends or distributions prior to exercise. As of the reporting date, none of the Base Warrants, Milestone Warrants or Convert Warrants had been exercised.

Under the two-class method, undistributed earnings allocated to participating securities are subtracted from net income in determining net income attributable to common stockholders. In periods of net loss, no losses are allocated to the Convertible Securities Notes because they have no contractual obligation to share in losses. As the Company incurred a net loss for the three and nine months ended September 30, 2025, the Convertible Securities Notes were not allocated any losses for those periods. For the three and nine months ended September 30, 2026, the Company reported net income. Accordingly, undistributed earnings were allocated between common stockholders and the Convertible Securities Notes in proportion to the weighted-average number of common shares outstanding and the weighted-average number of shares of common stock issuable upon conversion of the Convertible Securities Notes. For this allocation, the as-converted shares were computed on the principal and accrued interest outstanding at September 30, 2026 at the Alternate Conversion Price of $3.846 per share (85% of the lowest five-day volume-weighted average price of the common stock).

Weighted-average common shares used in the basic computation include all issued and outstanding shares of common stock and the 98,787 shares issuable upon exercise of the 2025 PIPE Pre-Funded Warrants. The 2025 PIPE Pre-Funded Warrants are exercisable for only $0.003 per share (i.e., nominal cash consideration), have no expiration date and are not subject to exercise contingencies other than beneficial ownership limitations, so they are considered outstanding from the date of issuance.

Diluted net income (loss) per share is computed using the more dilutive of the two-class method and the if-converted method. Under the if-converted method, the Convertible Securities Notes, which are measured at fair value, are assumed to have been converted at the beginning of the period. The change in fair value of the Convertible Securities Notes recognized in the period is removed from net income, interest expense on the Convertible Securities Notes is added back, and shares issuable upon conversion at the conversion price of $300.00 per share on the principal and accrued interest outstanding at the end of the period (85,597 shares) are added to the denominator. For the three and nine months ended September 30, 2026, the if-converted method resulted in a diluted net loss per share, which is lower than basic net income per share, which is also the diluted net income per share under the two-class method. Accordingly, the Convertible Securities Notes are dilutive, and the if-converted method is presented. For the three and nine months ended September 30, 2025, diluted net loss per share is the same as basic net loss per share because including potentially dilutive securities would be anti-dilutive.

The Base Warrants, Milestone Warrants, Convert Warrants, and stock options were excluded from diluted net income (loss) per share because their effect would be anti-dilutive. For the 2026 periods, the diluted numerator is a net loss after applying the if-converted method to the Convertible Securities Notes, so including additional shares would reduce the net loss per share. In addition, the exercise prices of these instruments exceed the market price of the common stock. No additional shares were included for the Sponsor Earnout because its vesting conditions were not met as of the end of the periods. The Company has not granted any purchase rights under its 2024 Employee Stock Purchase Plan.

The following table sets forth the computation of basic income (loss) per share attributable to common stockholders and the participating securities for the periods presented (in thousands, except share and per share data):

Basic EPS:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(amounts in thousands, except share and per share data)	**2026**	**2025**	**2026**	**2025**
Numerator:				
Net income (loss)	$ 17,840	$ (10,118)	$ 4,128	$ (21,778)
Less: undistributed earnings allocated to participating securities (Convertible Securities Notes)	(16,043)	—	(3,715)	—
Net income (loss) attributable to common stockholders – basic	$ 1,797	$ (10,118)	$ 413	$ (21,778)
Denominator:				
Weighted-average shares outstanding used in computing net income (loss) per share attributable to common stockholders - Basic	747,657	512,718	742,811	512,618
Net income (loss) per share attributable to common stockholders - Basic	$ 2.40	$ (19.73)	$ 0.56	$ (42.48)

The following table sets forth the computation of diluted income (loss) per share attributable to common stockholders for the periods presented (in thousands, except share and per share data):

Diluted EPS:

(amounts in thousands, except share and per share data)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Numerator:				
Net income (loss) – Basic	$ 17,840	$ (10,118)	$ 4,128	$ (21,778)
Less: Adjustment for fair value changes to convertible securities notes	(22,950)	—	(20,725)	—
Add: interest expense on convertible securities notes	836		2,408	
Net income (loss) attributable to common stockholders – Diluted	$ (4,274)	$ (10,118)	$ (14,189)	$ (21,778)
Denominator:				
Weighted-average shares outstanding – Basic	747,657	512,718	742,811	512,618
Weighted-average effect of shares issuable to Convertible Securities Notes (if-converted method)	85,597	—	85,597	—
Weighted-average shares outstanding – Diluted	833,254	512,718	828,408	512,618
Net income (loss) per share attributable to common shares – Diluted (if-converted method)	$ (5.13)	$ (19.73)	$ (17.13)	$ (42.48)

The following potentially dilutive securities were excluded from the computation of diluted net income (loss) per share calculations for the periods presented because the impact of including them would be anti-dilutive:

	September 30, 2026	September 30, 2025
2025 Milestone Warrants	400,862	—
Base Warrants	250,957	250,957
Convert Warrants	50,000	50,000
Earn-out Shares, subject to vesting conditions	38,250	38,250
2025 PIPE Pre-funded Warrants	—	—
Convertible Securities Notes shares	—	—
Stock options outstanding	273,014	252
Total potentially dilutive securities	1,013,083	339,459

Note 15 - Income Taxes

The Company accounts for income taxes in accordance with ASC 740. Under the provisions of ASC 740, management is required to evaluate whether a valuation allowance should be established against its deferred tax assets. The Company currently has a full valuation allowance against its deferred tax assets. As of each reporting date, the Company's management considers new evidence, both positive and negative, that could impact management's view with regard to future realization of deferred tax assets. For the nine months ended September 30, 2026, there was no material change from the fiscal year ended December 31, 2025, in the amount of the Company's deferred tax assets that are not considered to be more likely than not to be realized in future years.

For the three and nine months ended September 30, 2026 and September 30, 2025, the effective tax rate for the Company's operations was 0.0%. The effective tax rate differed from the U.S. federal statutory rate primarily due to state income taxes, losses from the German subsidiary that is subject to different effective tax rates, stock-based compensation, fair value adjustments for convertible notes and warrant liabilities, and a change in the valuation allowance that offset the tax benefit on the current period pre-tax loss.

The Company is subject to U.S. federal income tax as well as income tax of foreign and state tax jurisdictions. The tax years 2021-2025 remain open to examination by the major taxing jurisdictions to which the Company is subject, except the Internal Revenue Service for which the tax years 2022-2025 remain open.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the United States. The OBBBA includes significant changes, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to certain aspects of the international tax framework and the restoration of favorable tax treatment for certain business expense provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The Company has incorporated the provisions that were effective during the third quarter of 2025 and assessed that the impacts did not have a material impact on its condensed consolidated financial statements. The Company will continue to assess any future impacts on its condensed consolidated financial statements and will recognize the income tax effects beginning in the period in which they are effective.

Note 16 - Related Party Transactions

Convertible Securities Notes

In connection with the Business Combination and the Convertible Securities Notes agreement, the Company issued $7.0 million Convertible Securities Notes to Perceptive PIPE Investor, the controlling party of the Company, in exchange for Perceptive PIPE Investor's investment in Legacy Adagio in the form of the February 2024 Convertible Notes. Refer to *Note 8 - Debt* for additional information regarding the Convertible Securities Notes.

2025 PIPE Financing

In connection with the 2025 PIPE Financing, the Company issued 73,016 2025 PIPE Pre-Funded Warrants and Milestone Warrants for an aggregate purchase price of $4,250,000 to Perceptive PIPE Investor, the controlling party of the Company.

Note 17 - Segment Reporting

The Company has one reportable segment managed on a consolidated basis by the Chief Executive Officer (CEO), who is the Chief Operating Decision Maker ("CODM"). In identifying one reportable segment, the Company considered the basis of organization for the design and development and commercialization of ablation technologies for the treatment of cardiac arrhythmias.

The accounting policies of the segment are the same as those described in the summary of significant accounting policies. The CODM assesses performance and decides how to allocate resources based on consolidated net income (loss) as reported in the condensed consolidated statements of operations and comprehensive income (loss). There are no other expense categories regularly provided to the CODM that are not already included in the condensed consolidated statements of operations and comprehensive income (loss). The measure of segment assets is reported on the condensed consolidated balance sheets as total consolidated assets.

A summary of segment net income (loss), including significant segment expenses, is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ —	$ —	$ —	$ —
Less:				
Cost of revenue	—	31	—	626
Research and development	1,799	2,774	6,990	8,404
Selling, general, and administrative	2,572	2,916	7,515	8,892
Total other income (expense), net	22,211	(4,397)	18,633	(3,856)
Net income (loss)	$ 17,840	$ (10,118)	$ 4,128	$ (21,778)

Note 18 - Subsequent Events

Convertible Note Exercises

Between October 1, 2026 and October 22, 2026, a Holder exercised its right to convert $0.3 million aggregate accrued and unpaid interest of the Notes, resulting in the issuance of 93,830 shares of Common Stock, calculated using Alternate Conversion Prices ranging from $2.547 to $3.795 per share. Refer to *Note 8 - Debt* for additional information regarding the New Alternate Conversion Price.

Reverse Stock Split

On October 23, 2026, the Company held a special meeting of stockholders at which its stockholders approved a proposal to effect an amendment to the Company's Amended and Restated Certificate of Incorporation to implement a reverse stock split. On October 23, 2026, the Company's board of directors approved the filing of a certificate of amendment to the Company's Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware to effect the one-for-thirty (1:30) Reverse Stock Split.

On November 6, 2026, the Company effected the Reverse Stock Split and the Company's common stock began trading on a split-adjusted basis on The Nasdaq Capital Market on November 9, 2026. Pursuant to their terms, a proportionate adjustment was made to the per-share exercise price and number of shares issuable under all of the Company's outstanding options and warrants, and the number of shares authorized for issuance pursuant to the Company's equity incentive plans has been reduced proportionately. The Reverse Stock Split did not reduce the number of authorized shares of common stock and did not alter the par value.

No fractional shares were issued as a result of the Reverse Stock Split. Stockholders of record who would have otherwise been entitled to receive a fractional share will receive a cash payment in lieu thereof. The Reverse Stock Split affected all stockholders proportionately and did not affect any stockholder's percentage ownership of the Company's common stock (except to the extent that the Reverse Stock Split resulted in any stockholder owning only a fractional share).

As a result, all common share and per-share amounts presented in the accompanying unaudited condensed consolidated financial statements and related notes, including the related common stock and additional paid-in capital balances, have been retrospectively adjusted to reflect the Reverse Stock Split for all periods presented.

Nasdaq Compliance Extension

On October 26, 2026, the Company received a notice from the Listing Qualifications Department (the "Staff") of The Nasdaq Stock Market LLC ("Nasdaq") granting the Company an extension through February 9, 2027, to regain compliance with the minimum stockholders' equity requirement of $2.5 million under Nasdaq Listing Rule 5550(b)(1). Nasdaq will continue to monitor the Company's compliance with the continued listing requirements. Failure to satisfy the terms of the extension or demonstrate continued compliance upon filing its Quarterly Report on Form 10-Q for the quarter ending March 31, 2027, may result in the delisting of the Company's common stock from the Nasdaq Capital Market.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read together with the condensed consolidated financial statements and the related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q (this "Report"). Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors. Please see "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" in this Report. Unless the context otherwise requires, references in this section of the Report to "we," "us," "Adagio," and "the Company" refer to the business and operations of Adagio Medical Holdings, Inc. and its consolidated subsidiaries. References to our "management" or our "management team" refer to our officers and directors.

Overview

We are a medical device company focused on developing and commercializing products for the treatment of cardiac arrhythmias with our novel, proprietary, catheter-based Ultra-Low Temperature Ablation ("ULTA") platform technology. Our initial focus is on the treatment of ventricular tachycardia ("VT"). VT is a rapid, abnormal heart rhythm, or arrhythmia, that originates in the heart's lower chambers, or ventricles, potentially leading to impaired blood flow and, if sustained, VT can be fatal. VT-associated sudden cardiac death ("SCD") accounts for approximately 300,000 deaths each year in the United States. Radio Frequency ("RF") ablation catheters currently approved to treat VT were primarily designed and approved for the treatment of atrial fibrillation ("AF") and are therefore not designed to optimally treat the specifics of the ventricular anatomy and disease. As a result, VT procedures performed with current devices can be overly complex and can lead to sub-optimal outcomes, factors that have potentially led to the limited growth of VT ablation procedures, and the consequential unmet need in the large population of patients suffering from VT.

Our clinically tested, proprietary ULTA products are purpose-built to treat VT and are designed to address the unique anatomy of the ventricle and the specific needs of the VT patient. Our ULTA approach is built on the hypothesis that large and durable lesions extending through the depth of both diseased and healthy muscular tissue of the ventricle of the heart (ventricular myocardium) is a foundation for improving the effectiveness of VT ablations and patient outcomes. Our differentiated catheters are designed to create large, durable, deep, titratable lesions within the ventricle, all through an endocardial approach and with no required irrigation. In October 2025, we announced completion of enrollment in our FULCRUM-VT Pivotal U.S. Food and Drug Administration ("FDA") Investigational Device Exemption ("IDE") study evaluating our first generation vCLAS Ventricular Ablation System for the treatment of Sustained Monomorphic Ventricular Tachycardia ("SMVT") in patients with both ischemic and nonischemic cardiomyopathy, and in May 2026 we announced the submission of our Premarket Approval ("PMA") application to the FDA for the vCLAS Ventricular Ablation System. The vCLAS System was granted Breakthrough Device Designation by the FDA in April 2025.

We have also developed a faster, smaller next-generation vCLAS *Ultra* Ventricular Ablation System, which is designed to improve customer usability and integration with the existing ablation laboratory workflow. vCLAS *Ultra* features a more flexible, smaller diameter shaft that is compatible with the industry-standard 8.5 Fr sheaths and operates at lower ablation temperatures resulting in shorter, single-freeze ablations. We received IDE approval from the FDA in April 2026 to expand our FULCRUM-VT trial to evaluate the safety and effectiveness of the vCLAS Ultra System and that trial is currently under way in the United States and Canada.

We believe that our purpose-built solutions have the potential to drive additional market growth in the ablative treatment of the large, underserved VT patient population.

We have established a robust cadence of clinical data designed to evaluate our ULTA technology and support regulatory approvals of our product portfolio. Preliminary data suggest that our approach to treating VT offers a favorable combination of safety, acute and chronic effectiveness compared to the current standard of care, including ablation performed using radio frequency ("RF") and/or pulsed field ablation ("PFA") energy sources. The outcomes of our first-in-human CRYOCURE-VT trial, which included 64 patients in nine centers in the European Union and Canada, were used to support the March 2024 Conformité Européenne ("CE Mark") approval of our vCLAS Ventricular Ablation System for VT. Our 209-patient FULCRUM-VT IDE pivotal clinical trial completed enrollment in October 2025 across 19 centers in the United States and Canada. The study includes patients with both ischemic ("ICM") and non-ischemic ("NICM") cardiomyopathies (LVEF=35+/-10%, 33% NICM, 75% with congestive heart failure). In our preliminary acute safety and efficacy results, which we shared in October 2025, acute clinical success, defined as non-inducibility of target ventricular arrhythmias, was 97.4%, with all clinically relevant VTs eliminated in 96.7% of patients tested by post-ablation programmed electrical stimulation. Key safety findings included a 2.4% rate of major adverse events, including four (1.9%) peri-procedural deaths, of which one (0.5%) was adjudicated by an independent clinical events committee as definitely related to the investigational device. In April 2026, we announced preliminary 6-month results from our FULCRUM-VT Pivotal IDE clinical trial, which demonstrated 84.3% six-month freedom from ICD shock and a 78% reduction or elimination of amiodarone use. Importantly, vCLAS demonstrated equivalent clinical effectiveness in both ischemic and non-ischemic cardiomyopathy, addressing the largest unmet need in VT ablation. In May 2026, we submitted a PMA application to the FDA for the approval of the vCLAS Ventricular Ablation System.

We have also developed a proprietary dual-therapy ablation technology, which we call Pulsed Field Cryoablation ("PFCA"), that combines PFA with our ULTA technology. Early demonstration of PFCA technology has been performed in the European PARALELL trial in patients with persistent atrial fibrillation and in preclinical studies targeting VT ablations.

We have incurred net losses each year since our inception in 2011. As of September 30, 2026, and December 31, 2025, we had an accumulated deficit of $91.6 million and $95.6 million, respectively. For the three and nine months ended September 30, 2026, we had net income of $17.8 million and $4.1 million, respectively. For the three and nine months ended September 30, 2025, our net loss was $10.1 million and $21.8 million, respectively. The net cash used in operating activities was $14.0 million and $14.9 million, for the nine months ended September 30, 2026 and September 30, 2025, respectively. Substantially all of our accumulated deficit has resulted from costs incurred in connection with our research and development programs and from general and administrative costs associated with our operations. As of September 30, 2026, and December 31, 2025, we had cash of $3.1 million and $17.1 million, respectively.

Strategic Review, Going Concern and Operating Outlook

In September 2026, we adopted a plan to extend our capital resources in connection with initiating a process to explore a full range of strategic alternatives. Strategic alternatives under consideration may include, but are not limited to, mergers, acquisitions, partnerships, joint ventures, licensing arrangements or other strategic transactions. We have not set a timetable for completion of the process for evaluating strategic alternatives and do not intend to disclose further developments or guidance on the status of our programs or the process for evaluating strategic alternatives unless and until it is determined that further disclosure is appropriate or necessary.

The accompanying condensed consolidated financial statements have been prepared on a basis that assumes we will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. We have limited revenue and have experienced recurring operating losses and negative cash flows from operations since our inception and anticipate that we will continue to do so for at least the next several years.

As of the report date, we do not believe our existing cash and cash equivalents are sufficient to fund our operating and capital expenditure requirements for at least 12 months from the date of issuance of the unaudited condensed consolidated financial statements included in this Report. Based on our current research and development plans, we expect to have sufficient resources to fund our planned operations into the first quarter of 2027. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our capital resources sooner than expected. No assurance can be given as to whether additional needed financing will be available on terms acceptable to us, if at all. If sufficient funds on acceptable terms are not available when needed, we may be required to suspend or forego certain planned activities. Failure to manage discretionary spending or raise additional financing, as needed, could adversely impact our ability to achieve our intended business objectives and may have an adverse effect on our results of operations and future prospects. These factors raise substantial doubt about our ability to continue as a going concern for the twelve-month period from the date of this filing with the SEC. Refer to *Note 1 - Description of Organization and Business Operations* in our condensed consolidated financial statements for additional information on the going concern assessment.

Reduction in Force

In September 2026, we adopted a plan to extend our capital resources. Effective September 23, 2026, we reduced our workforce to 18 full-time employees from 43 full-time employees. We incurred one-time expenses of $0.6 million related to these events during the three and nine months ended September 30, 2026.

Recent Developments

Convertible Note Exercises

On September 23, 2026, we notified holders of our Convertible Securities Notes (as defined below) that we would lower the Conversion Price (as defined in the Convertible Securities Notes) of the Convertible Securities Notes for each date during the period commencing on September 23, 2026 and ending on October 31, 2026, subject to extension (each, a "Conversion Price Reduction"), to the Alternate Conversion Price in effect on such applicable date of conversion (as adjusted for stock splits, stock dividends, stock combinations, recapitalizations and similar events, the "New Alternate Conversion Price"). Under the Convertible Securities Notes, "Alternate Conversion Price" is the lower of (x) the Conversion Price then in effect and (y) 85% of the lowest VWAP (as defined in the Convertible Securities Notes) of the common stock during the five (5) consecutive trading day period ending and including the trading day immediately preceding the delivery or deemed delivery of the applicable conversion notice. Between September 25, 2026 and October 22, 2026, a Holder exercised its right to convert $1.0 million aggregate accrued and unpaid interest of the Notes, resulting in the issuance of 243,126 shares of Common Stock, calculated using Alternate Conversion Prices ranging from $2.547 to $4.854 per share. Refer to *Note 8 - Debt* for additional information regarding the New Alternate Conversion Price.

Reverse Stock Split

On October 23, 2026, we held a special meeting of stockholders at which our stockholders approved a proposal to effect an amendment to our Amended and Restated Certificate of Incorporation to implement a reverse stock split. On October 23, 2026, our board of directors approved the filing of a certificate of amendment to our Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware to effect the one-for-thirty (1:30) reverse stock split of our outstanding common stock (the "Reverse Stock Split").

On November 6, 2026, we effected the Reverse Stock Split and our common stock began trading on a split-adjusted basis on The Nasdaq Capital Market on November 9, 2026. Pursuant to their terms, a proportionate adjustment was made to the per-share exercise price and number of shares issuable under all of our outstanding options and warrants, and the number of shares authorized for issuance pursuant to our equity incentive plans has been reduced proportionately. The Reverse Stock Split did not reduce the number of authorized shares of common stock and did not alter the par value.

No fractional shares were issued as a result of the Reverse Stock Split. Stockholders of record who would have otherwise been entitled to receive a fractional share received a cash payment in lieu thereof. The Reverse Stock Split affected all stockholders proportionately and did not affect any stockholder's percentage ownership of our common stock (except to the extent that the Reverse Stock Split resulted in any stockholder owning only a fractional share).

All share and per share amounts in this Quarterly Report on Form 10-Q, including in this Management's Discussion and Analysis of Financial Condition and Results of Operations, have been retroactively adjusted to reflect the Reverse Stock Split for all periods presented.

Description of the Merger

On July 31, 2024 (the "Closing Date"), ARYA Sciences Acquisition Corp IV, a Cayman Islands exempted company ("ARYA"), Aja Holdco, Inc. ("ListCo"), a Delaware corporation and wholly-owned subsidiary of ARYA, Aja Merger Sub 1, a Cayman Islands exempted company and wholly-owned subsidiary of ListCo ("ARYA Merger Sub"), Aja Merger Sub 2, Inc., a Delaware corporation and wholly-owned subsidiary of ListCo ("Company Merger Sub"), and Adagio Medical, Inc., a Delaware corporation ("Legacy Adagio" or the "Predecessor"), consummated the business combination (the "Business Combination") pursuant to the terms of the Business Combination Agreement, dated February 13, 2024, by and among the foregoing parties, as amended by the Consent and Amendment No. 1 to Business Combination Agreement, dated as of June 25, 2024, by and between ARYA and Adagio (the "Business Combination Agreement").

Pursuant to the Business Combination Agreement, on the Closing Date, (i) ARYA Merger Sub merged with and into ARYA (the "ARYA Merger") and Company Merger Sub merged with and into Legacy Adagio (the "Adagio Merger" and, together with the ARYA Merger, the "Mergers"), with ARYA and Legacy Adagio surviving the Mergers and, after giving effect to such Mergers, each of ARYA and Legacy Adagio becoming a wholly owned subsidiary of ListCo (the time that the ARYA Merger became effective being referred to as the "ARYA Merger Effective Time," the time that the Adagio Merger became effective being referred to as the "Adagio Merger Effective Time," the time after which both Mergers became effective being referred to as the "Closing," and the date on which the Closing occurred being referred to as the "Closing Date"), (ii) ListCo filed with the Secretary of State of the State of Delaware an amended and restated certificate of incorporation of ListCo, and the board of directors of ListCo approved and adopted amended and restated bylaws of ListCo, and (iii) ListCo changed its name to Adagio Medical Holdings, Inc.

NASDAQ Notices

Minimum Bid Price Requirement

On June 12, 2026, we received a notice from the Listing Qualifications Department (the "Staff") of The Nasdaq Stock Market LLC ("Nasdaq") notifying us that the listing of our common stock was not in compliance with Nasdaq Listing Rule 5550(a)(2) for continued listing on The Nasdaq Capital Market, as the minimum bid price of our common stock was less than $1.00 per share for the previous 30 consecutive business days (the "Minimum Bid Price Requirement"). In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we have a period of 180 calendar days from the date of notification, or until December 9, 2026, to regain compliance with the Minimum Bid Price Requirement. During this period, our common stock will continue to trade on the Nasdaq Capital Market. If at any time before December 9, 2026, the bid price of our common stock closes at or above $1.00 per share for a minimum of ten consecutive trading days, Nasdaq will provide written notification that we have achieved compliance with this minimum bid price requirement. In the event that we do not regain compliance by December 9, 2026, a second 180-day compliance period may be available if we provide written notice to Nasdaq that we intend to regain compliance with the bid price requirement during the second 180-day compliance period, by effecting a reverse stock split if necessary, and we meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for The Nasdaq Capital Market, except for the bid price requirement. If the Company does not qualify for the second compliance period or fails to regain compliance during the second 180-day period, then Nasdaq will notify the Company that its Common Stock is subject to delisting.

Stockholders' Equity Requirement

On August 13, 2026, we received an additional notice from Staff notifying us that we were not in compliance with the minimum stockholders' equity requirement for continued listing on the Nasdaq Capital Market. Nasdaq Listing Rule 5550(b)(1) requires companies listed on the Nasdaq Capital Market to maintain stockholders' equity of at least $2,500,000 (the "Stockholders' Equity Requirement"). Our Quarterly Report on Form 10-Q for the period ended June 30, 2026, reported stockholders' deficit of $(415,000). As of the date of this Quarterly Report on Form 10-Q, the Company does not have a market value of listed securities of $35 million, or net income from continued operations of $500,000 in the most recently completed fiscal year or in two of the last three most recently completed fiscal years, the alternative quantitative standards for continued listing on the Nasdaq Capital Market.

The notification received had no immediate effect on our continued listing on the Nasdaq Capital Market. In accordance with Nasdaq rules, on September 28, 2026, we submitted a plan to regain compliance (the "Compliance Plan") to the Staff. On October 26, 2026, we received a letter from Nasdaq notifying us that the Staff had granted us an extension until February 9, 2027, to regain compliance with the Stockholders' Equity Requirement. As a result of the non-cash gain recognized on the change in fair value of the Convertible Securities Notes and the conversion of accrued interest on the Convertible Securities Notes into shares of common stock, this Quarterly Report on Form 10-Q reports stockholders' equity of $18.4 million as of September 30, 2026. Accordingly, we believe we have regained compliance with the Stockholders' Equity Requirement as of the date of this Quarterly Report on Form 10-Q based on our reported stockholders' equity as of September 30, 2026. However, Nasdaq will continue to monitor our compliance. If we fail to satisfy the terms of the extension, our common stock may be subject to delisting. There can be no assurance that we will regain or maintain compliance with the Stockholders' Equity Requirement.

Key Factors Affecting Our Performance

We compete primarily on the basis that our products are designed to enable more physicians to treat more patients more efficiently and effectively. Our continued success depends on our ability to:

- continue to develop innovative, proprietary products that address significant clinical needs in a manner that is safe and effective for patients and easy-to-use for physicians;
- obtain and maintain regulatory clearances or approvals;
- demonstrate safety and effectiveness in our sponsored and third-party clinical trials;
- expand our sales force across key markets to increase physician awareness;
- obtain and maintain coverage and adequate reimbursement for procedures using our products;
- attract and retain skilled research, development, sales and clinical personnel;
- cost-effectively manufacture, market and sell our products; and
- obtain, maintain, enforce and defend our intellectual property rights and operate our business without infringing, misappropriating or otherwise violating the intellectual property rights of others.

Innovation

Our business strategy relies significantly on innovation to develop and introduce new products and to differentiate our products from our competitors. In September 2026, we implemented a reduction in workforce and initiated a process to explore strategic alternatives. As a result, we have reduced our planned research and development and manufacturing expenditures to preserve capital resources. The extent and timing of future investments in research and development and manufacturing will depend on available financing, the outcome of our strategic alternatives review and other business considerations.

Regulatory

Our commercial success will depend upon a number of factors, some of which are beyond our control, including the receipt of regulatory clearances, approvals, or authorizations for existing or new product offerings by us, or product enhancements. We must complete additional clinical testing before we can seek regulatory approval in the United States and begin commercialization of our products. After our products are cleared, approved, or authorized, numerous and pervasive regulatory requirements continue to apply. As such, our ability to navigate, obtain and maintain the required regulatory clearances, approvals, or authorizations, as well as comply with other regulatory requirements, for our products will in part drive our results of operations and impact our business.

Investments in Our Growth

Our ability to achieve future growth will depend on several factors, including obtaining additional financing, receiving necessary regulatory approvals and successfully executing our business strategy. Following the September 2026 reduction in workforce and initiation of a strategic alternatives review, future investments in sales and marketing activities will depend on the availability of capital and the outcome of our strategic alternatives review.

Competition

Our industry is intensely competitive, subject to rapid change and significantly affected by new product introductions and other market activities of industry participants. Our most significant competitors are large, well-capitalized companies. We must continue to successfully compete considering our competitors' existing and future products and related pricing and their resources to successfully market to the physicians who could use our products. Publications of clinical results by us, our competitors and other third parties can also have a significant influence on whether, and the degree to which, we are able to gain market share and increase utilization of our products.

Reimbursement and Insurance Coverage

In both U.S. and non-U.S. markets, our ability to successfully commercialize and achieve market acceptance of our products depends, in significant part, on the availability of adequate financial coverage and reimbursement from third-party payors, including governmental payors (such as the Medicare and Medicaid programs in the United States), managed care organizations and private health insurers. Third-party payors decide which treatments they will cover and establish reimbursement rates for those treatments. Our products are purchased by hospitals and other providers who will then seek reimbursement from third-party payors for the procedures performed using our products. Reimbursement systems in international markets vary significantly by country and by region within some countries, and reimbursement approvals must be obtained on a country-by-country basis. In certain international markets, a product must be approved for reimbursement before it can be approved for sale in that country. Furthermore, many international markets have government-managed healthcare systems that control reimbursement for new devices and procedures. In most markets there are private insurance systems as well as government-managed systems.

Key Components of Results of Operations

Revenue

Historically, we have generated product revenue primarily from the sale of the catheters used with our consoles. We have sold our products directly to hospitals and medical centers. To a lesser extent, we also generated lease revenue from the implied rental of consoles loaned to customers at no charge. We recognize revenue in accordance with ASC Topic 606, Revenue from Contracts with Customers, when we transfer promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Please refer to *Note 2 - Summary of Significant Accounting Policies* in our condensed consolidated financial statements for additional details on our revenue recognition policy. Our revenue is subject to fluctuation due to the foreign currency in which our products are sold.

In February 2025, we announced a strategic realignment of resources to prioritize the completion of our FULCRUM-VT U.S. pivotal IDE clinical trial and our product design optimization program. As part of this realignment, we paused the limited European launch of our vCLAS™ catheter and significantly reduced commercial activities. As a result, we did not generate revenue during the three and nine months ended September 30, 2026 and September 30, 2025.

Cost of revenue

Cost of revenue includes raw materials, direct labor, manufacturing overhead, shipping and receiving costs and other less significant indirect costs related to the production of our products. Historically, cost of revenue also included depreciation expense related to consoles loaned to customers. Following the pause in European commercial activities, depreciation expense associated with these consoles was presented within research and development expenses.

Research and development expenses

Research and development expenses are expensed when incurred and are related to the development of our product candidates which includes pre-clinical, clinical, quality assurance, and research and development operational activities. These costs consist of:

- salaries, benefits, and other employee-related costs, including stock-based compensation expense for personnel engaged in research and development functions;
- activities associated with clinical trials performed by third parties;
- professional fees;
- equipment, materials, and costs related to product manufacturing; and
- other operational costs including rent and facilities costs, and depreciation.

We do not track research and development expenses by project or product, as we are at an earlier stage in our pre-clinical and clinical development. Our management believes that the breakdown of research and development expenses by project or product would be arbitrary and would not provide a meaningful assessment.

Selling, general, and administrative expenses

Selling, general, and administrative expenses consist primarily of salaries and employee-related costs (including stock-based compensation) for personnel in executive, finance and other administrative functions, allocated rent and facilities costs, legal fees relating to corporate matters, professional fees for accounting and consulting services, public company costs, insurance costs, and marketing costs. We expense all selling, general, and administrative costs as incurred.

Convertible notes fair value adjustment

The change in fair value of the Convertible Securities Notes (as defined below), including amounts related to interest, is recorded in "Convertible notes fair value adjustment."

In connection with the execution of the Business Combination Agreement, certain investors (the "Convert Investors") executed a securities purchase agreement dated February 13, 2024, with ListCo (the "Convertible Security Subscription Agreement"), pursuant to which ListCo issued on the Closing Date to the Convert Investors $20.0 million of 13% senior secured notes (the "Convertible Securities Notes"), which may be convertible into shares of the Company's common stock at a conversion price of $300.00 per share, subject to adjustment, and 50,000 warrants (the "Convert Warrants"), each Convert Warrant being exercisable on a cashless basis or for cash at a price of $720.00 per share, subject to adjustment. Such $20.0 million of financing in the form of Convertible Securities Notes includes the conversion of the February 2024 Convertible Notes into Convertible Securities Notes and Convert Warrants at Closing.

Warrant liabilities fair value adjustment

We accounted for certain common stock warrants outstanding as warrant liabilities at fair value, determined as of September 30, 2026 using a probability-weighted expected return method that applies the Black-Scholes-Merton option pricing model within each scenario, and using the Black-Scholes-Merton option pricing model without scenario weighting in prior periods. The liability is subject to remeasurement at each reporting period and any change in fair value is recognized as warrant liabilities fair value adjustment in the condensed consolidated statements of operations and comprehensive income (loss).

Interest expense

Interest expense is primarily incurred from our outstanding debt obligations under the Convertible Securities Notes.

Interest income

Interest income consists primarily of interest earned on our cash, cash equivalents, and money market accounts.

Other income (expense), net

Other income (expense), net primarily consists of foreign currency unrealized and realized gain/loss, and other income related to our research and development tax credit.

Results of Operations

Comparison for the three and nine months ended September 30, 2026 to the three and nine months ended September 30, 2025

The following table sets forth a summary of our results of operations (in thousands, except percentages):

	For the three months ended September 30,				*For the nine months ended September 30,*			
	2026	2025	Change		2026	2025	Change	
			$	%			$	%
Revenue	$ —	$ —	$ —	— %	$ —	$ —	$ —	— %
Cost of revenue and operating expenses:								
Cost of revenue	—	31	(31)	(100)	—	626	(626)	(100)
Research and development	1,799	2,774	(975)	(35)	6,990	8,404	(1,414)	(17)
Selling, general, and administrative	2,572	2,916	(344)	(12)	7,515	8,892	(1,377)	(15)
Total cost of revenue and operating expenses	4,371	5,721	(1,350)	(24)	14,505	17,922	(3,417)	(19)
Loss from operations	(4,371)	(5,721)	1,350	(24)	(14,505)	(17,922)	3,417	(19)
Other income (expense):								
Convertible notes fair value adjustment	22,950	(3,508)	26,458	(754)	20,725	(1,891)	22,616	1,196
Warrant liabilities fair value adjustment	66	(231)	297	(129)	116	(334)	450	(135)
Interest expense	(843)	(749)	(94)	13	(2,426)	(2,131)	(295)	14
Interest income	40	79	(39)	(49)	219	345	(126)	(37)
Other (expense) income, net	(2)	12	(14)	(117)	(1)	155	(156)	(101)
Total other income (expense), net	22,211	(4,397)	26,608	(605)	18,633	(3,856)	22,489	(583)
Net income (loss)	$ 17,840	$ (10,118)	$ 27,958	(276)%	$ 4,128	$ (21,778)	$ 25,906	(119)%
Other comprehensive income (loss):								
Foreign currency translation adjustment	4	4	—	—	113	(96)	209	(218)
Comprehensive income (loss)	$ 17,844	$ (10,114)	$ 27,958	(276)%	$ 4,241	$ (21,874)	$ 26,115	(119)%

Revenue

Revenue was nil for each of the three and nine months ended September 30, 2026 and September 30, 2025, due to our pause in commercial activity in Europe.

Cost of revenue

Cost of revenue was nil for the three months ended September 30, 2026, compared to $31 thousand for the three months ended September 30, 2025, representing a decrease of $31 thousand, or 100%. The decrease was primarily attributable to the pause in commercial activity in Europe.

Cost of revenue was nil for the nine months ended September 30, 2026, compared to $0.6 million for the nine months ended September 30, 2025, representing a decrease of $0.6 million, or 100%. The decrease was primarily attributable to the pause in commercial activity in Europe.

Depreciation expense related to consoles loaned to customers was historically classified within cost of revenue. Following the suspension of European commercial activities, such depreciation expense was presented within research and development expenses during the three and nine months ended September 30, 2026.

Research and development expenses

Research and development expenses were $1.8 million for the three months ended September 30, 2026, compared to $2.8 million for the three months ended September 30, 2025, representing a decrease of $1.0 million, or 35%. The decrease was primarily attributable to lower clinical trial expenses and lower operational costs.

Research and development expenses were $7.0 million for the nine months ended September 30, 2026, compared to $8.4 million for the nine months ended September 30, 2025, representing a decrease of $1.4 million, or 17%. The decrease was primarily attributable to lower clinical trial expenses, partially offset by higher operational costs, including the aforementioned depreciation expense.

The following is a breakdown of our research and development costs by type of expense (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Pre-clinical trial costs and other research and development costs	$ 857	$ 807	$ 2,612	$ 2,163
Clinical trial costs	689	1,252	2,295	4,013
Quality assurance costs	269	385	831	1,293
Operational costs	(16)	330	1,252	935
Total research and development expenses	$ 1,799	$ 2,774	$ 6,990	$ 8,404

Our clinical trial expenses relate to trials for our vCLAS Ventricular Ablation Catheter and vCLAS *Ultra* catheter (both FULCRUM-VT). Clinical trial costs include the expenses related to clinical trial studies and other related expenses. Quality assurance includes regulatory fees and third-party service fees. Pre-clinical trial costs and other research and development costs include the expenses resulting from professional fees, prototypes, and animal testing. Operational costs include expenses related to product manufacturing.

Selling, general, and administrative expenses

Selling, general, and administrative expenses were $2.6 million for the three months ended September 30, 2026, compared to $2.9 million for the three months ended September 30, 2025, representing a decrease of $0.3 million, or 12%. The decrease was primarily due to lower professional services expenses and regulatory reporting expenses, partially offset by higher payroll and personnel expenses during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025.

Selling, general, and administrative expenses were $7.5 million for the nine months ended September 30, 2026, compared to $8.9 million for the nine months ended September 30, 2025, representing a decrease of $1.4 million, or 15%. The decrease was primarily due to lower professional services expenses and regulatory reporting expenses, partially offset by higher payroll and personnel expenses during the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025.

Convertible notes fair value adjustment

The change in convertible notes fair value resulted in a gain of $23.0 million for the three months ended September 30, 2026, compared to a loss of $3.5 million for the three months ended September 30, 2025, as a result of the non-cash gain recognized on the change in fair value of the Convertible Securities Notes and the conversion of accrued interest on the Convertible Securities Notes into shares of common stock.

The change in convertible notes fair value resulted in a gain of $20.7 million for the nine months ended September 30, 2026, compared to a loss of $1.9 million for the nine months ended September 30, 2025, as a result of the non-cash gain recognized on the change in fair value of the Convertible Securities Notes and the conversion of accrued interest on the Convertible Securities Notes into shares of common stock.

Warrant liabilities fair value adjustment

The change in fair value of warrant liabilities resulted in a gain of $0.1 million for the three months ended September 30, 2026, compared to a loss of $0.2 million for the three months ended September 30, 2025.

The change in fair value of warrant liabilities resulted in a gain of $0.1 million for the nine months ended September 30, 2026, compared to a loss of $0.3 million for the nine months ended September 30, 2025.

Interest expense

Interest expense was $0.8 million for the three months ended September 30, 2026, compared to $0.7 million for the three months ended September 30, 2025, representing an increase of $0.1 million, or 13%. The increase was related to interest incurred from the Convertible Securities Notes.

Interest expense was $2.4 million for the nine months ended September 30, 2026, compared to $2.1 million for the nine months ended September 30, 2025, representing an increase of $0.3 million, or 14%. The increase was related to interest incurred from the Convertible Securities Notes.

Interest income

Interest income was $40 thousand for the three months ended September 30, 2026, compared to $79 thousand for the three months ended September 30, 2025, representing a decrease of $39 thousand, or 49%. The decrease was due to interest income on cash balances in an asset management account.

Interest income was $0.2 million for the nine months ended September 30, 2026, compared to $0.3 million for the nine months ended September 30, 2025, representing a decrease of $0.1 million, or 37%. The decrease was due to interest income on cash balances in an asset management account.

Other (expense) income, net

Other expense, net was $2 thousand for the three months ended September 30, 2026, compared to other income, net of $12 thousand for the three months ended September 30, 2025, representing a decrease of $14 thousand. The decrease in other income was primarily attributable to foreign currency unrealized and realized loss.

Other expense, net was $1 thousand for the nine months ended September 30, 2026, compared to other income, net of $155 thousand for the nine months ended September 30, 2025, representing a decrease of $156 thousand. The decrease in other income was primarily attributable to foreign currency unrealized and realized loss.

Liquidity and Capital Resources

Sources of Liquidity

To date, we have financed our operations primarily through the sale of equity securities, convertible promissory notes and an initial term loan advance of $3.0 million and a right to borrow a subsequent term loan advance of $2.0 million with Silicon Valley Bank (the "SVB Term Loan"). The loan with SVB was repaid in full in 2024. In connection with the closing of the Business Combination on July 31, 2024, we received net proceeds of $84.2 million. Since inception we have incurred operating losses and negative cash flows and anticipate continuing to do so for at least the next several years.

As of September 30, 2026, and December 31, 2025, we had cash and cash equivalents of $3.1 million and $17.1 million, respectively, and current obligations consisting primarily of $0.6 million and $1.1 million of accounts payable, respectively, and $6.9 million and $7.0 million of accrued liabilities, respectively. For the nine months ended September 30, 2026, net income was $4.0 million. For the nine months ended September 30, 2025, net losses were $21.8 million. For the nine months ended September 30, 2026 and September 30, 2025, net cash used in operating activities was $14.0 million, and $14.9 million, respectively. We do not believe our existing cash and cash equivalents will be sufficient to fund operations for at least the next twelve months from the issuance date of the condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. We believe that this raises substantial doubt about our ability to continue as a going concern. See "*— Strategic Review, Going Concern and Operating Outlook*."
The Convertible Securities Notes contain certain covenants, including a requirement to maintain Available Cash (as defined in the Convertible Securities Notes) in an aggregate amount equal to or exceeding $4.0 million. As of September 30, 2026, the Company had failed to maintain the required amount of Available Cash. The Requisite Holders, as defined in the subscription agreements relating to the Convertible Securities Notes, waived the covenant default.

We intend to mitigate the conditions and events that raise substantial doubt about our ability to continue as a going concern entity by (i) negotiating other cash equity or debt financing in the short-term, (ii) continuing to pursue the necessary regulatory approvals to launch commercially in the U.S. market, and (iii) executing cost-cutting measures to manage cash burn. However, there can be no assurances that the current plans will generate any liquidity to us or be available on terms acceptable to us.

2024 PIPE Financing

In connection with the execution of the Business Combination Agreement, ListCo and ARYA entered into Subscription Agreements (the "Initial Subscription Agreements"), with Perceptive Life Sciences Master Fund, Ltd, a Cayman Islands exempted company (the "Perceptive PIPE Investor") and certain other investors (the "Initial Other PIPE Investors", and together with the Perceptive PIPE Investor, the "Initial PIPE Investors"). In June 2024, ListCo and ARYA entered into additional Subscription Agreements (the "June Subscription Agreements" and, together with the Initial Subscription Agreements, the "Subscription Agreements") with certain additional investors, (the "June PIPE Investors", and together with the Initial Other PIPE Investors, the "Other PIPE Investors", and the Other PIPE Investors, together with the Perceptive PIPE Investor, the "PIPE Investors").

Pursuant to the subscription agreements, the PIPE Investors committed financing valued at $64.5 million (the "2024 PIPE Financing").

The 2024 PIPE Financing included:

(i) Commitments by certain Other PIPE Investors to purchase $2.5 million in Class A shares of ARYA in the open market and not to redeem such shares before the Closing, resulting in the issuance of 11,848 shares of our common stock and 9,996 warrants exercisable for shares of our common stock (the "Base Warrants").

(ii) Commitments by certain Other PIPE Investors that were shareholders of ARYA not to redeem 247,700 Class A shares of ARYA, resulting in the issuance of 13,525 shares of our common stock and 11,458 Base Warrants.

(iii) Agreements by certain Other PIPE Investors to purchase 34,555 shares of our common stock, 48,000 Base Warrants, and 22,333 pre-funded warrants for a cash investment of $12 million.

(iv) Contribution of total $29.5 million in April 2023 Convertible Notes, November 2023 Convertible Notes, May 2024 Convertible Notes, June 2024 Convertible Notes, and July 2024 Convertible Notes (collectively, the "Bridge Financing Notes"), and accrued interest of $1.7 million by the Perceptive PIPE Investor. A total of 145,753 shares of our common stock and 118,000 units of Base Warrants were issued to settle the Bridge Financing Notes and the accrued and unpaid interest.

(v) An additional cash investment of $15.9 million by the Perceptive PIPE Investor for a total of 75,011 shares of New Adagio Common Stock and 63,502 units of Base Warrants.

2025 PIPE Financing

On October 14, 2025, we entered into a Securities Purchase Agreement (the "Securities Purchase Agreement") with certain accredited healthcare investors (the "Purchasers") pursuant to which we issued and sold to the Purchasers in a private placement (the "Private Placement"): (i) 326,416 shares (the "Shares") of our common stock, or pre-funded warrants (the "2025 PIPE Pre-Funded Warrants") to purchase shares of our common stock in lieu thereof, and (ii) accompanying (a) Tranche A Warrants to purchase an aggregate of 200,431 shares of our common stock (or pre-funded warrants in lieu thereof) (the "Tranche A Warrants"), (b) Tranche B Warrants to purchase an aggregate of 200,431 shares of our common stock (or pre-funded warrants in lieu thereof) (the "Tranche B Warrants") and (c) Tranche C Warrants to purchase an aggregate of 200,431 shares of our common stock (or pre-funded warrants in lieu thereof) (the "Tranche C Warrants" and, together with the Tranche A and Tranche B Warrants, the "Milestone Warrants"), for aggregate gross proceeds of approximately $19 million (excluding up to approximately $31 million of additional aggregate gross proceeds that may be received in the future upon the cash exercise in full of the Milestone Warrants issued in the Private Placement), before deducting placement agent fees and other expenses payable by us. Each Share and each 2025 PIPE Pre-Funded Warrant sold pursuant to the Securities Purchase Agreement was accompanied by one Tranche A Warrant, one Tranche B Warrant and one Tranche C Warrant. The combined purchase price of each Share and accompanying Milestone Warrants is $58.209 (which includes $6.909 for the Milestone Warrants sold with each Share in accordance with the rules and regulations of The Nasdaq Stock Market LLC). The combined purchase price of each 2025 PIPE Pre-Funded Warrant and accompanying Milestone Warrant is $58.206 (equal to the combined purchase price per Share and accompanying Milestone Warrants, minus $0.003). Entities affiliated with Perceptive Advisors LLC, an affiliate of ours, purchased 2025 PIPE Pre-Funded Warrants and Milestone Warrants for an aggregate purchase price of $4,250,000.

Each Milestone Warrant is exercisable for one share of our common stock at an exercise price of $51.30 per share. The Tranche A Warrants expired unexercised in May 2026. The Tranche B and Tranche C Warrants will expire upon the earlier of (i) five years from the date of issuance or (ii) (a) for the Tranche B Warrants, the date that is thirty (30) days following our announcement of FDA approval of our vCLAS Cryoablation System, and (b) for the Tranche C Warrants, the date that is thirty (30) days following our announcement of FDA approval of our second generation vCLAS catheter system. The 2025 PIPE Pre-Funded Warrants are exercisable for one share of our common stock at an exercise price of $0.003 per share. The 2025 PIPE Pre-Funded Warrants are immediately exercisable and may be exercised at any time until all of the 2025 PIPE Pre-Funded Warrants are exercised in full.

In April 2026, we announced six-month results from our FULCRUM-VT IDE pivotal clinical trial. Subsequently, the Tranche A Warrants expired unexercised in May 2026. As of September 30, 2026, the milestone events related to the Tranche B Warrants and Tranche C Warrants had not occurred, and the Tranche B Warrants and Tranche C Warrants remain outstanding. Following the expiration of the Tranche A Warrants, the remaining Milestone Warrants consist of the Tranche B Warrants and Tranche C Warrants, which are exercisable for an aggregate of 400,862 shares of our common stock. The Company may receive up to approximately $20.6 million of additional aggregate gross proceeds from the cash exercise in full of the remaining Milestone Warrants, if exercised in full; however, there can be no assurance that any such warrants will be exercised.

A holder (together with its affiliates) of the 2025 PIPE Pre-Funded Warrants or Milestone Warrants, as the case may be, may not exercise any portion of the 2025 PIPE Pre-Funded Warrants or Milestone Warrants to the extent that the holder would own more than 4.99% (or, at the holder's option upon issuance, 9.99%) of our outstanding common stock immediately after exercise, which percentage may be changed at the holder's election to a lower or higher percentage not in excess of 19.99% upon 61 days' notice to us subject to the terms of the 2025 PIPE Pre-Funded Warrants or the Milestone Warrants. In lieu of making the cash payment otherwise contemplated to be made to us upon exercise of a Milestone Warrant, after the deadline for effectiveness of the registration statement to be filed pursuant to the Registration Rights Agreement, the holder may elect instead to receive upon such exercise (either in whole or in part) the net number of shares of our common stock determined according to a formula set forth in the Milestone Warrants, provided that such cashless exercise shall only be permitted if, at the time of such exercise, there is no effective registration statement registering the resale of shares of our common stock underlying the Milestone Warrants or if the prospectus contained in such registration statement is not available for the resale of shares of our common stock underlying the Milestone Warrants by the Milestone Warrant holder.

In lieu of making the cash payment otherwise contemplated to be made to us upon exercise of a 2025 PIPE Pre-Funded Warrant in payment of the aggregate exercise price, the holder may elect instead to receive upon such exercise (either in whole or in part) the net number of shares of our common stock determined according to a formula set forth in the 2025 PIPE Pre-Funded Warrants.

Refer to *Note 9 - Warrants* in our condensed consolidated financial statements for additional details.

Future Funding Requirements

Our primary uses of capital are, and we expect will continue to be, investment in clinical research and development, and related supplies, legal and other regulatory expenses, general administrative costs and working capital.

In the future, we may need to raise additional funds through the issuance of debt and/or equity securities or otherwise. Until such time, if ever, that we can generate revenue sufficient to achieve profitability, we expect to finance our operations through equity or debt financings, which may not be available to us on the timing needed or on terms that we deem to be favorable. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures or declaring dividends. If we are unable to maintain sufficient financial resources, our business, financial condition and results of operations will be materially and adversely affected. We may be required to delay, limit, reduce or terminate our product discovery and development activities or future commercialization efforts.

We believe that our existing cash and cash equivalents will enable us to fund our ongoing development and submission activities to support FDA evaluation of our first generation ULTA products. We will require additional capital to fund continued clinical activities for our next-generation product, to fund our manufacturing activities, to fund commercial activities of our programs and for working capital and general corporate purposes. The assessment of our ability to meet our future obligations is inherently judgmental, subjective and susceptible to change. Based on our current research and development plans, we expect to have sufficient resources to fund our planned operations into the first quarter of 2027.

Because of the numerous risks and uncertainties associated with research, development and commercialization of medical products, we are unable to estimate the exact amount of our operating capital requirements. Our future funding requirements will depend on many factors, including, but not limited to:

- our revenue growth;
- our research and development efforts;
- our sales and marketing activities;
- our ability to raise additional funds to finance our operations;
- the outcome, costs and timing of any clinical trial results for our current or future products;
- the emergence and effect of competing or complementary products;
- the availability and amount of reimbursement for procedures using our products;
- our ability to maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the licensing, filing, prosecution, defense and enforcement of any patents or other intellectual property rights;
- our ability to retain our current employees and the need and ability to hire additional management and sales, scientific and medical personnel;
- the terms and timing of any collaborative, licensing or other arrangements that we have or may establish;
- debt service requirements; and
- the extent to which we acquire or invest in businesses, products or technologies.

See the section of this Report titled “Risk Factors” for additional risks associated with our substantial capital requirements.

Debt Obligations

Convertible Securities Notes

In connection with the execution of the Business Combination Agreement, Convert Investors executed the Convertible Security Subscription Agreement, dated February 13, 2024, which was amended on June 20, 2024, with ListCo. In accordance with the agreement, ListCo issued on the Closing Date to the Convert Investors $20.0 million of Convertible Securities Notes and 50,000 Convert Warrants.

The $20.0 million Convertible Securities Notes are convertible into shares of the Company’s common stock at a conversion price of $300.00 per share, subject to adjustment per the terms of the agreement, and the 50,000 warrants, each of which are exercisable on a cashless basis or for one share of the Company’s common stock at $720.00 per share, subject to adjustment. The Convertible Securities Notes have a maturity of three years and nine months after the Closing and interest will be payable in cash or compound as additional principal outstanding which accrues on a quarterly basis.

On September 23, 2026, we notified holders of our Convertible Securities Notes that we would lower the Conversion Price (as defined in the Convertible Securities Notes) of the Convertible Securities Notes for each date during the period commencing on September 23, 2026 and ending on October 31, 2026, subject to extension, to the New Alternate Conversion Price. Under the Convertible Securities Notes, “Alternate Conversion Price” will be the lower of (x) the Conversion Price then in effect and (y) 85% of the lowest VWAP (as defined in the Convertible Securities Notes) of the common stock during the five (5) consecutive trading day period ending and including the trading day immediately preceding the delivery or deemed delivery of the applicable conversion notice. Between September 25, 2026 and October 22, 2026, a Holder exercised its right to convert $1.0 million in aggregate accrued and unpaid interest on the Notes, resulting in the issuance of 243,126 shares of Common Stock, calculated using Alternate Conversion Prices ranging from $2.547 to $4.854 per share.

Cash Flows

The following table shows a summary of our cash flows for each of the periods shown below (in thousands):

	Nine Months Ended September 30,	
	2026	2025
Net cash used in operating activities	$ (13,995)	$ (14,876)
Net cash used in investing activities	(12)	(865)
Net cash provided by (used in) financing activities	—	—
Effect of foreign currency translation on cash	(3)	(172)
Net change in cash and cash equivalents	$ (14,010)	$ (15,913)

Comparison for the nine months ended September 30, 2026 to the nine months ended September 30, 2025

Cash Flows Used in Operating Activities

Net cash used in operating activities for the nine months ended September 30, 2026 was $14.0 million, consisting primarily of net income of $4.1 million, adjusted by non-cash items of $19.1 million and net changes in operating assets and liabilities of $1.0 million. Non-cash items primarily consisted of $0.6 million in depreciation and amortization, $1.1 million in stock-based compensation, $20.7 million from the change in fair value of convertible notes payable, and $116 thousand from the change in fair value of warrant liabilities. Changes in operating assets and liabilities included a $2.4 million increase in other accrued liabilities and a $0.2 million decrease in prepaid expenses and other current assets, partially offset by a $1.1 million increase in inventory, a $0.1 million decrease in accrued liabilities, and a $0.5 million decrease in accounts payable.

Net cash used in operating activities for the nine months ended September 30, 2025 was $14.9 million, consisting primarily of a net loss of $21.8 million, adjusted by non-cash items of $4.1 million and net changes in operating assets and liabilities of $2.8 million. Non-cash items primarily consisted of $0.7 million in depreciation, $0.6 million in stock-based compensation, a loss on disposal of property and equipment of $0.5 million, a change in fair value of convertible notes payable of $1.9 million, and a change in fair value of warrant liabilities of $0.3 million. Changes in operating assets and liabilities were primarily driven by a $4.8 million increase in accrued liabilities, a $2.1 million increase in other accrued liabilities, a $1.1 million decrease in inventory, and a $0.3 million decrease in prepaid expenses and other current assets, partially offset by a $3.6 million decrease in other long-term liabilities and a $1.8 million decrease in accounts payable.

Cash Flow Used in Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2026 and the nine months ended September 30, 2025 was $12 thousand and $0.9 million, respectively. The decrease in cash used in investing activities was due to the decrease in purchases of property and equipment.

Cash Flow Provided by (Used in) Financing Activities

Net cash provided by (used in) financing activities for the nine months ended September 30, 2026 and 2025 was nil.

Off-Balance Sheet Arrangements

During the periods presented, we did not have, nor do we currently have, any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. We are, therefore, not exposed to the financing, liquidity, market, or credit risk that could arise if we had engaged in those types of relationships.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the amounts reported in our condensed consolidated financial statements and accompanying notes included elsewhere in this Report. We base our estimates on historical experience, current business factors and various other assumptions that we believe are necessary to consider forming a basis for making judgments about the carrying values of assets and liabilities, the recorded amounts of revenue and expenses and the disclosure of contingent assets and liabilities. We are subject to uncertainties such as the impact of future events, economic and political factors, and changes in our business environment; therefore, actual results could differ from these estimates.

Accordingly, the accounting estimates used in the preparation of our condensed consolidated financial statements will change as new events occur, as more experience is acquired, as additional information is obtained and as our operating environment changes. Changes in estimates are made when circumstances warrant. Such changes in estimates and refinements in estimation methodologies are reflected in reported results of operations; if material, the effects of changes in estimates are disclosed in the notes to our condensed consolidated financial statements.

On an ongoing basis, we evaluate our estimates and assumptions. Our actual results may differ from these estimates under different assumptions or conditions.

During the nine months ended September 30, 2026, there have been no material changes to our critical accounting policies from those disclosed in Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of the 2025 Annual Report. However, during the quarter ended September 30, 2026, we changed the valuation technique used to measure the fair value of the Convertible Securities Notes from a binomial lattice model to a Monte Carlo simulation model, and we changed the valuation of our Convert Warrants to a probability-weighted expected return method that applies the Black-Scholes-Merton option pricing model within each scenario. These changes were made in response to changes in facts and circumstances, including the commencement of conversions of the Convertible Securities Notes, an increased probability of additional near-term conversions and the uncertainty of the outcome of our evaluation of strategic alternatives. These fair value measurements are significant estimates that rely on Level 3 inputs, including scenario probabilities, expected terms, discount rates and equity volatility, and changes in those inputs could result in material changes in fair value. The change in fair value of the Convertible Securities Notes resulted in gains of $23.0 million and $20.7 million for the three and nine months ended September 30, 2026, respectively.

Emerging Growth Company and Smaller Reporting Company Status

We are an emerging growth company (“EGC”), as defined in the JOBS Act. The JOBS Act permits companies with EGC status to take advantage of an extended transition period to comply with new or revised accounting standards, delaying the adoption of these accounting standards until they would apply to private companies. We have elected to use this extended transition period to enable us to comply with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with the new or revised accounting standards as of public company effective dates.

In addition, as an emerging growth company, we may take advantage of specified reduced disclosure and other requirements that are otherwise applicable generally to public companies. These provisions include:

- an exception from compliance with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended;
- reduced disclosure about our executive compensation arrangements in our periodic reports, proxy statements and registration statements;

- exemptions from the requirements of holding non-binding advisory votes on executive compensation or golden parachute arrangements; and
- an exemption from compliance with the requirements of the Public Company Accounting Oversight Board regarding the communication of critical audit matters in the auditor's report on financial statements.

We will remain an EGC under the JOBS Act until the earliest of (i) December 31, 2026, (ii) the last date of our fiscal year in which we have total annual gross revenue of at least $1.235 billion, (iii) the date on which we are deemed to be a "large accelerated filer" under the rules of the SEC with at least $700.0 million of outstanding securities held by non-affiliates, or (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the previous three years.

We are also a "smaller reporting company," meaning that the market value of our shares held by non-affiliates is less than $700 million and our annual revenue was less than $100 million during the most recently completed fiscal year. We may continue to be a smaller reporting company if either (i) the market value of our shares held by non-affiliates is less than $250 million or (ii) our annual revenue was less than $100 million during the most recently completed fiscal year and the market value of our shares held by non-affiliates is less than $700 million. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company, we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Recent Accounting Pronouncements

Refer to *Note 2 - Summary of Significant Accounting Policies* in our condensed consolidated financial statements included elsewhere in this Report for a description of recent accounting pronouncements applicable to our financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the Company's reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we detected all of our control deficiencies and instances of fraud, if any. The design of disclosure controls and procedures also is based partly on 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.

Based on their evaluation as of the end of the period covered by this Quarterly Report on Form 10-Q, our Chief Executive Officer and Chief Financial Officer have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the period covered by this Report that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in various claims and legal proceedings. Regardless of outcome, litigation and other legal and administrative proceedings can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors. We are currently not a party to any legal proceedings, the outcome of which, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, financial condition, and results of operations.

Item 1A. Risk Factors.

Except as set forth below, there have been no material changes from the risk factors disclosed in Part I, Item 1A, "Risk Factors" of our Annual Report on Form 10-K filed with the SEC on March 27, 2026 (the "2025 Annual Report"). The risk factors described in our 2025 Annual Report, as well as other information set forth in this Report, could materially adversely affect our business, financial condition, results of operations and prospects, and should be carefully considered. The risks and uncertainties that we face, however, are not limited to those described in the 2025 Annual Report. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business and the trading price of our securities.

Risks Related to Our Business

We are a medical device company that has incurred net losses in every period to date and expect to continue to incur significant losses as we develop our business, and our financial conditions raise substantial doubt about our ability to continue as a going concern.

We are a medical device company that has incurred net losses in each quarterly and annual period since inception and that has not yet generated any meaningful revenue. In September 2026, we adopted a plan to extend our capital resources in connection with initiating a process to explore a full range of strategic alternatives. As part of the plan, effective September 23, 2026, we reduced our workforce to 18 full-time employees from 43 full-time employees. We incurred one-time severance expenses of $0.6 million related to these events during the three and nine months ended September 30, 2026. Strategic alternatives under consideration may include, but are not limited to, mergers, acquisitions, partnerships, joint ventures, licensing arrangements or other strategic transactions. We have not set a timetable for completion of the process for evaluating strategic alternatives and do not intend to disclose further developments or guidance on the status of our programs or the process for evaluating strategic alternatives unless and until it is determined that further disclosure is appropriate or necessary. We had income of $4.1 million for the nine months ended September 30, 2026, as a result of the non-cash gain recognized on the change in fair value of the Convertible Securities Notes and the conversion of accrued interest on the Convertible Securities Notes into shares of common stock. We incurred net losses of $25.1 million and $75.0 million in 2025 and 2024, respectively. As of September 30, 2026, December 31, 2025, and December 31, 2024, we had an accumulated deficit of $91.6 million, $95.6 million and $70.6 million, respectively. We expect to incur substantial losses and negative cash flows for the foreseeable future. In addition, as a public company, we incur significant legal, accounting, and other expenses that we did not incur as a private company. These increased expenses may make it harder for us to achieve and sustain future profitability. We may incur significant losses in the future for a number of reasons, many of which are beyond our control, including the other risks described in this report and in our other filings with the SEC. Even if we achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable could depress the value of our company and could impair our ability to raise capital, expand our business, maintain our development efforts, obtain regulatory approvals or certificates, diversify our product offerings or continue our operations.

Our independent auditors have included an explanatory paragraph in their audit report regarding our ability to continue as a going concern. This going concern risk may materially limit our ability to raise additional funds through the issuance of new debt or equity or may adversely affect the terms upon which such capital may be available. The inability to obtain sufficient financing on acceptable terms could have a material adverse effect on our financial condition, results of operations, and business prospects.

We are actively pursuing strategies to mitigate these risks, however, there can be no assurance that these efforts will prove successful or that we will achieve our intended financial stability. The failure to successfully address these going concern risks may materially and adversely affect our business, financial condition, and results of operations. Investors should consider the substantial risks and uncertainties inherent in our business before investing in our securities.

Our activities to evaluate and pursue potential strategic alternatives may not result in any transaction or enhance stockholder value.

We have begun evaluating and exploring a variety of strategic alternatives focused on maximizing stockholder value, including, but not limited to, an acquisition, merger, reverse merger, other business combination, sales of assets or other strategic transactions. Our ability to successfully execute on a strategic alternative is dependent on a number of factors and we may not be able to execute upon a transaction or other strategic alternative upon favorable terms within an advantageous timeframe and recognize significant value for our assets, if at all. Additionally, the negotiation and consummation of a transaction or other strategic alternative may be costly and time-consuming. Any executed strategic alternative may not maximize or even enhance stockholder value, could result in total costs and expenses that are greater than expected, could make it more difficult to attract and retain qualified personnel and may disrupt our operations, each of which could have a material adverse effect on our business.

The market price of our common stock may reflect a market assumption that a strategic alternative will occur, and a failure to complete a strategic alternative could result in negative investor perceptions and could cause a decline in the market price of our common stock, which could adversely affect our ability to access the equity and financial markets, as well as our ability to explore and enter into different strategic alternatives. There can be no certainty that any strategic alternative will be completed, be on attractive terms, enhance stockholder value or deliver the anticipated benefits, and successful integration or execution of the strategic alternatives will be subject to additional risks. In addition, potential strategic alternatives that require stockholder approval may not be approved by our stockholders. If we do not successfully consummate a strategic alternative, our board of directors may decide to pursue a dissolution and liquidation of our company. In such an event, the amount of cash available for distribution to our stockholders will depend heavily on the timing of such liquidation and the amount of cash that will need to be reserved for commitments and contingent liabilities. Depending on these factors, the amount available for distribution to our common stockholders could be as low as zero and result in a total loss of investment to our stockholders.

Our recently implemented corporate restructuring intended to optimize our resource allocation and contain costs may not have the benefits we expect.

In September 2026, we implemented a corporate restructuring plan designed to optimize our resource allocation and contain costs. In connection with the restructuring plan, effective September 23, 2026, we reduced our workforce to 18 full-time employees from 43 full-time employees. We incurred one-time severance expenses of $0.6 million related to these events during the three and nine months ended September 30, 2026. These reductions in workforce may yield unintended consequences and costs, such as the loss of institutional knowledge and expertise, attrition beyond our intended workforce reduction, a decrease in morale among our remaining employees, and the risk that we may not achieve the anticipated benefits of the restructuring, all of which may have an adverse effect on our results of operations or financial condition. In addition, while positions have been eliminated, certain functions necessary to our reduced operations will remain, and we may be unsuccessful in distributing the duties and obligations of departed employees among our remaining employees. Our failure to successfully accomplish any of the above activities and goals may have a material adverse impact on our business, financial condition and results of operations.

Risks Related to Regulatory and Legal Compliance Matters

Our business could be negatively impacted by changes in the United States political environment.

Any changes in the political and regulatory landscape, policies, or processes could significantly affect our business. Specific legislative and regulatory proposals discussed during election campaigns and more recently that might materially impact our business include, but are not limited to, promoting access to healthcare via market competition and pricing transparency, enhancing flexibility and choice in healthcare at the state and individual level, prioritizing domestic production and increasing tariffs on imports (which may complicate and increase costs associated with our supply chain), and rolling back regulatory initiatives adopted under the previous administration. We cannot predict whether industry initiatives to seek tariff carve-outs for devices or other life sciences goods and products will be successful. In addition, the current administration has implemented substantial reductions in force at various government agencies including the FDA, which could significantly reduce the FDA's capacity to perform its functions in a manner consistent with its past practices and could delay reviews and negatively impact our business. There is increased uncertainty as to how the FDA and other regulatory agencies will regulate our products. For example, the Bureau of Industry and Security, U.S. Department of Commerce, has initiated an investigation to determine whether medical devices, including their components and accessories, manufactured outside the United States pose a national security risk and should be subject to additional tariffs. In addition, the current administration also has issued, and is expected to continue relying upon, Executive Orders to address a wide range of policy areas, some of which may impact our business. Such political developments may require us to allocate significant time, resources, and expense to modifying our policies and procedures, processes, systems, and practices to ensure compliance or adapt to the new regulatory climate, particularly to the extent such actions are subject to protracted and uncertain legal challenges. To the extent changes in the political environment have a negative impact on us or on our markets, our business, results of operations, and financial condition could be materially and adversely affected in the future.

Risks Related to Ownership of Our Securities

If we fail to meet all applicable requirements of Nasdaq and Nasdaq determines to delist our common stock, the delisting could adversely affect the market liquidity of our common stock and the market price of our common stock could decrease.

On June 12, 2026, we received a letter from Nasdaq, notifying us that the listing of our common stock was not in compliance with the Minimum Bid Price Requirement. In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we were provided an initial period of 180 calendar days, or until December 9, 2026, to regain compliance with the Minimum Bid Price Requirement. If, at any time before December 9, 2026, the bid price for our common stock closes at $1.00 or more for a minimum of 10 consecutive business days, we will regain compliance with the bid price requirement, unless Nasdaq staff exercises its discretion to extend this 10-day period pursuant to Nasdaq rules. On August 13, 2026, we received an additional notice from Staff notifying us that we were not in compliance with the minimum Stockholders' Equity Requirement for continued listing on the Nasdaq Capital Market. The notification received had no immediate effect on our continued listing on the Nasdaq Capital Market. In accordance with Nasdaq rules, on September 28, 2026, we submitted a Compliance Plan to the Staff. On October 26, 2026, Nasdaq notified us that the Staff had granted an extension until February 9, 2027, to regain compliance with the Stockholders' Equity Requirement. As a result of the non-cash gain recognized on the change in fair value of the Convertible Securities Notes and the conversion of accrued interest on the Convertible Securities Notes into shares of common stock, this Quarterly Report on Form 10-Q reports stockholders' equity of $18.4 million as of September 30, 2026. Accordingly, we believe we have regained compliance with the Stockholders' Equity Requirement as of the date of this Quarterly Report on Form 10-Q based on our reported stockholders' equity as of September 30, 2026. However, Nasdaq will continue to monitor our compliance, and if we fail to satisfy the terms of the extension or demonstrate continued compliance in our Quarterly Report on Form 10-Q for the quarter ending March 31, 2027, our common stock may be subject to delisting.

There can be no assurance that we will regain or maintain compliance with the requirements for listing our common stock on Nasdaq. If we are unable to satisfy the Nasdaq criteria for continued listing, our common stock would be subject to delisting. A delisting of our common stock could negatively impact us by, among other things, reducing the liquidity and market price of our common stock; reducing the number of investors willing to hold or acquire our common stock, which could negatively impact our ability to raise equity financing; decreasing the amount of news and analyst coverage of us; and limiting our ability to issue additional securities or obtain additional financing in the future. In addition, delisting from Nasdaq may negatively impact our reputation and, consequently, our business.

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

None.

Item 3. Defaults upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the three months ended September 30, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits.

The following exhibits are either filed or furnished with, or incorporated by reference into, this Quarterly Report on Form 10-Q.

No.	Description of Exhibit
2.1	Business Combination Agreement, dated as of February 13, 2024, by and among Aja HoldCo, Inc., ARYA Sciences Acquisition Corp IV, Aja Merger Sub 1, Aja Merger Sub 2, Inc. and Adagio Medical, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on August 6, 2024).
2.2	Consent and Amendment No. 1 to the Business Combination Agreement, dated as of June 25, 2024, by and among ARYA Sciences Acquisition Corp IV and Adagio Medical, Inc. (incorporated by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed with the SEC on August 6, 2024).
3.1	Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on August 6, 2024).
3.2*	Amendment to Amended and Restated Certificate of Incorporation of the Company.
3.3	Amended and Restated By-Laws of the Company (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on August 6, 2024).
31.1*	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1#	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.
32.2#	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.
101.INS*	Inline XBRL Instance Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set.

* Filed herewith

These certifications are being furnished solely to accompany this quarterly report pursuant to 18 U.S.C. Section 1350, and are not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and are not to be incorporated by reference into any filing of the registrant, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

ADAGIO MEDICAL HOLDINGS, INC.

Date: November 16, 2026

/s/ Todd Usen
Name: Todd Usen
Title: Chief Executive Officer (*Principal Executive Officer*)

Date: November 16, 2026

/s/ Deborah Kaster
Name: Deborah Kaster
Title: Chief Financial Officer and Chief Business Officer
(*Principal Financial and Accounting Officer*)

Exhibit 3.2

CERTIFICATE OF AMENDMENT
TO
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
ADAGIO MEDICAL HOLDINGS, INC.

Adagio Medical Holdings, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "DGCL"), certifies:

1. The name of the corporation is Adagio Medical Holdings, Inc. (the "Corporation").

2. The Corporation's original Certificate of Incorporation was filed on December 19, 2023. The Certificate of Incorporation was last amended and restated by the Amended and Restated Certificate of Incorporation on July 29, 2024 (together, the "Certificate").

3. The Corporation's Board of Directors and stockholders, acting in accordance with the provisions of Sections 141 and 242 of the DGCL, adopted resolutions approving that Article IV of the Certificate be amended by inserting into Article IV immediately following Section 5 the following:

Section 6. Effective as of the effective time of 5:00 p.m., Eastern Time, on November 6, 2026 (the "Effective Time"), each thirty (30) shares of the Corporation's Common Stock, par value $0.0001 per share, issued and outstanding immediately prior to the Effective Time shall, automatically and without any action on the part of the Corporation or the respective holders thereof, be combined into one (1) share of Common Stock without increasing or decreasing the par value of each share of Common Stock (the "Reverse Split"); provided, however, no fractional shares of Common Stock shall be issued as a result of the Reverse Split and, in lieu thereof, upon receipt after the Effective Time by the exchange agent selected by the Corporation of a properly completed and duly executed transmittal letter and, where shares are held in certificated form, the surrender of the stock certificate(s) formerly representing shares of pre-Reverse Split Common Stock, any stockholder who would otherwise be entitled to a fractional share of post-Reverse Split Common Stock as a result of the Reverse Split, following the Effective Time (after taking into account all fractional shares of post-Reverse Split Common Stock otherwise issuable to such stockholder), shall be entitled to receive a cash payment (without interest) equal to the fractional share of post-Reverse Split Common Stock to which such stockholder would otherwise be entitled multiplied by the average of the closing sales prices of a share of the Corporation's Common Stock (as adjusted to give effect to the Reverse Split) on The Nasdaq Stock Market for each of the five (5) consecutive trading days immediately preceding the date this Certificate of Amendment is filed with the Secretary of State of the State of Delaware. Each stock certificate that, immediately prior to the Effective Time, represented shares of pre-Reverse Split Common Stock shall, from and after the Effective Time, automatically and without any action on the part of the Corporation or the respective holders thereof, represent that number of whole shares of post-Reverse Split Common Stock into which the shares of pre-Reverse Split Common Stock represented by such certificate shall have been combined (as well as the right to receive cash in lieu of any fractional shares of post-Reverse Split Common Stock as set forth above); provided, however, that each holder of record of a certificate that represented shares of pre-Reverse Split Common Stock shall receive, upon surrender of such certificate, a new certificate representing the number of whole shares of post-Reverse Split Common Stock into which the shares of pre-Reverse Split Common Stock represented by such certificate shall have been combined pursuant to the Reverse Split, as well as any cash in lieu of fractional shares of post-Reverse Split Common Stock to which such holder may be entitled as set forth above. The Reverse Split shall be effected on a record holder-by-record holder basis, such that any fractional shares of post-Reverse Split Common Stock resulting from the Reverse Split and held by a single record holder shall be aggregated.

4. All other provisions of the Certificate will remain in full force and effect.

5. This Certificate of Amendment has been duly adopted in accordance with the provisions of Section 242 of the DGCL.

6. This amendment to the Certificate of Incorporation shall be effective on and as of as of the effective time of 5:00 p.m., Eastern Time, on November 6, 2026.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Certificate of Amendment to Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of the Corporation on November 4, 2026.

ADAGIO MEDICAL HOLDINGS, INC.

By: /s/ Todd Usen
Name: Todd Usen
Title: Chief Executive Officer

Exhibit 31.1

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

I, Todd Usen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, of Adagio Medical Holdings, Inc.;

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

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

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

By: /s/ Todd Usen
Todd Usen
Director and Chief Executive Officer
(*Principal Executive Officer*)

Exhibit 31.2

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

I, Deborah Kaster, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, of Adagio Medical Holdings, Inc.;

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

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

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

By: /s/ Deborah Kaster
Deborah Kaster
Chief Financial Officer and Chief Business Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of Adagio Medical Holdings, Inc. (the "Company") for the quarter ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Quarterly Report"), I, Todd Usen, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

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

Date: November 16, 2026

By: /s/ Todd Usen
Todd Usen
Director and Chief Executive Officer
(*Principal Executive Officer*)

Exhibit 32.2

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

In connection with the Quarterly Report on Form 10-Q of Adagio Medical Holdings, Inc. (the "Company") for the quarter ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Quarterly Report"), I, Deborah Kaster, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

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

Date: November 16, 2026

By:/s/ Deborah Kaster
Deborah Kaster
Chief Financial Officer and Chief Business Officer
(Principal Financial and Accounting Officer)