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

OR

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

For the transition period from to

Commission file number 001-42852

Pattern Group Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	**83-2556861**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1441 West Innovation Way, Suite 500 Lehi, UT	**84043**
(Address of Principal Executive Offices)	**(Zip Code)**

(866) 765-1355
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
Series A common stock, par value $0.001 per share	PTRN	Nasdaq Global Select Market

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

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

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

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

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

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

The registrant had outstanding 154,998,197 shares of Series A common stock, par value $0.001 per share, and 21,702,510 shares of Series B common stock, par value $0.001 per share, as of November 3, 2026.

TABLE OF CONTENTS

		Page
	Special Note Regarding Forward-Looking Statements	ii
	PART I - FINANCIAL INFORMATION	
Item 1.	Financial Statements	1
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	18
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	27
Item 4.	Controls and Procedures	28
	PART II - OTHER INFORMATION	
Item 1.	Legal Proceedings	29
Item 1A.	Risk Factors	29
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	30
Item 3.	Defaults Upon Senior Securities	31
Item 4.	Mine Safety Disclosures	31
Item 5.	Other Information	31
Item 6.	Exhibits	31
Signatures		33

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the federal securities laws, which are statements that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. All statements other than statements of historical fact included in this Quarterly Report on Form 10-Q, including statements regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "shall," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under the heading "Risk Factors" included in this Quarterly Report on Form 10-Q and those included within our Annual Report on Form 10-K for the year ended December 31, 2025 (the "Annual Report on Form 10-K") as filed with the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements contained in this Quarterly Report on Form 10-Q may include, but are not limited to, statements about:

- our expectations regarding our revenue, costs and other operating results;
- the estimated size of our addressable market opportunity;
- the growth rate of the markets in which we compete;
- our ability to grow existing and attract new brand partners;
- our ability to expand and enhance our platform;
- our ability to launch and monetize incremental solutions;
- our ability to expand into global geographies;
- our ability to utilize AI and agentic systems successfully in our current and future solutions and to participate effectively in evolving AI-driven commerce ecosystems;
- our anticipated capital expenditures and our estimates regarding our capital requirements;
- our investments in selling and marketing efforts;
- our ability to compete effectively with existing competitors and new market entrants;
- our reliance on our senior management and our ability to identify, recruit and integrate strategic personnel hires;
- our ability to effectively manage our growth;
- our ability to provide a quality purchasing experience for our consumers;
- our ability to purchase products from our brand partners (including expanding product selection);
- our ability to enhance and innovate our technology;
- our investments in technology;
- our ability to expand into global geographies and marketplaces;
- industry trends and other macroeconomic factors, such as fluctuating interest rates and rising inflation, including the impact on consumer spending; and
- the impact of general, business and geopolitical conditions worldwide on our industry, business and results of operations.

We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on management's current beliefs and our current expectations and projections about future events and trends that we believe may affect our business, results of operations, financial condition and prospects. In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Quarterly Report on Form 10-Q, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and you are cautioned not to unduly rely upon these statements. 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 in this Quarterly Report on Form 10-Q. 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. We undertake no obligation to update any forward-looking statements made in this

Quarterly Report on Form 10-Q 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. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make.

In this document, unless otherwise indicated or unless the context requires otherwise, all references in this document to “Pattern”, “the Company”, “we”, “us”, “our” or similar references are to Pattern Group Inc. and its consolidated subsidiaries.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Pattern Group Inc. and Subsidiaries
Condensed Consolidated Statements of Operations (Unaudited)
(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2026	2025	2026
Revenues	$ 639,655	$ 885,847	$ 1,778,211	$ 2,536,347
Operating expenses:				
Cost of goods sold	356,132	499,165	1,002,065	1,425,069
Operations, general and administrative	177,936	168,847	381,704	479,668
Sales and marketing	141,182	165,320	358,402	479,847
Research and development	24,584	15,027	36,682	39,168
Total operating expenses	699,834	848,359	1,778,853	2,423,752
Operating income (loss)	(60,179)	37,488	(642)	112,595
Stock amendment expense (Note 8)	(32,676)	—	(32,676)	—
Interest income, net	1,855	2,182	5,060	6,635
Other income (expense), net	(291)	303	(420)	(176)
Income (loss) before income taxes	(91,291)	39,973	(28,678)	119,054
Provision (benefit) for income taxes	(32,232)	7,901	(16,202)	30,270
Net income (loss)	$ (59,059)	$ 32,072	$ (12,476)	$ 88,784
Adjustments to net income (loss) attributable to common stockholders (Note 2)	163,931	—	172,853	$ —
Net income (loss) attributable to common stockholders	$ (222,990)	$ 32,072	$ (185,329)	$ 88,784
Net earnings (loss) per share attributable to common stockholders (Note 2):				
Basic	$ (2.19)	$ 0.18	$ (1.96)	$ 0.50
Diluted	$ (2.19)	$ 0.18	$ (1.96)	$ 0.49
Weighted-average common shares outstanding:				
Basic	101,747	177,185	94,350	176,984
Diluted	101,747	182,430	94,350	181,028

See accompanying notes to condensed consolidated financial statements.

Pattern Group Inc. and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2026	2025	2026
Net income (loss)	$ (59,059)	$ 32,072	$ (12,476)	$ 88,784
Other comprehensive income (loss):				
Unrealized gain (loss) on foreign currency translation	102	154	(127)	(75)
Total other comprehensive income (loss)	102	154	(127)	(75)
Comprehensive income (loss)	$ (58,957)	$ 32,226	$ (12,603)	$ 88,709

See accompanying notes to condensed consolidated financial statements.

Pattern Group Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	Nine Months Ended September 30,	
	2025	2026
Cash flows from operating activities:		
Net income (loss)	$ (12,476)	$ 88,784
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	12,547	17,493
Stock-based compensation	84,700	31,238
Stock amendment expense	32,676	—
Deferred income taxes	(15,958)	9,792
Other	1,751	40
Changes in operating assets and liabilities:		
Accounts receivable, net of allowance	787	(10,834)
Inventory	(4,789)	(73,445)
Prepaid expenses and other current assets	(18,814)	8,743
Other non-current assets	(1,121)	(107)
Operating leases, net	167	544
Accounts payable	6,168	48,941
Accrued expenses	11,342	10,095
Other liabilities	(6,067)	2,379
Net cash provided by operating activities	90,913	133,663
Cash flows from investing activities:		
Purchases of property and equipment	(15,200)	(30,985)
Other	8	1
Net cash used in investing activities	(15,192)	(30,984)
Cash flows from financing activities:		
Proceeds from sale of common stock, net of issuance costs	135,029	—
Payment of taxes withheld upon vesting of restricted stock	(73,116)	(19,628)
Repurchases of common stock	—	(22,089)
Proceeds from employee stock purchase plan	—	1,256
Other	(319)	—
Net cash provided by (used in) financing activities	61,594	(40,461)
Effect of exchange rates on cash and cash equivalents	(127)	425
Net change in cash and cash equivalents	137,188	62,643
Cash and cash equivalents at beginning of the period	175,615	289,049
Cash and cash equivalents at end of the period	$ 312,803	$ 351,692
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ 17,980	$ 9,682
Supplemental disclosure of non-cash financing activities:		
Series A common stock issued upon conversion of Series A Preferred Stock	$ 52,073	$ —
Series A common stock issued upon redemption of Series B Preferred Stock, net of cumulative undeclared dividends previously reported and deemed dividend recognized in additional paid-in capital (Note 7)	$ 312,907	$ —
Deemed dividend for Series B Preferred Stock recognized in retained earnings	$ (94,379)	$ —

See accompanying notes to condensed consolidated financial statements.

Pattern Group Inc. and Subsidiaries
Condensed Consolidated Balance Sheets (Unaudited)
(in thousands, except per share data)

	December 31, 2025	September 30, 2026
Assets		
Current Assets:		
Cash and cash equivalents	$ 289,049	$ 351,692
Accounts receivable, net of allowance	177,214	188,049
Inventory	294,737	367,588
Prepaid expenses and other current assets	31,575	23,061
Total current assets	792,575	930,390
Property and equipment, net	41,087	58,373
Intangible assets, net	16,694	12,424
Goodwill	37,769	37,841
Operating lease right-of-use assets	28,164	54,196
Other non-current assets	31,350	21,555
Total assets	$ 947,639	$ 1,114,779
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	$ 274,977	$ 323,691
Accrued expenses	53,818	63,913
Operating lease liabilities, current	8,826	10,203
Other current liabilities	921	3,409
Total current liabilities	338,542	401,216
Operating lease liabilities, non-current	22,009	47,208
Other non-current liabilities	6,093	5,874
Total liabilities	366,644	454,298
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Series A common stock, $0.001 par value: 2,200,000 and 2,200,000 shares authorized, respectively; 154,691 and 155,137 shares issued and outstanding, respectively	155	155
Series B common stock, $0.001 par value: 100,000 and 100,000 shares authorized, respectively; 21,703 and 21,703 shares issued and outstanding, respectively	22	22
Additional paid-in capital	551,648	542,425
Accumulated other comprehensive income	448	373
Retained earnings	28,722	117,506
Total stockholders' equity	580,995	660,481
Total liabilities and stockholders' equity	$ 947,639	$ 1,114,779

See accompanying notes to condensed consolidated financial statements.

Pattern Group Inc. and Subsidiaries
Condensed Consolidated Statements of Changes in Convertible Preferred Stock and Stockholders' Equity (Unaudited)
(in thousands)

	Convertible Preferred		Series A Common Stock		Series B Common Stock		Preferred Stock		Additional Paid-in Capital	Accumulated Other Comprehensive (Loss) Income	Retained Earnings	Total Stockholders' Equity
	Shares Issued	Amount	Shares Issued	Amount	Shares Issued	Amount	Shares Issued	Amount				
Balance, December 31, 2024	28,966	$ 270,601	3,799	$ 4	—	$ —	86,792	$ 86	$ 2,764	$ (985)	$ 106,855	$ 108,724
Net income	—	—	—	—	—	—	—	—	—	—	22,802	22,802
Other comprehensive loss	—	—	—	—	—	—	—	—	—	(8)	—	(8)
Balance, March 31, 2025	28,966	$ 270,601	3,799	$ 4	—	$ —	86,792	$ 86	$ 2,764	$ (993)	$ 129,657	$ 131,518
Net income	—	—	—	—	—	—	—	—	—	—	23,781	23,781
Other comprehensive loss	—	—	—	—	—	—	—	—	—	(221)	—	(221)
Balance, June 30, 2025	28,966	$ 270,601	3,799	$ 4	—	$ —	86,792	$ 86	$ 2,764	$ (1,214)	$ 153,438	$ 155,078
Net loss	—	—	—	—	—	—	—	—	—	—	(59,059)	(59,059)
Other comprehensive income	—	—	—	—	—	—	—	—	—	102	—	102
Stock-based compensation expense	—	—	—	—	—	—	—	—	84,696	—	—	84,696
Issuance of Series A common stock upon vesting of RSUs	—	—	7,892	7	—	—	—	—	(7)	—	—	—
Tax withholding upon vesting of employee stock awards	—	—	—	—	—	—	—	—	(77,750)	—	—	(77,750)
Founder Preferred Stock Amendment	—	—	—	—	—	—	—	—	32,676	—	—	32,676
Series A common stock issued upon conversion of Series A Preferred Stock	(15,750)	(52,073)	15,750	16	—	—	—	—	52,057	—	—	52,073
Series A common stock issued upon redemption of Series B Preferred Stock	(13,216)	(218,528)	32,129	32	—	—	—	—	312,875	—	(94,379)	218,528
Series A common stock issued upon reclassification of Founder Non-Voting Preferred Stock	—	—	84,131	84	—	—	(68,994)	(69)	(15)	—	—	—
Series B common stock issued upon reclassification of Founder Voting Preferred Stock	—	—	—	—	21,703	22	(17,798)	(17)	(5)	—	—	—
Issuance of Series A common stock, net of underwriters' discounts and offering expenses	—	—	10,715	11	—	—	—	—	135,018	—	—	135,029
Balance, September 30, 2025	—	$ —	154,416	$ 154	21,703	$ 22	—	$ —	$ 542,309	$ (1,112)	$ —	$ 541,373

Continued on the following page

Pattern Group Inc. and Subsidiaries
Condensed Consolidated Statements of Changes in Convertible Preferred Stock and Stockholders' Equity (Unaudited)
(in thousands)

	Convertible Preferred		Series A Common Stock		Series B Common Stock		Preferred Stock		Additional Paid-in Capital	Accumulated Other Comprehensive (Loss) Income	Retained Earnings	Total Stockholders' Equity
	Shares Issued	Amount	Shares Issued	Amount	Shares Issued	Amount	Shares Issued	Amount				
Balance, December 31, 2025	—	$ —	154,691	$ 155	21,703	$ 22	—	$ —	$ 551,648	$ 448	$ 28,722	$ 580,995
Net income	—	—	—	—	—	—	—	—	—	—	29,213	29,213
Other comprehensive loss	—	—	—	—	—	—	—	—	—	(205)	—	(205)
Stock-based compensation expense	—	—	—	—	—	—	—	—	7,941	—	—	7,941
Issuance of Series A common stock upon vesting of RSUs	—	—	560	1	—	—	—	—	(1)	—	—	—
Tax withholding upon vesting of employee stock awards	—	—	—	—	—	—	—	—	(4,638)	—	—	(4,638)
Repurchase of common stock	—	—	(312)	(1)	—	—	—	—	(3,617)	—	—	(3,618)
Balance, March 31, 2026	—	$ —	154,939	$ 155	21,703	$ 22	—	$ —	$ 551,333	$ 243	$ 57,935	$ 609,688
Net income	—	—	—	—	—	—	—	—	—	—	27,499	27,499
Other comprehensive loss	—	—	—	—	—	—	—	—	—	(24)	—	(24)
Stock-based compensation expense	—	—	—	—	—	—	—	—	10,744	—	—	10,744
Issuance of Series A common stock upon vesting of RSUs	—	—	352	—	—	—	—	—	—	—	—	—
Tax withholding upon vesting of employee stock awards	—	—	—	—	—	—	—	—	(3,437)	—	—	(3,437)
Repurchase of common stock	—	—	(8)	—	—	—	—	—	(94)	—	—	(94)
Common stock issued for ESPP purchases	—	—	98	—	—	—	—	—	1,256	—	—	1,256
Balance, June 30, 2026	—	$ —	155,381	$ 155	21,703	$ 22	—	$ —	$ 559,802	$ 219	$ 85,434	$ 645,632
Net income	—	—	—	—	—	—	—	—	—	—	32,072	32,072
Other comprehensive income	—	—	—	—	—	—	—	—	—	154	—	154
Stock-based compensation expense	—	—	—	—	—	—	—	—	12,553	—	—	12,553
Issuance of Series A common stock upon vesting of RSUs	—	—	694	1	—	—	—	—	(1)	—	—	—
Tax withholding upon vesting of employee stock awards	—	—	—	—	—	—	—	—	(11,553)	—	—	(11,553)
Repurchase of common stock	—	—	(938)	(1)	—	—	—	—	(18,376)	—	—	(18,377)
Balance, September 30, 2026	—	$ —	155,137	$ 155	21,703	$ 22	—	$ —	$ 542,425	$ 373	$ 117,506	$ 660,481

See accompanying notes to condensed consolidated financial statements.

Pattern Group Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Description of Business

Pattern Group Inc. and its wholly owned subsidiaries (collectively "Pattern" or the "Company") is a global ecommerce accelerator that leverages its technology platform, data science, and on-demand experts to help brands grow their ecommerce marketplace sales. The Company purchases inventory from its brand partners to sell to consumers, allowing it to manage merchandising, pricing, logistics, and customer experience.

The Company's brand partners operate across a variety of industries, including health and wellness, beauty and personal care, home and lifestyle, pet, sports and outdoors, and consumer electronics.

Completion of Initial Public Offering

In September 2025, the Company completed its initial public offering of shares of Series A common stock. Immediately prior to the completion of the initial public offering, all the Company's then-outstanding shares of Series A Preferred Stock and Series B Preferred Stock were converted and reclassified into shares of Series A common stock (see Note 7—Convertible Preferred Stock for more information). In addition, all the Company's then-outstanding shares of Founder Voting Preferred Stock and Founder Non-Voting Preferred Stock were reclassified and converted into shares of Series A common stock and Series B common stock, as applicable (see Note 8—Stockholders' Equity for more information).

2. Summary of Significant Accounting Policies

Unaudited Interim Financial Information

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC").

Management believes that the unaudited condensed consolidated financial statements include all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the periods presented. All intercompany accounts and transactions have been eliminated in consolidation.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to SEC rules and regulations. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for the full year due to seasonal and other factors.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management evaluates these estimates and judgments on an ongoing basis.

Significant estimates include, but are not limited to, net realizable value of inventory, allowance for sales returns, allowance for doubtful accounts, valuation allowances on deferred tax assets, reporting unit fair value for evaluating goodwill for impairment, fair value of assets acquired and liabilities assumed in business combinations, the valuation of stock-based awards, fair value of common stock and the incremental borrowing rate ("IBR") used to measure operating lease liabilities.

The Company bases these estimates on historical and anticipated results, trends and various other assumptions that it believes are reasonable under the circumstances, including assumptions as to future events. Actual results could differ from these estimates and any such differences may be material to the Company's consolidated financial statements.

Revenue

The following table presents the Company's revenues disaggregated by source of revenue:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2025**	**2026**	**2025**	**2026**
Amazon.com	$ 549,162	$ 738,375	$ 1,546,945	$ 2,119,781
Amazon marketplaces, international	43,425	59,876	109,115	175,520
Other online marketplaces and channels	39,391	69,481	101,846	192,169
SaaS, logistics and other revenue	7,677	18,115	20,305	48,877
Revenues	$ 639,655	$ 885,847	$ 1,778,211	$ 2,536,347

The following table presents the Company's revenues disaggregated by geography:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2025**	**2026**	**2025**	**2026**
U.S.	$ 571,654	$ 779,757	$ 1,606,489	$ 2,229,953
International	68,001	106,090	171,722	306,394
Revenues	$ 639,655	$ 885,847	$ 1,778,211	$ 2,536,347

During the year ended December 31, 2025, the Company updated its methodology for determining the geographic classification of revenue to better align with the country in which the marketplace is domiciled and how management evaluates regional performance. As a result, the Company has recast the prior period revenue by geographic region to conform to the current period presentation. This change affected only the allocation of revenue between geographic regions and did not impact total consolidated revenues, operating results, or cash flows for any period presented.

The U.S. was the only individual country accounting for more than 10% of total revenue.

Earnings (loss) per share

Basic and diluted earnings (loss) per share ("EPS") are calculated using the Company's weighted-average shares outstanding of common stock. Prior to the Company's initial public offering, outstanding common stock included Founder Voting Preferred Stock and Founder Non-Voting Preferred Stock. The Founder Voting and Founder Non-Voting Preferred Stock were considered common stock equivalents for purposes of calculating EPS, as they shared equally with common stock in the liquidation of the Company's net assets and did not contain an economic preference. Upon completion of the initial public offering, the Founder Voting and Founder Non-Voting Preferred Stock converted into Series B common stock and Series A common stock, respectively, which have been outstanding since that date. The rights, including the liquidation and dividend rights, of the holders of Series A and Series B common stock are identical, except with respect to voting, conversion and transfer rights. As the liquidation and dividend rights are identical, the undistributed earnings are allocated on a proportionate basis to each class of common stock and the resulting basic and diluted net income (loss) attributable to common stockholders are the same for both Series A and Series B common stock on both an individual and combined basis.

The dilutive effect of Series A Preferred Stock is reflected in diluted earnings (loss) per share by application of the more dilutive of the two-class method and if-converted method (two-class method only applies for periods of net income). The dilutive effect of Series B Preferred Stock is reflected in diluted earnings (loss) per share under the if-converted method, if dilutive. The if-converted method is calculated by assuming conversion at the beginning of the period or date of issuance, if later; and therefore, no dividend preference would accrue to the Series B Preferred Stock. Restricted stock units ("RSUs") subject to conditions other than service conditions are considered contingently issuable shares and are included in the computation of dilutive shares only to the extent that the underlying performance condition is satisfied prior to the end of the reporting period or would be considered satisfied if the end of the reporting period were the end of the related contingency period and the results would be dilutive under the treasury stock method (see Note 9—Stock-Based Compensation for more information).

The following table sets forth the computation of earnings (loss) per share attributable to common stockholders:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except per share data)	**2025**	**2026**	**2025**	**2026**
Net income (loss)	$ (59,059)	$ 32,072	$ (12,476)	$ 88,784
Income allocable to participating Series A Preferred Stock	—	—	—	—
Series B Preferred Stock dividend - undeclared	—	—	8,922	—
Reversal of cumulative Series B Preferred Stock undeclared dividends upon redemption of Series B Preferred Stock	(67,350)	—	(67,350)	—
Deemed dividend for redemption of Series B Preferred Stock	231,281	—	231,281	—
Net income (loss) attributable to common stockholders	$ (222,990)	$ 32,072	$ (185,329)	$ 88,784
Weighted-average shares outstanding:				
Basic	101,747	177,185	94,350	176,984
Dilutive awards	—	5,245	—	4,044
Diluted	101,747	182,430	94,350	181,028
Net earnings (loss) per share attributable to common stockholders:				
Basic	$ (2.19)	$ 0.18	$ (1.96)	$ 0.50
Diluted	$ (2.19)	$ 0.18	$ (1.96)	$ 0.49

The following instruments outstanding (prior to consideration of the treasury stock or if-converted methods) as of period end were not reflected in diluted EPS as their effect for the periods presented would be anti-dilutive or the instruments were not exercisable for potential common shares for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	**2025**	**2026**	**2025**	**2026**
RSUs	7,446	—	7,446	472

Cash and Cash equivalents

As of December 31, 2025 and September 30, 2026, the Company had $243.7 million and $300.0 million, respectively, of cash equivalents measured at fair value on a recurring basis, all of which were classified as Level 1.

Accounts Receivable, net

Accounts receivable, net consisted of the following:

(in thousands)	**December 31, 2025**	**September 30, 2026**
Amazon.com	$ 85,842	$ 93,176
Brand partner receivables	73,279	70,754
Other receivables	21,934	28,373
Allowance for doubtful accounts	(3,841)	(4,254)
Accounts receivable, net	$ 177,214	$ 188,049

Recently Adopted Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient for measuring expected credit losses on current trade receivables and contract assets arising from revenue transactions within the scope of ASC 606, *Revenue from Contracts with Customers*. Under the expedient, an entity may assume that the conditions existing as of

the reporting date will not change over the remaining life of the asset when estimating expected credit losses. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025, including interim reporting periods within that annual period, with early adoption permitted on a prospective basis. The Company adopted ASU 2025-05, electing the practical expedient, effective January 1, 2026 on a prospective basis. The adoption of this standard did not have a material effect on the Company's consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies and enhances the guidance related to the form, content and disclosure requirements of interim financial statements. The amendments reorganize and codify certain interim disclosure requirements, incorporate disclosure guidance from other Topics into ASC 270, and establish a disclosure principle requiring entities to provide disclosures about events and transactions occurring after the most recent annual reporting period that materially affect the entity. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted, and the guidance may be applied prospectively or retrospectively, in whole or in part. The Company adopted ASU 2025-11, effective July 1, 2026 on a prospective basis. The adoption of this standard did not have a material effect on the Company's consolidated financial statements and related disclosures.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires disclosure of specific expense categories in the notes to the financial statements. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted and can be applied on either a prospective or retroactive basis. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles — Goodwill and Other (Topic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which modernizes and clarifies guidance for capitalizing costs related to internal-use software development. The amendments remove stage-based terminology and incorporate guidance for website development costs previously included in ASC 350-50. ASU 2025-06 is effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within that annual period, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements and related disclosures.

3. Property and Equipment, net

Property and equipment, net consisted of the following:

(in thousands)	December 31, 2025	September 30, 2026
Internal-use software	$ 42,459	$ 54,618
Machinery and equipment	13,403	14,088
Computer equipment	7,625	11,678
Leasehold improvements	6,849	8,714
Land	3,984	3,984
Furniture and fixtures	3,501	6,203
Assets under construction	503	9,071
Other property and equipment	1,725	410
Total property and equipment	80,049	108,766
Less: accumulated depreciation and amortization	(38,962)	(50,393)
Property and equipment, net	$ 41,087	$ 58,373

Depreciation and amortization expense related to property and equipment was $3.7 million and $4.8 million for the three months ended September 30, 2025 and 2026, respectively. Depreciation and amortization expense related to property and equipment was $10.5 million and $13.2 million for the nine months ended September 30, 2025 and 2026, respectively.

4. Business Acquisitions

On December 1, 2025, the Company completed the acquisition of 100% of the outstanding stock of ROI Hunter a.s., a Czech joint stock corporation ("ROI Hunter"). The acquisition of ROI Hunter expands the Company's product offerings and enhances its market presence in the advertising intelligence platform sector. On December 18, 2025, the Company completed the acquisition of 100% of the outstanding stock of iDesign Technology USA LLC ("iDesign"). The acquisition of iDesign expands the Company's product offerings and enhances its market presence in the digital media, influencer marketing and content-creation sectors. These transactions are expected to generate synergies through the integration of the acquired proprietary technologies and customer relationships. These acquisitions were accounted for as business combinations in accordance with ASC 805, Business Combinations.

The following tables summarize the consideration paid for the acquired entities and the amounts of the assets acquired and liabilities assumed recognized at the acquisition date:

(in thousands)	Amount
Cash	$ 25,120
Deferred acquisition consideration	1,628
Fair value of total consideration transferred	$ 26,748

(in thousands)	Amount
Cash and cash equivalents	$ 5,824
Accounts receivable	2,574
Prepaid expenses and other	191
Property and equipment	120
Intangible assets	13,628
Other non-current assets	206
Accounts payable	(931)
Accrued liabilities	(3,863)
Deferred tax liabilities	(2,904)
Total identifiable net assets	$ 14,845
Goodwill	11,903
Fair value of total consideration transferred	$ 26,748

The deferred acquisition consideration represents a liability for indemnification holdbacks that is expected to be paid to the sellers through annual installments ending in December 2028, subject to adjustment under the terms of the agreement.

The goodwill acquired represents the excess of the purchase price over the fair value of net identifiable assets acquired and is attributable to expected synergies, assembled workforce and future growth opportunities. The goodwill acquired is not deductible for tax purposes.

The following table sets forth the components of identifiable intangible assets acquired and their estimated useful lives as of the date of acquisition:

(in thousands, except for years data)	Acquisition Date Fair Value	Useful Life at Acquisition (in years)
Developed technology	$ 5,425	3
Customer relationships	4,391	1-5
Tradenames	1,538	5
Non-competition agreements	2,274	3
Intangible assets, net	$ 13,628	

The fair values of the acquired identifiable net assets reflect updated provisional estimates which are subject to final valuation procedures. A measurement period adjustment of $0.1 million was recognized during the nine months ended September 30, 2026 which resulted in an increase in the amount of goodwill recognized. The financial results of ROI Hunter and iDesign, from their respective acquisition dates through September 30, 2026, were not material to our Consolidated Statements of Operations, nor were they material to our prior period consolidated results on a pro forma basis. Costs related to the ROI Hunter and iDesign acquisitions were not material to our Consolidated Statements of Operations.

5. Operating Leases

The following table provides a summary of supplemental cash flow information related to our operating leases:

	Nine Months Ended September 30,	
(in thousands)	**2025**	**2026**
Cash payments included in operating cash flows for lease arrangements	$ 6,740	$ 8,118
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 6,206	$ 32,792

The Company entered into a lease agreement for a warehouse and distribution facility located in Pennsylvania, which commenced on June 1, 2026 with an initial term of 7.4 years. The Company classified this lease as an operating lease. Upon commencement, the Company recognized an ROU asset and corresponding lease liability of $20.8 million, measured using a discount rate of 5.26%. During the nine months ended September 30, 2026, the Company entered into amended lease agreements to extend the term for certain office and warehouse spaces, resulting in an increase of $12.0 million to our ROU assets and corresponding lease liabilities.

As of September 30, 2026, the Company had entered into additional operating leases for corporate office spaces that had not yet commenced and, accordingly, are not included in the operating lease right-of-use assets or lease liabilities above. These leases are expected to commence at various dates through 2027 and expire in 2032. Aggregate undiscounted minimum lease payments over the lease terms are approximately $12.6 million.

Maturity of Lease Liabilities

The future minimum lease payments under the Company's operating lease liabilities as of September 30, 2026 are as follows:

(in thousands)	**Amount**
2026 (remainder)	$ 3,221
2027	12,827
2028	10,813
2029	9,732
2030	8,213
Thereafter	25,129
Total undiscounted lease payments	69,935
Less: imputed interest	12,524
Present value of lease liabilities	57,411
Less: operating lease liabilities, current	(10,203)
Operating lease liabilities, non-current	$ 47,208

6. Credit Facilities

The Company is party to a revolving credit facility pursuant to a credit agreement, by and among the Company, JPMorgan Chase Bank, N.A., and other lenders listed therein, dated September 4, 2025 (the "Credit Agreement"). The outstanding balance under the Company's revolving line of credit facility was zero as of September 30, 2026 and the amount available to draw was $150.0 million as of September 30, 2026. The revolving line of credit has a maturity date in September 2030 and bears interest at a variable base rate plus an applicable margin ranging from 0.50% to 2.00%. The commitment fees on the unused portion range from 0.20% to 0.25%.

The Company's Credit Agreement contains various financial, affirmative and negative covenants. As of September 30, 2026, the Company was in compliance with all covenants outlined in the agreement.

7. Convertible Preferred Stock

In September 2025, the Company completed its initial public offering of shares of Series A common stock. Immediately prior to the completion of the initial public offering, 15,750,477 shares of Series A Preferred Stock were converted into an aggregate of 15,750,477 shares of Series A common stock in accordance with the original fixed-price conversion feature of the Series A Preferred Stock. Accordingly, the conversion of the Series A Preferred Stock was accounted for as a conversion with no gain, loss or deemed dividend recognized.

In addition, immediately prior to the completion of the initial public offering, 13,215,614 shares of Series B Preferred Stock were converted into an aggregate of 32,129,232 shares of Series A common stock in accordance with the original fixed-percentage conversion feature based on the initial public offering price, after giving effect to the Series B conversion rights. Under the Series B conversion rights, each share of Series B Preferred Stock converted into a number of shares of Series A common stock determined by dividing the original issue price of such share by the lesser of (a) the original issue price of such share (subject to certain anti-dilution adjustments) and (b) the initial public offering price per share discounted by 50.0% (the "Series B Preferred Special Conversion Ratio"). Accordingly, the conversion of the Series B Preferred Stock was accounted for as a redemption. As a result of this redemption feature, the fair value of the Series A common stock issued exceeded the carrying amount of the Series B Preferred Stock redeemed, resulting in a non-cash deemed dividend of $163.9 million during the three and nine months ended September 30, 2025, inclusive of a $67.4 million adjustment for cumulative undeclared dividends previously reported through June 30, 2025. The deemed dividend reduced earnings available to common stockholders in EPS and reduced retained earnings by $94.4 million as of September 30, 2025 with the residual amount charged against additional paid-in capital as the Company did not have sufficient retained earnings to absorb the full amount of the deemed dividend at the time of redemption.

The holders of the Company's Series A Preferred Stock and Series B Preferred Stock (collectively, "Convertible Preferred Stock") had certain voting, dividend and redemption rights, as well as liquidation preferences and conversion privileges, in respect of the Convertible Preferred Stock. All of such rights, preferences and privileges associated with the Convertible Preferred Stock were terminated at the time of the Company's initial public offering in conjunction with the conversion and redemption mentioned above.

The following table summarizes redeemable Convertible Preferred Stock prior to the conversion into common stock upon completion of the initial public offering:

(in thousands, except per share data)	Original Issuance Date	Shares authorized	Shares issued and outstanding	Issuance price per share	Aggregate liquidation preference	Net carrying value
Series A Preferred Stock	May 2020	15,750	15,750	$ 7.44	$ 117,184	$ 52,073
Series B Preferred Stock	September 2021	13,222	13,216	17.01	292,255	218,528
Total		28,972	28,966		$ 409,439	$ 270,601

Dividends

The holders of Series B Preferred Stock were entitled to cumulative dividends at a rate of 8.0% of the original issue price, or $17.01 per share, if and when declared by the Company's board of directors. The holders of Series B Preferred Stock were entitled to receive dividends on a pari passu basis, prior to and in preference to any dividends to common stockholders. After the initial public offering and conversion, these dividend rights ceased, and there were no accrued and unpaid dividends as of September 30, 2025.

There were no dividends declared or paid during the three and nine months ended September 30, 2025 and 2026.

8. Stockholders' Equity

Common Stock

The Company has two series of common stock: Series A common stock with a par value of $0.001 per share and Series B common stock with a par value of $0.001 per share. The rights of the holders of Series A common stock and Series B common stock are identical, except with respect to voting and conversion rights. Each share of Series A common

stock is entitled to one vote. Each share of Series B common stock is entitled to 20 votes and is convertible at any time into one share of Series A common stock. Holders of common stock are entitled to receive any dividends as may be declared by the board of directors.

Share Repurchase Program

On March 2, 2026, the Company's board of directors authorized a share repurchase program (the "Share Repurchase Program"), pursuant to which the Company may repurchase up to $100 million in aggregate of its issued and outstanding shares of Series A common stock. Repurchases may be made from time to time through open market transactions, privately negotiated transactions, or other means, including pursuant to Rule 10b5-1 plans.

During the three months ended September 30, 2026, the Company repurchased 938,172 shares of Series A common stock at an average price per share of $19.59 and for an aggregate purchase price of $18.4 million, including transaction costs. During the nine months ended September 30, 2026, the Company repurchased 1,257,703 shares of Series A common stock at an average price per share of $17.56 and for an aggregate purchase price of $22.1 million, including transaction costs. As of September 30, 2026, the Company had $77.9 million remaining authorized for future repurchases.

Shares repurchased under the Share Repurchase Program are accounted for as retired shares. Upon repurchase, the shares are immediately retired and are no longer considered issued or outstanding.

Secondary Offering

On June 17, 2026, the Company entered into an underwriting agreement with the selling stockholder ("Seller") and J.P. Morgan Securities LLC and Goldman Sachs & Co. LLC as representatives of the underwriters listed thereto ("Underwriters"), relating to the offer and sale by the Seller of 8,000,000 shares of Series A common stock at a price to the public of $19.00 per share (the "Secondary Offering"). In addition, the Seller granted the Underwriters a 30-day option to purchase up to an additional 1,200,000 shares of Series A common stock, which the Underwriters exercised on June 18, 2026 (the "Option Shares Offering"). The Company did not sell any shares of Series A common stock and did not receive any proceeds in connection with the Secondary Offering or Option Shares Offering.

Preferred Stock

In connection with the completion of the initial public offering, 17,797,821 shares of Founder Voting Preferred Stock, $0.001 par value per share, were reclassified and converted into an aggregate of 21,702,510 shares of Series B common stock, and 68,994,553 shares of Founder Non-Voting Preferred Stock, $0.001 par value per share, were reclassified and converted into an aggregate of 84,131,370 shares of Series A common stock, based on the initial public offering price, after giving effect to the Founder Preferred Stock Amendment, as described below, and to certain transfers by the co-founder trusts to the co-founders.

Founder Preferred Stock Amendment

In August 2025, the Company, following approval by its board of directors, amended its Certificate of Incorporation to revise the conversion terms of the Founder Voting Preferred Stock and Founder Non-Voting Preferred Stock (collectively, the "Founder Preferred Stock") (the "Founder Preferred Stock Amendment"). The revised terms provided that upon completion of an initial public offering, the Founder Preferred Stock would convert into Series B common stock or Series A common stock, as applicable, at a ratio that would limit the dilution impact on the holders of such stock to 3.33%, as a result of the special conversion ratio applicable to the Series B Preferred Stock in connection with an initial public offering, provided, no adjustment will be made for any incremental dilution that exceeds 9.00% (see Note 7—Convertible Preferred Stock for additional information on the Series B Preferred Stock conversion rights). If an initial public offering was not completed by December 31, 2025, the Founder Preferred Stock would have reverted to its original 1:1 conversion ratio into Series B common stock or Series A common stock, as applicable. The Founder Preferred Stock were considered to be common stock equivalents for purposes of calculating EPS given that they share equally with common stock in the liquidation of the Company's net assets. Accordingly, the amended terms represented a non-pro rata distribution to the holders of the Founder Preferred Stock (the "Founder Preferred Stockholders") and, as a result, the Company recognized a non-cash expense of $32.7 million for the incremental fair value associated with the modified terms within the caption stock amendment expense on our condensed consolidated statement of operations. The conversion of the Founder Preferred Stock under the amended conversion rights was accounted for as an equity conversion with no gain, loss or deemed dividend recognized.

9. Stock-Based Compensation

Stock-based compensation expense is classified within the corresponding operating expense categories in the consolidated statements of operations as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2025	2026	2025	2026
Operations, general and administrative	$ 44,314	$ 8,707	$ 44,314	$ 19,434
Sales and marketing	22,191	1,981	22,191	8,303
Research and development	18,195	1,865	18,195	3,501
Total stock-based compensation	$ 84,700	$ 12,553	$ 84,700	$ 31,238

Compensation expense associated with cash-settled RSUs was $2.4 million for the three and nine months ended September 30, 2025, and $0.4 million and $1.8 million for the three and nine months ended September 30, 2026, respectively, and was included in operations, general and administrative in the condensed consolidated statements of operations.

Restricted Stock Units

The following table summarizes the RSU activity:

(in thousands, except per share fair values)	RSUs	Weighted-Average Grant Date Fair Value
Outstanding at December 31, 2025	8,170	$ 13.89
Granted	4,246	15.19
Vested	(2,771)	12.53
Cancelled/Forfeited	(1,124)	15.26
Outstanding at September 30, 2026	8,521	$ 14.80

Upon vesting of RSUs, the Company withholds shares from employees to satisfy the employee portion of payroll tax obligations ("net share settlement"). For the nine months ended September 30, 2025, the Company made payments to taxing authorities of $73.1 million in connection with shares withheld upon vesting of RSUs, which payments were classified as a financing activity in the condensed consolidated statement of cash flows, and an additional $4.6 million was recorded as a liability for shares withheld for which payments were not yet made to taxing authorities by the end of the period. For the nine months ended September 30, 2026, the Company made payments to taxing authorities of $19.6 million in connection with shares withheld upon vesting of RSUs.

The total unrecognized stock-based compensation expense related to these awards was $83.5 million as of September 30, 2026 and the weighted-average remaining requisite service period is 2.38 years.

10. Provision for Income Taxes

The Company calculated the year-to-date provision (benefit) for income taxes by applying the estimated annual effective tax rate to the ordinary year-to-date income (loss) before income taxes for each applicable jurisdiction and adjusted for discrete tax items in the period.

The Company's provision (benefit) for income taxes was $(32.2) million and $7.9 million for the three months ended September 30, 2025 and 2026, respectively. The Company's provision (benefit) for income taxes was $(16.2) million and $30.3 million for the nine months ended September 30, 2025 and 2026, respectively, reflecting effective tax rates of 56.5% and 25.4%, respectively.

The effective tax rate for the nine months ended September 30, 2025 represents a benefit on a pre-tax loss. The benefit rate exceeded the U.S. federal statutory rate of 21% primarily due to $19.8 million of net discrete tax benefits related to the Company's initial public offering (see Note 8—Stockholders' Equity). These benefits relate to tax-deductible stock compensation in excess of GAAP stock compensation for awards that vested at the time of the initial public offering, partially offset by non-deductible executive compensation and non-deductible stock amendment expense.

The effective tax rate for the nine months ended September 30, 2026 of 25.4% exceeded the U.S. federal statutory rate of 21% primarily due to state income taxes, net of federal benefit.

11. Commitments and Contingencies

Purchase Commitments

As of September 30, 2026, the Company did not have any material future payments under non-cancelable purchase obligations.

Legal Matters

From time to time, the Company may become involved in legal proceedings arising in the ordinary course of business. Loss contingencies are recorded when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Accounting for contingencies requires the use of judgment related to both the likelihood of a loss and the estimate of the amount or range of loss.

As of September 30, 2026, the Company was not involved in any legal proceedings, individually or in the aggregate, that the Company believes are probable or reasonably possible to have a material adverse effect on its business, results of operations, financial condition or cash flows.

Indemnification

In the ordinary course of business, the Company may provide indemnifications of varying scope and terms to customers, brand partners, lessors, investors, directors, officers, employees and other parties with respect to certain matters. Indemnification may include losses from the breach of such agreements, services the Company provides or third-party intellectual property infringement claims. These indemnifications may survive termination of the underlying agreement and the maximum potential amount of future indemnification payments may not be subject to a cap.

12. Segment Information

The Company manages its business on a consolidated basis and operates as a single operating and reportable segment. The Company's chief operating decision maker ("CODM") is the Company's Chief Executive Officer, who reviews financial information on a consolidated basis. The CODM uses consolidated net income to assess financial performance and allocate resources. Net income is used by the CODM to make key operating decisions by comparing actual net income to historical results and previously forecasted financial information. The CODM does not review assets in evaluating the results of the reportable segment.

The following table presents selected financial information with respect to the Company's single operating and reportable segment:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2025	2026	2025	2026
Revenues	$ 639,655	$ 885,847	$ 1,778,211	$ 2,536,347
Significant expenses:				
Cost of goods sold	356,132	499,165	1,002,065	1,425,069
Fulfillment[1]	94,756	133,147	262,640	381,119
Marketplace commissions[2]	91,285	123,682	253,990	357,383
Sales, general and administrative[3]	57,333	63,118	143,405	182,865
Technology[4]	8,620	15,865	25,045	43,103
Share-based compensation and related taxes[5]	91,708	13,382	91,708	34,213
Stock amendment expense (Note 8)	32,676	—	32,676	—
Interest income, net	(1,855)	(2,182)	(5,060)	(6,635)
Other (income) expense, net	291	(303)	420	176
Provision (benefit) for income taxes	(32,232)	7,901	(16,202)	30,270
Net income (loss)	$ (59,059)	$ 32,072	$ (12,476)	$ 88,784

(1) Fulfillment includes costs incurred from third-party fulfillment centers and cost to operate and staff the Company's fulfillment centers, excluding share-based compensation and related taxes.
(2) Marketplace commissions includes referral fees charged by the various online marketplaces.
(3) Sales, general and administrative relate to employee headcount, excluding share-based compensation and related taxes, and other selling and general administrative costs.
(4) Technology includes the amortization of capitalized internally developed software costs and items included in research and development within the condensed consolidated statement of operations, excluding share-based compensation and related taxes.
(5) Share-based compensation and related taxes include compensation expense for both stock and cash settled restricted stock units and the related employer taxes.

See Note 2—Summary of Significant Accounting Policies for additional information about revenue disaggregation.

The Company's long-lived tangible assets, as well as the Company's operating lease right-of-use assets recognized on the condensed consolidated balance sheets were located as follows:

(in thousands)	December 31, 2025	September 30, 2026
U.S.	$ 54,596	$ 98,099
International	14,655	14,470

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

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the condensed consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q and the audited consolidated financial statements and notes thereto and management's discussion and analysis of financial condition and results of operations for the year ended December 31, 2025 included in the Annual Report on Form 10-K. The following discussion is intended to help the reader understand our company, our operations and our present business environment, and contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Quarterly Report on Form 10-Q and the Annual Report on Form 10-K, particularly in the sections titled "Special Note Regarding Forward-Looking Statements" and "Risk Factors." Our historical results are not necessarily indicative of the results that may be expected for any period in the future.

Overview

At Pattern, we are on a mission to help brands accelerate profitable growth on global ecommerce marketplaces. Our proprietary technology and on-demand experts operate across more than 80 marketplaces to increase product sales to consumers in more than 100 countries. We have gathered more than 100 trillion data points comprised of keyword, shipping, advertising, sales, market share, click, social, conversion, customer service and other data. Utilizing these data points and sophisticated machine learning and artificial intelligence ("AI") models, we strive to optimize and automate key levers of ecommerce growth, including advertising, content creation and management, pricing, forecasting and customer service.

Given the complexities that consumer brands face in scaling and accelerating global ecommerce, we have built a powerful ecommerce acceleration platform ("our technology") organized around a simple and intuitive formula, which we call the ecommerce equation:



Our technology executes thousands of optimizations daily and drives the ecommerce equation across tens of thousands of products on marketplaces around the world. These optimizations include automated adjustments and recommendations powered by AI, machine learning and our massive flow of ecommerce data points, allowing brands to navigate the complexity of operating on global ecommerce marketplaces at scale.

Our technology, with a combined total of 44 issued patents and patents pending, is supported by approximately 550 software engineers, data scientists and other technology professionals who are dedicated to enhancing and innovating upon our technology to further increase our capabilities. We have a team that offers on-demand expertise and capabilities across marketplace management, marketing, fulfillment and brand protection on a global basis. We sell products from more than 275 brands across different industries and geographies including the Americas, Europe, Australia and Asia. Our current brand partners' industry presence includes health and wellness, beauty and personal care, home and lifestyle, pet, sports and outdoors and consumer electronics.

Our Business Model

We generate the substantial majority of our revenue from consumer product sales on global ecommerce marketplaces. Pattern acquires inventory based on contractual relationships with brand partners and uses its platform to optimize the ecommerce equation by driving traffic, increasing conversion, managing price and maintaining product availability across global ecommerce marketplaces.

We target brand partners with a proven track record of selling highly rated products, a loyal customer base and growth potential, assessed through our proprietary scorecard. Using our extensive data, we identify potential brand partners, and our sales team efficiently markets to and signs new brand partners.

We have developed and maintain strong and long-lasting brand partner relationships. Revenue attributable to brand partners consists of consumer product sales and other revenue, including subscription and consulting fees.

Purchasing our brand partners' products offers several advantages, creating a mutually beneficial partnership that supports growth for both Pattern and our brand partners by:

- Providing a simple low-friction model where brands sell their products to Pattern at predetermined prices
- Reducing the need for brands to allocate technology and overhead budget
- Allowing Pattern to manage the marketplace experience and optimize the ecommerce equation
- Enabling Pattern to gather data, conduct real-time testing and enhance predictive models with AI

Our operating model capitalizes on global economies of scale to optimize costs while investing in future growth. By managing more brand partners, we streamline logistics, reducing delivery times and costs. As we enhance operational efficiencies, we remain committed to innovating our technology, expanding capabilities and offering new solutions to our partners. Investments in technology and warehouse automation have significantly boosted our operational efficiency and realize tangible economic benefits from scale.

Key Business Metric and Non-GAAP Financial Measure

We measure our business using both financial and operating metrics and use the following metric and measure to assess the near-term and long-term performance of our overall business, including identifying trends, formulating financial projections, making strategic decisions, assessing operational efficiencies and monitoring our business.

Net Revenue Retention Rate

Net Revenue Retention Rate ("NRR") is an important metric to measure the long-term performance of our brand partner relationships. In any given period, we calculate NRR by comparing total revenue attributable to all existing brand partners in the current trailing 12-month period to that of the previous trailing 12-month period. This metric, expressed as a percentage, provides valuable insight into the accelerated growth delivered through our platform, the effectiveness of our brand expansion strategies and our ability to deepen relationships with existing brand partners. "Existing brand partners" are defined as brand partners that, as of the measurement date, have been with Pattern for more than twelve months since we first generated over $1,000 in revenue attributable to such brand partner. "New brand partners" are defined as all other brand partners that are not existing brand partners. For purposes of our NRR calculation, for those existing brand partners that, as of the measurement date, have been with Pattern for more than twelve full months but less than 24 full months since we first generated over $1,000 in revenue attributable to such brand partner, we only include current period revenue for the corresponding months in the current period for which the brand partner had attributable revenue in the previous period. For example, when calculating NRR as of September 30, 2026 for a brand partner that Pattern first generated over $1,000 of attributable revenue in March 2025, we would only include that brand partner's attributable revenue from March 2026 through September 2026 in the numerator and that brand partner's attributable revenue from March 2025 through September 2025 in the denominator. Current period revenue includes the impact of any expansion, contraction and attrition. NRR excludes revenue attributable to new brand partners during the current period and all revenue attributable to services relating to consulting and design.

	September 30,	
	2025	2026
Net Revenue Retention Rate	122 %	127 %

Adjusted EBITDA

In addition to our results determined in accordance with accounting principles generally accepted in the United States ("GAAP"), we believe that Adjusted EBITDA, a non-GAAP financial measure, is useful in evaluating our operational performance. We calculate Adjusted EBITDA as net income (loss) excluding depreciation and amortization; interest income, net; provision (benefit) for income taxes; share-based compensation expense and related taxes; the stock amendment expense; indirect initial public offering and secondary offering costs; and other items that we do not consider representative of our underlying operations. We believe it is useful to exclude charges, such as depreciation and amortization and share-based compensation expense from our Adjusted EBITDA because the amount of such expenses in any specific period may not directly correlate to the underlying performance of our business operations. We believe it is useful to exclude interest income, net; provision (benefit) for income taxes; and other items that are not components of our

core business operations. Non-GAAP financial measures such as Adjusted EBITDA should not be considered in isolation or as an alternative to net income (loss) or any other measure of financial performance calculated and prescribed in accordance with GAAP. In addition, Adjusted EBITDA may not be comparable to similarly titled measures in other organizations because other organizations may not calculate Adjusted EBITDA in the same manner as we do, thus limiting its usefulness as a comparative measure.

The following table provides a reconciliation of non-GAAP Adjusted EBITDA to the most directly comparable financial measure presented in accordance with GAAP.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2025	2026	2025	2026
Net income (loss)	$ (59,059)	$ 32,072	$ (12,476)	$ 88,784
Add (deduct):				
Depreciation and amortization	4,262	6,261	12,547	17,493
Interest income, net	(1,855)	(2,182)	(5,060)	(6,635)
Provision (benefit) for income taxes	(32,232)	7,901	(16,202)	30,270
Other:				
Share-based compensation and related taxes[1]	91,708	13,382	91,708	34,213
Stock amendment expense[2]	32,676	—	32,676	—
Indirect initial public offering and secondary offering costs[3]	5,235	—	6,477	856
Other	319	3	319	3
Adjusted EBITDA	$ 41,054	$ 57,437	$ 109,989	$ 164,984

(1) Share-based compensation and related taxes include compensation expense for both stock and cash settled restricted stock units and the related employer taxes.
(2) Stock amendment expense represents a non-cash expense associated with the filing and effectiveness of our amended and restated certificate of incorporation in August 2025 (the "Founder Preferred Stock Amendment"), which modified the terms of the Founder Voting Preferred Stock and Founder Non-Voting Preferred Stock (collectively, the "Founder Preferred Stock"), as described under Note 8—Stockholders' Equity, in the section titled "Notes to Condensed Consolidated Financial Statements" included elsewhere in this Quarterly Report on Form 10-Q. This expense was specific to the amendment of the Founder Preferred Stock and is not expected to recur in future periods.
(3) Secondary offering costs relate to fees and expenses incurred in conjunction with an underwritten secondary public offering by a certain stockholder of the Company. Pursuant to the Amended and Restated Investors' Rights Agreement, dated as of September 28, 2021, by and among the Company and the investors listed therein, we are obligated to bear the registration expenses associated with such offering. We did not receive any proceeds from the sale of shares by the selling stockholder.

Components of Results of Consolidated Operations

Revenue

We derive revenue primarily from consumer product sales attributable to brand partners, across a number of categories including health and wellness, beauty and personal care, home and lifestyle, pet, sports and outdoors and consumer electronics, through both domestic and international ecommerce marketplaces. Revenue from the sale of products is recorded when products are shipped to the customer, net of returns allowances. Taxes collected from customers are excluded from revenue.

We also generate revenue through subscription and consulting fees for our comprehensive suite of ecommerce solutions, including advanced advertising and marketing technology, actionable business insights, compliance solutions, logistics and fulfillment support, creative design and strategic growth services.

Cost of Goods Sold

Cost of goods sold consists of the purchase price of inventory sold to customers. Shipping costs to receive products from our brand partners and costs to ship products to third-party fulfillment centers are included in our inventory and recognized as cost of goods sold upon sale of the products to customers.

Operations, General and Administrative

Operations, general and administrative expenses consist of third-party fulfillment costs; payroll and related expenses; warehousing costs; facilities and equipment, including depreciation and amortization, rent and other occupancy expenses;

professional and legal fees; as well as costs associated with other general costs for corporate functions, including accounting, finance and human resources.

Fulfillment costs represent those costs incurred from third-party fulfillment centers and in operating and staffing our fulfillment centers, including costs related to buying, receiving, inspecting and warehousing inventories, picking, packaging and preparing customer orders for shipment.

Sales and Marketing

Sales and marketing expenses consist of third-party online marketplace commission fees, targeted online advertising and other marketing expenses, payroll and related expenses for personnel engaged in marketing and selling activities.

Research and Development

Research and development costs include payroll and related expenses for employees involved in the research and development of our technology, development and design of our websites and curation and display of products available on third-party marketplaces.

Stock amendment expense

In connection with the filing and effectiveness of our amended and restated certificate of incorporation in August 2025, we amended the conversion terms of the Founder Preferred Stock, as described under Note 8—Stockholders' Equity, in the section titled "Notes to Condensed Consolidated Financial Statements" included elsewhere in this Quarterly Report on Form 10-Q. The amendment to the conversion terms represented a non-pro rata distribution to the holders of the Founder Preferred Stock. As a result, we recognized a non-cash expense of $32.7 million for the incremental fair value conveyed through the amended terms. This expense was specific to the amendment of the Founder Preferred Stock and is not expected to recur in future periods.

Results of Consolidated Operations

The following tables set forth our results of operations for the periods presented and express the relationship of certain line items as a percentage of net sales for those periods. The period-to-period comparison of financial results is not necessarily indicative of future results.

	Three Months Ended September 30,		Nine Months Ended September 30,	
($ in thousands)	**2025**	**2026**	**2025**	**2026**
Consolidated Statements of Operations				
Revenues	$ 639,655	$ 885,847	$ 1,778,211	$ 2,536,347
Operating expenses:				
Cost of goods sold	356,132	499,165	1,002,065	1,425,069
Operations, general and administrative	177,936	168,847	381,704	479,668
Sales and marketing	141,182	165,320	358,402	479,847
Research and development	24,584	15,027	36,682	39,168
Total operating expenses	699,834	848,359	1,778,853	2,423,752
Operating income (loss)	(60,179)	37,488	(642)	112,595
Stock amendment expense	(32,676)	—	(32,676)	—
Interest income, net	1,855	2,182	5,060	6,635
Other income (expense), net	(291)	303	(420)	(176)
Income (loss) before income taxes	(91,291)	39,973	(28,678)	119,054
Provision (benefit) for income taxes	(32,232)	7,901	(16,202)	30,270
Net income (loss)	$ (59,059)	$ 32,072	$ (12,476)	$ 88,784

(% of revenue)	Three Months Ended September 30, 2025	Three Months Ended September 30, 2026	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2026
Revenues	100.0%	100.0%	100.0%	100.0%
Operating expenses:				
Cost of goods sold	55.7%	56.3%	56.4%	56.2%
Operations, general and administrative	27.8%	19.1%	21.5%	18.9%
Sales and marketing	22.1%	18.7%	20.2%	18.9%
Research and development	3.8%	1.7%	2.1%	1.5%
Total operating expenses	109.4%	95.8%	100.0%	95.6%
Operating income (loss)	(9.4%)	4.2%	0.0%	4.4%
Stock amendment expense	(5.1%)	0.0%	(1.8%)	0.0%
Interest income, net	0.3%	0.2%	0.3%	0.3%
Other income (expense), net	0.0%	0.0%	0.0%	0.0%
Income (loss) before income taxes	(14.3%)	4.5%	(1.6%)	4.7%
Provision (benefit) for income taxes	(5.0%)	0.9%	(0.9%)	1.2%
Net income (loss)	(9.2%)	3.6%	(0.7%)	3.5%

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

Revenue

($ in thousands)	Three Months Ended September 30, 2025	Three Months Ended September 30, 2026	$ Change	% Change
Revenues	$ 639,655	$ 885,847	$ 246,192	38.5%

The increase in revenue was primarily driven by the growth of consumer product sales attributable to existing brand partners, as evidenced by our NRR of 127% for the period ended September 30, 2026. Revenue from Amazon marketplaces increased $205.7 million, or 35%, year-over-year and revenue not attributable to Amazon increased $40.5 million, or 86%, year-over-year. Collectively, international revenue increased $38.1 million, or 56%, year-over-year.

Cost of Goods Sold

($ in thousands)	Three Months Ended September 30, 2025	Three Months Ended September 30, 2026	$ Change	% Change
Cost of goods sold	$ 356,132	$ 499,165	$ 143,033	40.2%

The increase in cost of goods sold was primarily driven by an increase in revenue of 38.5%. The increase in cost of goods sold was larger than the increase in revenue on a percentage basis, primarily driven by product and brand mix.

Operations, General and Administrative

($ in thousands)	Three Months Ended September 30, 2025	Three Months Ended September 30, 2026	$ Change	% Change
Operations, general and administrative	$ 177,936	$ 168,847	$ (9,089)	(5.1%)

The decrease in operations, general and administrative expenses was primarily driven by a decrease of $35.6 million in stock-based compensation expense and $4.3 million in related payroll taxes, both of which were larger in 2025 due to the initial recognition of stock-based compensation expense upon meeting the performance-based vesting condition for outstanding restricted stock units in connection with our initial public offering, and a decrease of $5.2 million in indirect initial public offering costs. The decrease was partially offset by an increase of $38.4 million in fulfillment costs associated with the increase in consumer product sales.

Sales and Marketing

($ in thousands)	Three Months Ended September 30, 2025	2026	$ Change	% Change
Sales and marketing	$ 141,182	$ 165,320	$ 24,138	17.1%

The increase in sales and marketing expenses was primarily driven by an increase in marketplace commissions of $32.4 million, which generally grew in line with revenue on a percentage basis, and advertising and other marketing expenses of $5.0 million, partially offset by a decrease of $20.2 million in stock-based compensation expense. The remaining $7.0 million increase was primarily driven by an increase in brand management, sales and marketing, advertising and creative headcount.

Research and Development

($ in thousands)	Three Months Ended September 30, 2025	2026	$ Change	% Change
Research and development	$ 24,584	$ 15,027	$ (9,557)	(38.9%)

The decrease in research and development costs was primarily driven by a decrease of $16.3 million in stock-based compensation expense, partially offset by $6.8 million of investments in AI, technology, and headcount of software engineers, data scientists, and other technology professionals that support enhanced platform capabilities and the development of new features.

Stock amendment expense

($ in thousands)	Three Months Ended September 30, 2025	2026	$ Change	% Change
Stock amendment expense	(32,676)	—	$ 32,676	(100.0%)

In connection with the filing and effectiveness of our amended and restated certificate of incorporation in August 2025, we amended the conversion terms of the Founder Preferred Stock, as described under Note 8—Stockholders' Equity, in the section titled "Notes to Condensed Consolidated Financial Statements" included elsewhere in this Quarterly Report on Form 10-Q. The amendment to the conversion terms represented a non-pro rata distribution to the holders of the Founder Preferred Stock. As a result, we recognized a non-cash expense of $32.7 million for the incremental fair value conveyed through the amended terms. This expense was specific to the amendment of the Founder Preferred Stock and is not expected to recur in future periods.

Provision for Income Taxes

($ in thousands)	Three Months Ended September 30, 2025	2026	$ Change	% Change
Provision (benefit) for income taxes	$ (32,232)	$ 7,901	$ 40,133	NM

The change in provision (benefit) for income taxes was primarily driven by income before income taxes of $40.0 million for the three months ended September 30, 2026, compared to a loss before income taxes of $91.3 million for the three months ended September 30, 2025. For the three months ended September 30, 2025, the benefit for income taxes included net discrete tax benefits related to our initial public offering, primarily from tax-deductible stock-based compensation in excess of GAAP stock-based compensation for awards that vested at the time of the initial public offering, partially offset by non-deductible executive compensation and non-deductible stock amendment expense.

Comparison of the nine months ended September 30, 2025 and 2026

Revenue

($ in thousands)	Nine Months Ended September 30, 2025	2026	$ Change	% Change
Revenues	$ 1,778,211	$ 2,536,347	$ 758,136	42.6%

The increase in revenue was primarily driven by the growth of consumer product sales attributable to existing brand partners, as evidenced by our NRR of 127% for the period ended September 30, 2026. Revenue from Amazon marketplaces increased $639.2 million, or 39%, year-over-year and revenue not attributable to Amazon increased $118.9 million, or 97%, year-over-year. Collectively, international revenue increased $134.7 million, or 78%, year-over-year.

Cost of Goods Sold

	Nine Months Ended September 30,			
($ in thousands)	**2025**	**2026**	**$ Change**	**% Change**
Cost of goods sold	$ 1,002,065	$ 1,425,069	$ 423,004	42.2%

The increase in cost of goods sold was primarily driven by an increase in revenue of 42.6%. The increase in cost of goods sold was smaller than the increase in revenue on a percentage basis, primarily driven by product and brand mix.

Operations, General and Administrative

	Nine Months Ended September 30,			
($ in thousands)	**2025**	**2026**	**$ Change**	**% Change**
Operations, general and administrative	$ 381,704	$ 479,668	$ 97,964	25.7%

The increase in operations, general and administrative expenses was primarily driven by an increase in fulfillment costs of $118.5 million associated with the increase in consumer product sales, professional service fees of $4.9 million, depreciation and amortization expense of $4.9 million, and corporate headcount expense of $4.3 million. The increase in operations, general and administrative expenses was partially offset by a decrease of $24.9 million in stock-based compensation expense and $4.0 million of related taxes, both of which were larger in 2025 due to the initial recognition of stock-based compensation expense upon meeting the performance-based vesting condition for outstanding restricted stock units in connection with our initial public offering, and a decrease of $6.5 million in indirect initial public offering costs.

Sales and Marketing

	Nine Months Ended September 30,			
($ in thousands)	**2025**	**2026**	**$ Change**	**% Change**
Sales and marketing	$ 358,402	$ 479,847	$ 121,445	33.9%

The increase in sales and marketing expenses was primarily driven by an increase in marketplace commissions of $103.4 million, which grew generally in line with revenue on a percentage basis, brand management, sales and marketing, advertising and creative headcount expense of $16.8 million and advertising and other marketing expenses of $11.7 million, partially offset by a decrease of $13.9 million in stock-based compensation expense.

Research and Development

	Nine Months Ended September 30,			
($ in thousands)	**2025**	**2026**	**$ Change**	**% Change**
Research and development	$ 36,682	$ 39,168	$ 2,486	6.8%

The increase in research and development costs was primarily driven by $17.2 million of investments in AI, technology, and headcount of software engineers, data scientists, and other technology professionals that support enhanced platform capabilities and the development of new features, partially offset by a decrease of $14.7 million in stock-based compensation expense.

Stock amendment expense

	Nine Months Ended September 30,			
($ in thousands)	**2025**	**2026**	**$ Change**	**% Change**
Stock amendment expense	$ (32,676)	$ —	$ 32,676	(100.0%)

In connection with the filing and effectiveness of our amended and restated certificate of incorporation in August 2025, we amended the conversion terms of the Founder Preferred Stock, as described under Note 8—Stockholders' Equity, in the section titled "Notes to Condensed Consolidated Financial Statements" included elsewhere in this Quarterly Report

on Form 10-Q. The amendment to the conversion terms represented a non-pro rata distribution to the holders of the Founder Preferred Stock. As a result, we recognized a non-cash expense of $32.7 million for the incremental fair value conveyed through the amended terms. This expense was specific to the amendment of the Founder Preferred Stock and is not expected to recur in future periods.

Provision for Income Taxes

	Nine Months Ended September 30,			
($ in thousands)	**2025**	**2026**	**$ Change**	**% Change**
Provision (benefit) for income taxes	$ (16,202)	$ 30,270	$ 46,472	NM

The change in provision (benefit) for income taxes was primarily driven by income before income taxes of $119.1 million for the nine months ended September 30, 2026, compared to a loss before income taxes of $28.7 million for the nine months ended September 30, 2025. Our effective tax rate was 25.4% for the nine months ended September 30, 2026, which exceeded the U.S. federal statutory rate of 21% primarily due to state income taxes, net of federal benefit. For the nine months ended September 30, 2025, the benefit for income taxes represented 56.5% of our loss before income taxes and included $19.8 million of net discrete tax benefits related to our initial public offering, partially offset by non-deductible executive compensation and non-deductible stock amendment expense.

Liquidity and Capital Resources

Our principal sources of liquidity are cash and cash equivalents. At September 30, 2026, we had cash and cash equivalents of $351.7 million. We also have access to external sources of liquidity through our revolving credit facility as further described within “Credit Facility” below.

We believe that our cash and cash equivalents, cash from operations and availability under our revolving credit facility will be sufficient to fund our working capital, capital expenditure requirements, contractual obligations, and Series A common stock repurchases under our share repurchase program for at least the next twelve months. Our opinions concerning liquidity are based on currently available information. To the extent our liquidity assumptions prove to be inaccurate, or if circumstances change, future availability of credit or other sources of financing may be reduced and our liquidity could be adversely affected. In addition, we may choose to raise additional funds at any time through equity or debt financing arrangements, which may or may not be needed for additional working capital, capital expenditures or other strategic investments. Our future capital requirements and the adequacy of available funds will depend on many factors, including those described in the section titled “Risk Factors” included elsewhere in this Quarterly Report on Form 10-Q together with the risks and uncertainties previously disclosed in the section titled “Risk Factors” of the Annual Report on Form 10-K. Depending on the severity and direct impact of these factors on us, we may be unable to secure additional financing to meet our operating requirements on terms favorable to us, or at all.

Historical Cash Flows

The following table sets forth a summary of our cash flow information for the periods presented:

	Nine Months Ended September 30,	
(in thousands)	**2025**	**2026**
Net cash provided by operating activities	$ 90,913	$ 133,663
Net cash used in investing activities	$ (15,192)	$ (30,984)
Net cash provided by (used in) financing activities	$ 61,594	$ (40,461)

Operating Activities

Net cash provided by operating activities was $133.7 million for the nine months ended September 30, 2026, which primarily consisted of $88.8 million of net income, $58.6 million of non-cash adjustments, such as stock-based compensation, depreciation and amortization expense, and deferred income taxes, and a cash decrease of $13.7 million from the management of working capital.

Net cash provided by operating activities was $90.9 million for the nine months ended September 30, 2025, which primarily consisted of $12.5 million of net loss, $115.7 million of non-cash adjustments, such as stock-based compensation, stock amendment expense, depreciation and amortization expense and deferred income taxes, and an increase in income tax receivables of $17.6 million resulting from pre-tax losses in the period, and a cash increase of $5.3 million from the management of working capital.

Investing Activities

Net cash used in investing activities was $31.0 million for the nine months ended September 30, 2026, primarily related to capital expenditures for our internally developed software and investments in machinery, warehouse automation and leasehold improvements related to our warehouses and facilities.

Net cash used in investing activities was $15.2 million for the nine months ended September 30, 2025, primarily related to capital expenditures for our internally developed software and investments in machinery and leasehold improvements related to our North Las Vegas warehouse and other warehouse automation.

Financing Activities

Net cash used in financing activities was $40.5 million for the nine months ended September 30, 2026, primarily related to the payment of $19.6 million for taxes withheld upon the vesting of RSUs and $22.1 million of Series A common stock repurchases. Additionally, we received $1.3 million in proceeds from our employee stock purchase plan.

Net cash provided by financing activities was $61.6 million for the nine months ended September 30, 2025, primarily related to $135.0 million of proceeds from the sale of common stock, net of underwriting discounts and commissions and offering costs, partially offset by the payment of $73.1 million for taxes withheld upon the vesting of restricted stock awards triggered by our initial public offering.

Credit Facility

As of September 30, 2026, we were party to a revolving credit facility with JPMorgan Chase Bank, N.A. and other lenders pursuant to the Credit Agreement dated September 4, 2025 (the “Credit Facility”). The Credit Facility provides for non-amortizing revolving loans in the aggregate principal amount of up to $150 million, with the option to increase the aggregate principal amount up to $250 million under certain conditions subject to lender approval. The Credit Facility matures in September 2030. The revolving line of credit bears interest at a variable base rate plus an applicable margin ranging from 0.50% to 2.00%. We are required to pay commitment fees on the unused portion that range from 0.20% to 0.25% per annum. Our obligations under the Credit Facility are guaranteed by certain of our subsidiaries and are secured by a first priority lien on substantially all of our tangible and intangible property.

We are required to maintain compliance as of the end of each calendar quarter with the following financial covenants:

- a consolidated fixed charge coverage ratio on a trailing 12-month basis of no less than 1.25 to 1.00; and
- a consolidated net leverage ratio on a trailing 12-month basis not greater than 4.00 to 1.00.

As of September 30, 2026, we had no outstanding borrowings under the Credit Facility and we had a $150 million borrowing capacity under the Credit Facility. As of September 30, 2026, we were in compliance with the related financial covenants under the Credit Facility. For additional information, see Note 6—Credit Facilities, in the section titled “Notes to Condensed Consolidated Financial Statements” included elsewhere in this Quarterly Report on Form 10-Q.

Contractual Obligations and Commitments

We have contractual obligations and other commitments that will need to be funded in the future, in addition to our working capital, capital expenditures and other strategic initiatives. Material contractual obligations relate to operating lease obligations for corporate offices and warehouses, which expire at various dates through 2037. As of September 30, 2026, operating lease obligations included minimum lease payments of $69.9 million. In addition, as of September 30, 2026, we had entered into operating leases related to corporate office spaces that have not yet commenced and are not included in the amounts above. These leases are expected to commence at various dates through 2027 and provide for aggregate undiscounted minimum lease payments of $12.6 million over their terms, of which $0.2 million is expected to be paid within the next twelve months. For additional information related to our operating leases, see Note 5—Operating Leases, in the section titled “Notes to Condensed Consolidated Financial Statements” included elsewhere in this Quarterly Report on Form 10-Q.

As of September 30, 2026, there have been no material changes to the contractual obligations or commitments from those described under "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Annual Report on Form 10-K, other than changes to our operating lease liabilities as described above and in Note 5—Operating Leases, in the section titled “Notes to Condensed Consolidated Financial Statements” included elsewhere in this Quarterly Report on Form 10-Q.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of our consolidated financial statements and related disclosures requires us to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenue, costs and expenses and related disclosures. We believe that the estimates, assumptions and judgments involved in the accounting policies described in the Annual Report on Form 10-K involve a significant level of estimation uncertainty and have the greatest potential impact on our financial condition and results of operations and, therefore, we consider these to be our critical accounting policies. Accordingly, we evaluate our estimates, assumptions and judgments on an ongoing basis. Our actual results may differ from these estimates under different assumptions, judgments and conditions. Refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Annual Report on Form 10-K for further information on our critical accounting estimates and policies.

Recent Accounting Pronouncements

Information regarding recent accounting pronouncements is included in Note 2—Summary of Significant Accounting Policies, in the section titled “Notes to Condensed Consolidated Financial Statements” included elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We have operations both within the United States and internationally, and we are exposed to market risks in the ordinary course of our business, including the effects of foreign currency fluctuations, interest rate changes and inflation. Information relating to quantitative and qualitative disclosures about these market risks is below.

Foreign Currency Risk

A significant majority of our sales are denominated in the prevailing currencies of the countries in which we operate. Additionally, our operating expenses are largely denominated in the currencies of the countries in which our operations are located or in which revenue is generated. Therefore, our operations are not currently subject to significant foreign currency risk on a regional basis. However, as our international business has grown, we have faced corresponding exposure to adverse movements in foreign currency exchange rates, as the financial results of our international operations are translated from local currency, or functional currency, into U.S. dollars upon consolidation. Fluctuations in foreign currency exchange rates may cause us to recognize transaction gains and losses in our condensed consolidated statements of operations. To date, foreign currency transaction gains and losses have not been material to our financial statements, and we have not engaged in any foreign currency hedging transactions, but we may consider doing so in the future as our international operations grow. The effect of foreign currency exchange on our business historically has varied from quarter to quarter and may continue to do so, potentially materially. In addition, global economic conditions may result in changes in exchange rates, and in particular a weakening of foreign currencies relative to the U.S. dollar may negatively affect our revenue as expressed in U.S. dollars.

Interest Rate Risk

Our cash equivalents consist primarily of money market accounts and have an original maturity date of 90 days or less. The fair value of our cash and cash equivalents would not be significantly affected by either an increase or decrease in interest rates due mainly to the short-term nature of these instruments. Any future borrowings incurred under our revolving credit facility will accrue interest at a floating rate based on a formula tied to certain market rates at the time of incurrence. A 10% increase or decrease in interest rates would not have a material effect on our interest income or expense.

Inflation Risk

We continue to monitor the impact of inflation in order to minimize its effects through pricing strategies, productivity improvements and cost reductions. If our costs were to be subject to more significant inflationary pressures, we are generally able to offset such higher costs through price increases or other cost efficiency measures. Our inability or failure to do so could harm our business, financial condition and results of operations.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer, has conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of such date.

Changes in Internal Control Over Financial Reporting

There were no changes to our internal controls over financial reporting that occurred during the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

A control system, no matter how well designed and operated, can provide only reasonable, not absolute assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Information regarding legal proceedings is included in Note 11—Commitments and Contingencies, in the section titled "Notes to Condensed Consolidated Financial Statements" included elsewhere in this Quarterly Report on Form 10-Q and is incorporated by reference herein.

Item 1A. Risk Factors

Except as set forth below, there have been no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K. The following risk factors are amended or new and should be considered in addition to those previously disclosed:

The use of new and evolving technologies, including AI Technologies, in our business may result in spending material resources and presents risks and challenges that can impact our business including by posing security and other risks to our confidential and/or proprietary information, including personal information, and as a result we may be exposed to reputational harm and liability.

We may continue to use and integrate AI and machine learning technologies and products (collectively, "AI Technologies"), including agentic AI, into our business processes, and this innovation presents risks and challenges that could affect its adoption, and therefore our business.

Development, use and deployment of AI Technologies could pose cybersecurity, data privacy, IT, intellectual property, regulatory, legal, operational, competitive, reputational and other risks and challenges that could affect our business. Specifically, risks related to bias, AI hallucinations, discrimination, harmful content, misinformation, fraud, scams, unauthorized agentic activity, targeted attacks such as model poisoning, data poisoning or prompt injection (including manipulation of inputs drawn from sources we do not control), surveillance, data leakage, loss of consensus reality, inequality, environmental harms and other harms may flow from our development, use or deployment of AI Technologies. Uncertainty around new and emerging AI applications such as generative AI content creation may require additional investment in the development of proprietary data sets, machine learning models and systems to test for accuracy, bias and other variables, which are often complex, development of new approaches and processes to provide attribution or remuneration to content creators and building systems that enable creatives to have greater control over the use of their work in the development of AI Technologies, which may be costly and could impact our profit margin if we are unable to monetize such assets. In addition, AI Technologies, including generative AI, may create content that appears correct but is factually inaccurate or flawed or contains copyrighted or other protected material, and if our brand partners or others use this flawed content to their detriment, we may be exposed to brand or reputational harm, competitive harm or legal liability. Developing, testing and deploying AI Technologies may also increase our costs due to the nature of the compute power costs involved in such systems.

If we enable or offer solutions that draw controversy due to perceived or actual negative societal impact, we may experience brand or reputational harm, competitive harm or legal liability. Additionally, we expect to see increasing government and supranational regulation related to AI use and ethics, which may also significantly increase the burden and cost of research, development and compliance in this area. For example, the European Union's Artificial Intelligence Act ("AI Act") — the world's first comprehensive AI law — entered into force in August 2024 and its obligations apply in phases. Prohibitions on certain AI practices and obligations for general-purpose AI models have applied since 2025, and most transparency obligations, including disclosure requirements for certain AI interactions and AI-generated content, since August 2026. As amended in July 2026, the AI Act's obligations for high-risk AI systems will begin to apply in December 2027. This legislation imposes significant obligations on providers and deployers of high-risk AI systems, and encourages providers and deployers of AI systems to account for European Union ("EU") ethical principles in their development and use of these systems. If we develop or use AI systems that are governed by the AI Act, it may necessitate ensuring higher standards of data quality, transparency and human oversight, as well as adhering to specific and potentially burdensome and costly ethical, accountability and administrative requirements, with the possibility of significant penalties or injunctive remedies for non-compliance.

In the U.S., the AI regulatory environment is complex and uncertain. Over the past year, states have advanced, and in some cases passed, a variety of laws focusing on AI governance and regulation, including those addressing consumer-facing AI disclosures, automated decision-making, liability for AI actions and algorithmic discrimination, among others. At the federal level, the current administration has sought to limit the enforcement of state AI laws, including through a December 11, 2025, executive order on "Ensuring a National Policy Framework for Artificial Intelligence." So far, these

efforts have not been successful at curtailing state action on AI regulation, contributing to a complicated legislative patchwork, which may be litigated in state and federal courts. In addition, various federal regulators have issued guidance and focused enforcement efforts on the use of AI, including in connection with targeted advertising and regulated sectors that may impact the services we provide to our brand partners or customers. We or our customers when using our services may need to meet various standards of data quality, transparency, monitoring and human oversight, which could introduce cost and compliance risk that could adversely affect our or our customers' or brand partners' use of our AI-related services.

Certain capabilities within our internal processes and/or platform incorporate agentic AI (systems that autonomously execute multi-step tasks with reduced human intervention). The deployment of such agentic AI introduces risks that are distinct from those of traditional AI features, including risks of unintended or unauthorized autonomous actions, overstepping intended boundaries, or straying from business goals and objectives. These risks may be difficult to anticipate, monitor or prevent given the autonomous nature of such systems, and our ability to predict, supervise and control agentic behavior may be limited. Autonomous actions taken by such systems may be difficult or impossible to reverse and could result in financial loss, failure to meet our commitments to brand partners, or non-compliance with the requirements of third-party platforms on which our business depends.

The rapid evolution of AI will require the application of significant resources to design, develop, test, monitor and maintain our solutions to help ensure that AI is implemented in accordance with applicable law and regulation and in a socially responsible manner and to minimize any real or perceived unintended harmful impacts. With respect to agentic systems in particular, this includes establishing and enforcing appropriate scoping, permissioning, logging, persistent monitoring and human oversight controls, and there can be no assurance that such controls will be effective or will keep pace with the capabilities of the systems they govern. The use of certain AI Technologies can also give rise to intellectual property risks, including by disclosing or otherwise compromising our confidential or proprietary intellectual property, or by undermining our ability to assert or defend ownership rights in intellectual property created with the assistance of artificial intelligence tools.

Our vendors may in turn incorporate AI tools into their offerings, and the providers of these AI tools may not meet existing or rapidly evolving regulatory or industry standards, including with respect to privacy and data security. Further, bad actors around the world use increasingly sophisticated methods, including the use of AI, to engage in illegal activities involving the theft and misuse of confidential, sensitive, proprietary and business and personal information (collectively, "confidential information") and intellectual property. The integration of AI systems, by us or by our vendors, may increase cybersecurity risk. To the extent agentic systems are granted access to our systems, data or credentials, or are permitted to initiate actions without contemporaneous human review, the consequences of a compromise, misconfiguration or error may be greater and may be realized more rapidly than with systems that require human execution. Unauthorized or bad actors may also use agentic AI to conduct attacks at greater speed, scale and sophistication than previously possible. Any of these effects could damage our reputation, result in the loss of valuable property and information, cause us to breach applicable laws and regulations and adversely impact our business.

Our ability to mitigate the risks associated with AI will depend on our effective maintenance, training, monitoring and enforcement of appropriate policies, procedures and controls governing the use of AI tools, the results of any such use by us and our partners, and compliance with such policies and procedures by our workforce. Any unauthorized use or misuse of AI by our employees undermines our ability to protect against the AI-related risks described above.

We cannot guarantee that our share repurchase program will be fully consummated or that it will enhance long-term stockholder value. Stock repurchases could also increase the volatility of our stock and could diminish our liquidity.

Our board of directors authorized a share repurchase program on March 2, 2026, allowing us to purchase up to $100 million in shares of our Series A common stock. The program does not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares of our Series A common stock on any particular timetable, and may be suspended, modified, or terminated at any time, without prior notice. We cannot guarantee that the program will be fully consummated or that it will enhance long-term stockholder value. Further, stock repurchases could affect the market price of our Series A common stock or increase its volatility and decrease our cash balances and/or our liquidity.

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

Unregistered sales of equity securities

None.

Issuer Purchases of Equity Securities

On March 2, 2026, the board of directors of the Company authorized a share repurchase program (the "Share Repurchase Program"), pursuant to which we may repurchase up to $100 million in the aggregate of our issued and outstanding shares of Series A common stock by means of open market transactions, privately negotiated transactions or other means, including pursuant to Rule 10b5-1 plans. Our Share Repurchase Program does not have a time limit. The timing and number of shares repurchased under the Share Repurchase Program will depend on a variety of factors, including stock price, trading volume, and general business and market conditions. The Share Repurchase Program does not obligate us to acquire a specified number of shares, and may be suspended, modified, or terminated at any time, without prior notice. Repurchases under the Share Repurchase Program are expected to be funded from a combination of existing cash balances and future cash flow.

The following table summarizes our purchases of Series A common stock under the Share Repurchase Program during the three months ended September 30, 2026:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in millions)
July 1, 2026 - July 31, 2026	—	$ —	—	$ 96.3
August 1, 2026 - August 31, 2026	437,871	$ 21.69	437,871	$ 86.8
September 1, 2026 - September 30, 2026	500,301	$ 17.75	500,301	$ 77.9
Total	938,172		938,172	

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Securities Trading Plans of Directors or Executive Officers

During the three months ended September 30, 2026, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated or modified the amount, pricing or provisions in a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" (each as defined in Item 408 of Regulation S-K).

Item 6. Exhibits

The exhibits listed below are filed as part of this Quarterly Report on Form 10-Q, or are incorporated herein by reference, in each case as indicated below:

Exhibit Number	Exhibit Title	Form	File No.	Exhibit No.	Filing Date	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of Pattern Group Inc.	8-K	001-42852	3.1	9/24/2025	
3.2	Amended and Restated Bylaws of Pattern Group Inc.	8-K	001-42852	3.2	9/24/2025	
4.1	Form of Series A common stock certificate of the Registrant.	S-1/A	333-289810	4.1	9/10/2025	
4.2	Amended and Restated Investors' Rights Agreement, dated September 28, 2021, by and among the Registrant and certain of its stockholders.	S-1	333-289810	4.2	8/22/2025	

Exhibit Number	Exhibit Title	Form	File No.	Exhibit No.	Filing Date	Filed Herewith
10.1†	Third Amendment to Lease by and between the Registrant and Innovation Pointe Three, LLC, dated July 27, 2026.					X
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
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.					X
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.					X
101	The following financial information from Pattern Group Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Condensed Consolidated Statements of Operations, (ii) the Condensed Consolidated Statements of Comprehensive Income (Loss), (iii) the Condensed Consolidated Statements of Cash Flows, (iv) the Condensed Consolidated Balance Sheets, (v) the Condensed Consolidated Statements of Changes in Convertible Preferred Stock and Stockholders' Equity, and (vi) Notes to Condensed Consolidated Financial Statements.					
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).					

* The certifications attached as Exhibits 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are deemed "furnished" and not "filed" for purposes of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent specifically incorporated by reference into such filing.

† Certain schedules and exhibits to this agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished supplementally to the SEC upon request.

SIGNATURES

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

PATTERN GROUP INC.

Date: November 5, 2026	By:	/s/ David Wright
	Name:	David Wright
	Title:	Chief Executive Officer (Principal Executive Officer)
Date: November 5, 2026	By:	/s/ Jason Beesley
	Name:	Jason Beesley
	Title:	Chief Financial Officer (Principal Financial and Accounting Officer)

THIRD AMENDMENT TO LEASE
Innovation Pointe Three, LLC / Pattern Inc.

THIS AMENDMENT (this "***Amendment***") is entered into as of the 27th day of July, 2026 (the "***Effective Date***"), between **INNOVATION POINTE THREE, LLC**, a Utah limited liability company ("***Landlord***"), and **PATTERN INC.**, a Utah corporation ("***Tenant***"). (Landlord and Tenant are referred to in this Amendment collectively as the "***Parties***" and individually as a "***Party***.")

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Definitions. As used in this Amendment, each of the following terms shall have the indicated meaning, any term used in this Amendment that is capitalized but not defined shall have the same meaning as set forth in the Lease (defined below in this Paragraph 1), as amended by this Amendment, and references in the Lease to "this Lease" shall be deemed and construed to be references to the Lease as amended by this Amendment:

"***Lease***" means the Lease, dated May 5, 2020, as previously amended by the First Amendment to Lease, dated February 16, 2021, the Commencement Date Certificate, dated November 8, 2021, and the Second Amendment to Lease, dated July 27, 2023, all entered into between Landlord, as landlord, and Tenant, as tenant, and, where applicable, as amended by this Amendment.

"***Suite 100***" means Suite 100 on the first floor of the Building, consisting of approximately 6,771 usable square feet and approximately 7,812 rentable square feet.

"***Suite 150***" means Suite 150 on the first floor of the Building, consisting of approximately 4,808 usable square feet and approximately 5,546 rentable square feet.

"***Suite 175***" means Suite 175 on the first floor of the Building, consisting of approximately 6,539 usable square feet and approximately 7,546 rentable square feet.

"***Suite 200***" means Suite 200 on the second floor of the Building, consisting of approximately 25,274 usable square feet and approximately 29,154 rentable square feet.

"***Suite 300***" means Suite 300 on the third floor of the Building, consisting of approximately 25,975 usable square feet and approximately 29,962 rentable square feet.

"***Suite 400***" means Suite 400 on the fourth floor of the Building, consisting of approximately 25,967 usable square feet and approximately 29,934 rentable square feet.

"***Suite 500***" means Suite 500 on the fifth floor of the Building, consisting of approximately 26,886 usable square feet and approximately 30,994 rentable square feet.

2. Purpose. The Parties have agreed to extend the Term, expand the Premises and otherwise amend the Lease in accordance with the terms and conditions set forth in this Amendment.

3. Base Year. Effective as of, and for the period on and after, July 1, 2027, the definition of "Base Year" set forth in Paragraph 1 (Definitions) of the Lease is revised to read as follows:

"***Base Year***" means calendar year 2028.

4. Delivery Date; Commencement Date; Basic Monthly Rent—Suite 100.

4.1. Definitions. As used in this Paragraph 4:

"***Suite 100 Commencement Date***" means the *earlier* of (i) one hundred twenty (120) days after the Suite 100 Delivery Date, or (ii) the date on which Tenant begins to conduct business operations in Suite 100.

"***Suite 100 Delivery Date***" means the date on which Landlord delivers to Tenant keys to, and vacant and exclusive possession of, Suite 100.

4.2. Delivery Date; Commencement Date. The Suite 100 Delivery Date is projected to occur on or about December 1, 2027, and the Suite 100 Commencement Date is, therefore, projected to occur on or about April 1, 2028 unless Tenant earlier begins to conduct business operations in Suite 100. Landlord shall deliver to Tenant, and Tenant shall accept delivery from Landlord of, Suite 100 as soon as Suite 100 becomes available, which availability is subject to the timely surrender and vacation of Suite 100 by the existing tenant. Subject to force majeure, if Landlord fails to deliver Suite 100 to Tenant on or before March 1, 2028 (as such date may be postponed for force majeure, the "***Suite 100 Outside Date***"), then for each day during the period commencing on the day after the Suite 100 Outside Date and expiring on and including the date on which Landlord delivers Suite 100 to Tenant, Tenant shall be entitled to a credit towards Basic Monthly Rent first payable under this Amendment for Suite 100 (only) on and after the Suite 100 Commencement Date equal to one day of Basic Monthly Rent for each day after the Suite 100 Outside Date until and including the date on which Landlord delivers Suite 100 to Tenant.

4.3. Basic Monthly Rent. Effective as of, and for the period on and after, the Suite 100 Commencement Date, the definition of "Basic Monthly Rent" set forth in Paragraph 1 of the Lease with respect to Suite 100 shall be as follows, and any term used in such definition that is not defined in the Lease shall have the same meaning as set forth in Paragraph 4.1:

"***Basic Monthly Rent***" means the following amounts for the periods indicated based on 7,812 rentable square feet, which amounts are subject to adjustment as set forth in the definition of "Premises"; *provided, however,* that if the Suite 100 Commencement Date occurs on a date other than April 1, 2028, then, as memorialized in an instrument entered into between the Parties, (i) the periods set forth below shall begin on such other date and shall shift accordingly, (ii) Tenant shall have an initial five (5)-month period of Basic Monthly Rent at an annual cost of $9.90 per rentable square foot, (iii) annual three percent (3%) increases in the Basic Monthly Rent shall occur on each July 1st, commencing on July 1, 2029 and continuing thereafter on July 1, 2030 and July 1, 2031, and (iv) the Expiration Date shall remain as June 30, 2032:

Periods	Basic Monthly Rent	Annual Cost Per Rentable Square Foot
April 1, 2028 through August 31, 2028, inclusive	$6,444.90 per month	$9.90
September 1, 2028 through June 30, 2029, inclusive	$21,124.95 per month	$32.45
July 1, 2029 through June 30, 2030, inclusive	$21,756.42 per month	$33.42
July 1, 2030 through June 30, 2031, inclusive	$22,407.42 per month	$34.42
July 1, 2031 through June 30, 2032, inclusive	$23,077.95 per month	$35.45

5. Delivery Date; Commencement Date; Basic Monthly Rent—Suite 150.

5.1. Definitions. As used in this Paragraph 5:

"***Suite 150 Commencement Date***" means the *earlier* of (i) one hundred twenty (120) days after the Suite 150 Delivery Date, or (ii) the date on which Tenant begins to conduct business operations in Suite 150.

"***Suite 150 Delivery Date***" means the date on which Landlord delivers to Tenant keys to, and vacant and exclusive possession of, Suite 150.

5.2. Delivery Date; Commencement Date. The Suite 150 Delivery Date is projected to occur on or about July 1, 2027, and the Suite 150 Commencement Date is, therefore, projected to occur on or about November 1, 2027 unless Tenant earlier begins to conduct business operations in Suite 150. Landlord shall deliver to Tenant, and Tenant shall accept delivery from Landlord of, Suite 150 as soon as Suite 150 becomes available, which availability is subject to the timely surrender and vacation of Suite 150 by the existing tenant. Subject to force majeure, if Landlord fails to deliver Suite 150 to Tenant on or before October 1, 2027 (as such date may be postponed for force majeure, the "***Suite 150 Outside Date***"), then for each day during the period commencing on the day after the Suite 150 Outside Date and expiring on and including the date on which Landlord delivers Suite 150 to Tenant, Tenant shall be entitled to a credit towards Basic Monthly Rent first payable under this Amendment for Suite 150 (only) on and after the Suite 150 Commencement Date equal to one day of Basic Monthly Rent for each day after the Suite 150 Outside Date until and including the date on which Landlord delivers Suite 150 to Tenant.

5.3. Basic Monthly Rent. Effective as of, and for the period on and after, the Suite 150 Commencement Date, the definition of "Basic Monthly Rent" set forth in Paragraph 1 of the Lease with respect to Suite 150 shall be as follows, and any term used in such definition that is not defined in the Lease shall have the same meaning as set forth in Paragraph 5.1:

"***Basic Monthly Rent***" means the following amounts for the periods indicated based on 5,546 rentable square feet, which amounts are subject to adjustment as set forth in the definition of "Premises"; *provided, however,* that if the Suite 150 Commencement Date occurs on a date other than November 1, 2027, then, as memorialized in an instrument entered into between the Parties, (i) the periods set forth below shall begin on such other date and shall shift accordingly, (ii) Tenant shall have an initial five (5)-month period of Basic Monthly Rent at an annual cost of $9.90 per rentable square foot, (iii) annual three percent (3%) increases in the Basic Monthly Rent shall occur on each July 1st, commencing on July 1, 2028 and continuing thereafter on July 1, 2029, July 1, 2030 and July 1, 2031, and (iv) the Expiration Date shall remain as June 30, 2032:

Periods	Basic Monthly Rent	Annual Cost Per Rentable Square Foot
November 1, 2027 through March 31, 2028, inclusive	$4,575.45 per month	$9.90
April 1, 2028 through June 30, 2028, inclusive	$14,558.25 per month	$31.50
July 1, 2028 through June 30, 2029, inclusive	$14,997.31 per month	$32.45
July 1, 2029 through June 30, 2030, inclusive	$15,445.61 per month	$33.42
July 1, 2030 through June 30, 2031, inclusive	$15,907.78 per month	$34.42

July 1, 2031 through June 30, 2032, inclusive	$16,383.81 per month	$35.45

6. Delivery Date; Commencement Date; Basic Monthly Rent—Suite 175.

6.1. Definitions. As used in this Paragraph 6:

"***Suite 175 Commencement Date***" means the *earlier* of (i) one hundred twenty (120) days after the Suite 175 Delivery Date, or (ii) the date on which Tenant begins to conduct business operations in Suite 175.

"***Suite 175 Delivery Date***" means January 1, 2027, on or before which Landlord shall deliver to Tenant keys to, and vacant and exclusive possession of, Suite 175.

6.2. Delivery Date; Commencement Date. The Suite 175 Delivery Date will occur as of January 1, 2027, with the effect that the Suite 175 Commencement Date will occur on May 1, 2027 unless Tenant earlier begins to conduct business operations in Suite 175. Landlord shall deliver to Tenant, and Tenant shall accept delivery from Landlord of, Suite 175 as of January 1, 2027. As of January 1, 2027, Landlord grants, bargains and sells to Tenant, without any representation or warranty by, or recourse to, Landlord, the phone booths located in Suite 175.

6.3. Basic Monthly Rent. Effective as of, and for the period on and after, the Suite 175 Commencement Date, the definition of "Basic Monthly Rent" set forth in Paragraph 1 of the Lease with respect to Suite 175 shall be as follows, and any term used in such definition that is not defined in the Lease shall have the same meaning as set forth in Paragraph 6.1:

"***Basic Monthly Rent***" means the following amounts for the periods indicated based on 7,546 rentable square feet, which amounts are subject to adjustment as set forth in the definition of "Premises"; *provided*, *however*, that if the Suite 175 Commencement Date occurs on a date other than May 1, 2027, then, as memorialized in an instrument entered into between the Parties, (i) the periods set forth below shall begin on such other date and shall shift accordingly, (ii) Tenant shall have an initial five (5)-month period of Basic Monthly Rent at an annual cost of $9.90 per rentable square foot, following which the Basic Monthly Rent shall be (a) $33.62 per rentable square foot on an annual basis if such five (5)-month period expires prior to June 30, 2027, or (b) $31.50 per rentable square foot on an annual basis if such five (5)-month period expires on or after June 30, 2027, (iii) annual three percent (3%) increases in the Basic Monthly Rent shall occur on each July 1st thereafter, commencing on July 1, 2028 and continuing thereafter on July 1, 2029, July 1, 2030 and July 1, 2031, and (iv) the Expiration Date shall remain as June 30, 2032:

Periods	Basic Monthly Rent	Annual Cost Per Rentable Square Foot
May 1, 2027 through September 30, 2027, inclusive	$6,225.45 per month	$9.90
October 1, 2027 through June 30, 2028, inclusive	$19,808.25 per month	$31.50
July 1, 2028 through June 30, 2029, inclusive	$20,405.64 per month	$32.45
July 1, 2029 through June 30, 2030, inclusive	$21,015.61 per month	$33.42
July 1, 2030 through	$21,644.44 per month	$34.42

June 30, 2031, inclusive		
July 1, 2031 through June 30, 2032, inclusive	$22,292.14 per month	$35.45

7. Basic Monthly Rent—Suites 200, 300, 400 and 500. Effective as of, and for the period on and after, July 1, 2027, the definition of "Basic Monthly Rent" set forth in Paragraph 1 of the Lease with respect to Suites 200, 300, 400 and 500 shall be as follows:

"***Basic Monthly Rent***" means the following amounts for the periods indicated based on 120,044 rentable square feet, which amounts are subject to adjustment as set forth in the definition of "Premises":

Periods	Basic Monthly Rent	Annual Cost Per Rentable Square Foot
July 1, 2027 through November 30, 2027, inclusive	$99,036.30 per month	$9.90
December 1, 2027 through June 30, 2028, inclusive	$315,115.50 per month	$31.50
July 1, 2028 through June 30, 2029, inclusive	$324,618.98 per month	$32.45
July 1, 2029 through June 30, 2030, inclusive	$334,322.54 per month	$33.42
July 1, 2030 through June 30, 2031, inclusive	$344,326.21 per month	$34.42
July 1, 2031 through June 30, 2032, inclusive	$354,629.98 per month	$35.45

8. Expiration Date. The definition of "Expiration Date" set forth in Paragraph 1 of the Lease is revised to read as follows:

"***Expiration Date***" means June 30, 2032.

9. Premises. The first sentence of the definition of "Premises" set forth in Paragraph 1 of the Lease will be revised by the Parties periodically, as applicable, to add to the Lease the three (3) new premises on the first floor of the Building as of the respective commencement dates of such premises. Through such revisions, the first sentence of the definition of "Premises" set forth in Paragraph 1 of the Lease will ultimately be revised to read as follows:

"***Premises***" means the following:

(i) Suite 100 on the first floor of the Building, consisting of approximately 6,771 usable square feet and approximately 7,812 rentable square feet;

(ii) Suite 150 on the first floor of the Building, consisting of approximately 4,808 usable square feet and approximately 5,546 rentable square feet;

(iii) Suite 175 on the first floor of the Building, consisting of approximately 6,539 usable square feet and approximately 7,546 rentable square feet;

(iv) Suite 200 on the second floor of the Building, consisting of approximately 25,274 usable square feet and approximately 29,154 rentable square feet;

(v) Suite 300 on the third floor of the Building, consisting of approximately 25,975 usable square feet and approximately 29,962 rentable square feet;

(vi) Suite 400 on the fourth floor of the Building, consisting of approximately 25,967 usable square feet and approximately 29,934 rentable square feet; and

(vii) Suite 500 on the fifth floor of the Building, consisting of approximately 26,886 usable square feet and approximately 30,994 rentable square feet,

consisting in the aggregate of a total of approximately 122,220 usable square feet and approximately 140,948 rentable square feet, subject to final measurement and verification as set forth below in this definition.

10. Tenant's Parking Stall Allocation. The definition of "Tenant's Parking Stall Allocation" set forth in Paragraph 1 of the Lease is revised to read as follows:

"***Tenant's Parking Stall Allocation***" means six (6) parking stalls per 1,000 usable square feet of the Premises, which number of parking stalls is subject to adjustment as set forth in the definition of "Premises."

11. Tenant's Percentage of Operating Expenses. The definition of "Tenant's Percentage of Operating Expenses" set forth in Paragraph 1 of the Lease is revised to read as follows:

"***Tenant's Percentage of Operating Expenses***" means the percentage determined by dividing the rentable square feet of the Premises by the rentable square feet of the Building (whether or not leased), multiplying the quotient by 100 and rounding to the third (3rd) decimal place, which percentage is subject to adjustment as set forth in the definition of "Premises."

12. Extension. Paragraph 3.3 (Extension) of the Lease shall continue in full force and effect in accordance with its terms, and provides Tenant with one remaining option to extend the Lease for a period of five (5) years.

13. Crown Signage. The following subparagraphs (a), (c) and (i) of Paragraph 3.4 of the Lease are revised to read as follows, and any term used in such subparagraphs that is not defined in the Lease shall have the same meaning as set forth in this Amendment:

(a) Subject to the conditions set forth below in this Paragraph 3.4, if and so long as Tenant leases the entire Premises as set forth in this Amendment and occupies at least fifty-one percent (51%) thereof (meaning that any rights of Tenant under this Paragraph 3.4 shall not exist (or if previously existing, shall automatically terminate) as of the date on which Tenant does not lease the entire Premises as set forth in this Amendment or does not occupy at least fifty-one percent (51%) thereof), Tenant may, at Tenant's sole cost and expense, but under Landlord's supervision, install, maintain, repair and from time to time replace, on an *exclusive* basis, two (2) signs with the name "Pattern" or such other name to which Landlord consents in advance, in the locations (and with the designs, if shown) set forth on the attached Exhibit D; *provided, however,* that the attachment of Exhibit D to this Lease is only for the purpose of showing Landlord's consent to the signs and their locations to the extent shown (which remain subject to the other conditions set forth below in this Paragraph 3.4), and shall not constitute or be deemed to be a representation, warranty, guaranty or agreement with respect to any other non-sign improvements

shown thereon. (Such signs, together with any lines, wires, conduits or related improvements installed by Tenant in connection therewith, are referred to in this Paragraph 3.4 collectively as the "***Crown Signage***.")

* * * * *

(c) As set forth in subparagraph (a) above, as a condition to having the Crown Signage, Tenant must physically occupy at least fifty-one percent (51%) of the entire Premises as set forth in this Amendment. In addition, if a Tenant Default occurs, whether caused by Tenant or Tenant's subtenant, including, without limitation, Tenant's failure to properly maintain the Crown Signage in accordance with subparagraph (i) below, and, as a result of such Tenant Default, Landlord retakes possession of the Premises (with or without terminating this Lease), Landlord may (in addition to any other rights or remedies of Landlord under this Lease), on at least ten (10) business days' prior notice, terminate Tenant's rights to the Crown Signage under this Paragraph 3.4. In addition, Tenant's rights to the Crown Signage under this Paragraph 3.4 shall automatically terminate ten (10) business days after:

(i) the assignment of this Lease by Tenant (excluding any Non-Consent Transfer); or

(ii) the sublease by Tenant as the sublandlord of more than twenty-five percent (25%) of the entire Premises as set forth in this Amendment (whether in one or more subleases) (excluding any Non-Consent Transfer),

and shall have no further force or effect. Tenant's rights to the Crown Signage under this Paragraph 3.4 shall be personal to Tenant and any person to which this Lease is assigned in a Non-Consent Transfer, and no other assignee or subtenant shall have any rights to the Crown Signage.

* * * * *

(i) Tenant shall maintain the Crown Signage at all times in a good, safe and clean condition. Tenant shall repair any damage to the Building caused by Tenant's installation, maintenance, repair, replacement, use or removal of the Crown Signage. The Crown Signage shall remain the property of Tenant, and Tenant may, at Tenant's sole cost and expense, remove the Crown Signage at any time during the Term. Tenant shall, at Tenant's sole cost and expense, remove the Crown Signage prior to Lease end or the sooner termination of Tenant's rights to the Crown Signage under this Paragraph 3.4, including, without limitation, if Tenant ceases to lease the entire Premises as set forth in this Amendment or to occupy at least fifty-one percent (51%) thereof. On removal of the Crown Signage, Tenant shall repair and restore all areas of the Building concerned to their condition prior to the installation of the Crown Signage.

14. Limitation on Certain Operating Expenses. The following new Paragraph 5.4 is added to the Lease:

5.4. Limitation on Certain Operating Expenses.

5.4.1. Definitions. As used in this Paragraph 5.4, each of the following terms shall have the indicated meaning:

"***Base Year Controllable Operating Expenses***" means Controllable Operating Expenses that are actually incurred in the Base Year, subject to the other provisions of this Paragraph 5.4.

"***Controllable Operating Expenses***" means all Operating Expenses other than those not within the control of Landlord, determined reasonably, consistent with Comparable Buildings. Without

limiting the generality of the preceding sentence, those Operating Expenses not within the control of Landlord include, without limitation, (i) utilities, (ii) insurance premiums and deductibles, (iii) real and personal property taxes and assessments, (iv) snow removal costs, (v) expenditures for necessary capital repairs and replacements, (vi) market-wide cost increases resulting from extraordinary circumstances, including force majeure, boycotts, strikes, conservation surcharges, embargoes, pandemics or shortages, and (vii) costs related to union contracts.

"***Tenant's Share of Base Year Controllable Operating Expenses***" means the result obtained by multiplying Base Year Controllable Operating Expenses by Tenant's Percentage of Operating Expenses.

"***Tenant's Share of Controllable Operating Expenses***" for any given Operating Year other than the Base Year means the result obtained by subtracting Base Year Controllable Operating Expenses from Controllable Operating Expenses actually incurred in the Operating Year concerned, and then multiplying the difference by Tenant's Percentage of Operating Expenses, subject to the limitations set forth below. Tenant's Share of Controllable Operating Expenses for any fractional Operating Year shall be calculated by determining what Tenant's Share of Controllable Operating Expenses would have been for the entire Operating Year concerned, and then prorating such amount over such fractional Operating Year, subject to the limitations set forth below. When comparing any prior Operating Year that is a fractional calendar year, Tenant's Share of Controllable Operating Expenses for such prior Operating Year shall be proportionally increased to an amount that would have existed had such prior Operating Year been an entire calendar year.

1.1.1. Limitations.

(a) Notwithstanding the provisions of Paragraph 5.1 to the contrary, Tenant's obligation to pay Tenant's Share of Operating Expenses shall be limited as set forth in this Paragraph 5.4 with respect to Controllable Operating Expenses (only). This Paragraph 5.4 shall not limit Tenant's obligation to pay Tenant's Share of Operating Expenses except as expressly set forth as to Controllable Operating Expenses.

(b) Tenant's Share of Controllable Operating Expenses for the Operating Year immediately following the Base Year shall be the lesser of (i) Tenant's Share of Controllable Operating Expenses for such Operating Year, or (ii) the sum of Tenant's Share of Base Year Controllable Operating Expenses, plus four percent (4%) (which is the initial "***Cap Amount***"), less Tenant's Share of Base Year Controllable Operating Expenses.

(c) Tenant's Share of Controllable Operating Expenses for each Operating Year thereafter shall be the lesser of (i) Tenant's Share of Controllable Operating Expenses for such Operating Year, or (ii) the sum of the Cap Amount for the immediately preceding Operating Year, plus four percent (4%) (which would be the new "***Cap Amount***"), less Tenant's Share of Base Year Controllable Operating Expenses.

(d) The intent of this Paragraph 5.4 is to create a cumulative, compounding, four percent (4%) per year cap on Tenant's Share of Controllable Operating Expenses over each immediately preceding Operating Year's Cap Amount.

(e) Notwithstanding the foregoing to the contrary, for purposes of the calculations set forth in this Paragraph 5.4, (i) Controllable Operating Expenses (including, without limitation, Base Year Controllable Operating Expenses) that vary with occupancy and are attributable to any part of the Term in which less than ninety-five percent (95%) of the rentable area of the Building is occupied by tenants, will be adjusted by Landlord to the amount that Controllable Operating Expenses would have been if ninety-five percent (95%) of the rentable area of the Building had been occupied by tenants for the period concerned, and (ii) if Landlord furnishes a service to tenants in the Building, the cost of which constitutes a Controllable Operating Expense, and a tenant other

than Tenant has undertaken to perform such service itself, Controllable Operating Expenses shall be increased by the amount that Landlord would have incurred if Landlord had furnished such service to such tenant.

5.4.3. Example. Assume, for example purposes only, that Tenant's Share of Base Year Controllable Operating Expenses is $100.00.

(a) In the first Operating Year following the Base Year, Tenant's Share of Controllable Operating Expenses would be the lesser of (i) Tenant's Share of Controllable Operating Expenses for that year, or (ii) $104.00 ($100.00 plus 4%, which would be the initial Cap Amount), less Tenant's Share of Base Year Controllable Operating Expenses. Therefore, in this example, Tenant's Share of Controllable Operating Expenses for the first Operating Year following the Base Year would not exceed $4.00.

(b) In the second Operating Year following the Base Year, Tenant's Share of Controllable Operating Expenses would be the lesser of (i) Tenant's Share of Controllable Operating Expenses for that year, or (ii) $108.16 ($104.00 plus 4%, which would be the new Cap Amount), less Tenant's Share of Base Year Controllable Operating Expenses. Therefore, in this example, Tenant's Share of Controllable Operating Expenses for the second Operating Year following the Base Year would not exceed $8.16.

5.4.4. Adjustments. Notwithstanding anything contained in the foregoing portion of this Paragraph 5.4 to the contrary:

(a) If Tenant's Share of Controllable Operating Expenses in any Operating Year exceeds the Cap Amount in such Operating Year and, as a result, Tenant pays less than the otherwise applicable Tenant's Share of Controllable Operating Expenses in such Operating Year, Landlord may accrue and carry forward the amount not paid by Tenant to one or more future Operating Years in which Tenant's Share of Controllable Operating Expenses is less than the Cap Amount in such Operating Year(s), and collect from Tenant such amount in such Operating Year(s) up to the Cap Amount in such Operating Year(s), until the full accrued amount previously not paid by Tenant has been collected.

(b) If Tenant's Share of Controllable Operating Expenses in any Operating Year exceeds the Cap Amount in such Operating Year, but Tenant's Share of Operating Expenses in such Operating Year does not exceed the cap amount that would result if the limitation described in this Paragraph 5.4 was applied to Tenant's Share of Operating Expenses generally (that is, a compounding, four percent (4%) per year cap on Tenant's Share of Operating Expenses), then Tenant's Share of Controllable Operating Expenses shall *not* be reduced under this Paragraph 5.4 in such Operating Year.

15. Right of First Refusal.

(a) During the Term, and provided that (i) the Lease is in full force and effect, (ii) no monetary or material non-monetary Tenant Default then exists, (iii) Tenant has not assigned the Lease or subleased all or any portion of the Premises under any then-existing sublease (excluding any Non-Consent Transfer), and (iv) the right of first refusal described in this Paragraph 15 is not being exercised in connection with or for the purpose of facilitating any such assignment or sublease, if any full floor space located in Buildings 1 or 2 of the Project or any space located in Building 4 of the Project (any of the foregoing, a "***ROFR Space***") is or becomes available for lease, and Landlord receives a request for proposal from a tenant that Landlord desires to accept to lease such ROFR Space, or sends out (or has decided to send out) a *bona fide* proposal to a specific, *bona fide* prospective tenant to lease such ROFR Space, then Landlord shall give to Tenant notice (the "***ROFR Notice***") that Landlord is willing to enter into a lease with Tenant of such ROFR Space. (For purposes of this Paragraph, any space covered by a renewal, extension or expansion option existing in any tenant's lease as of May 5, 2020, any renewal or extension option given by Landlord to any then-existing tenant for its then-existing space, or any right of first offer or right of first refusal existing as of the date of the Lease, shall not be "available for lease" until after each such option or right has expired.)

(b) If Tenant gives Landlord notice of Tenant's interest in leasing the ROFR Space within ten (10) business days after receipt of the ROFR Notice, the Parties shall promptly thereafter enter into an amendment to the Lease covering such ROFR Space, which, unless otherwise agreed by the Parties, shall:

(i) have a term that is coterminous with the Lease;

(ii) provide for Basic Monthly Rent for the ROFR Space at the same rate, on a per rentable square foot basis, as is payable for the Premises during the period concerned; *provided, however,* that Basic Monthly Rent at the beginning of the term for the ROFR Space shall be at the rate of $9.90 per rentable square foot on an annual basis for a number of full calendar months determined by multiplying five (5) months by a fraction, the numerator of which is the number of full calendar months left in the remaining Term as of the commencement date for the ROFR Space, and the denominator of which is sixty (60) months; and

(iii) provide for a tenant improvement allowance for the ROFR Space on a per usable square foot basis determined by multiplying $25.00 per usable square foot by a fraction, the numerator of which is the number of full calendar months left in the remaining Term as of the commencement date for the ROFR Space, and the denominator of which is sixty (60) months.

(c) If either of the following occurs: (i) within such ten (10)-business day period, Tenant either delivers notice to Landlord that Tenant elects not to lease such ROFR Space, or fails to deliver any response to Landlord; or (ii) Tenant fails to enter into an amendment to the Lease within thirty (30) days after Tenant delivers notice to Landlord that Tenant elects to lease such ROFR Space, adding such ROFR Space to the Lease in a manner consistent with this Paragraph 15, then such right of first refusal with respect to such ROFR Space shall terminate and be of no further force or effect, unless such ROFR Space is first leased and then subsequently becomes available for lease, but shall continue to apply to other ROFR Space.

16. Tenant Improvements. Landlord shall provide Tenant with a tenant improvement allowance (the "***TI Allowance***") of $3,055,500 ($25.00 x 122,220 usable square feet) for tenant improvements (the "***Tenant Improvements***") (which excludes Tenant's Property) to be made by Landlord to the Premises; *provided, however,* that if the total costs incurred for the Tenant Improvements are less than the TI Allowance, then the unused portion of the TI Allowance, up to but not to exceed $1,527,750, may be applied towards any or all of the following: (a) the purchase of furniture, fixtures and equipment for Tenant's use in the Premises (all of which shall be owned by Landlord to the extent purchased with the TI Allowance; *provided, however,* that Tenant shall have an option to purchase such furniture, fixtures and equipment at Lease end for a purchase price equal to the then-market value thereof, as may be agreed between the Parties, acting reasonably and in good faith); (b) voice and data lines, wiring, cabling and facilities; or (c) Basic Monthly Rent thereafter first payable under the Lease until exhausted. The Parties shall use good faith, commercially reasonable efforts to agree as soon as reasonably practicable on the Tenant Improvements and a budget therefor. Such agreed on Tenant Improvements shall then be made by Landlord in accordance with such budget as soon as reasonably practicable after such agreement, subject to the availability of Suite 100 and Suite 150 to Landlord with respect to any existing tenants. Tenant shall pay to Landlord all costs and expenses incurred by Landlord in connection with the Tenant Improvements, together with a project management fee of three percent (3%) of such costs and expenses, less the TI Allowance, within thirty (30) days after the date of an invoice therefor, which invoice may be delivered prior to the commencement of construction. If all or any portion of the TI Allowance is not used on or before December 31, 2028, the TI Allowance or such portion that is not used shall be lost and shall no longer be available to Tenant.

17. Crown Signage Exhibit. Any depiction on Exhibit D to the Lease is deleted in its entirety and is replaced with the new depictions on the attached Exhibit A.

18. Exclusive Use of Building Common Areas. During any portion of the Term in which Tenant is the sole tenant of the Building, (a) Tenant and Tenant's Occupants shall be entitled to the exclusive use of the Common Areas in the Building, and (b) neither Tenant nor Tenant's Occupants may use any common areas located in any other building in the Project. All reasonable, customary and actual costs, expenses, fees and other charges incurred or payable by Landlord in connection with the Common Areas in the Building shall continue to be part of Operating Expenses and billed to and paid by Tenant under the terms and conditions of the Lease.

19. Enforceability. Each Party represents and warrants that: such Party was duly formed and is validly existing and in good standing under the laws of the state of its formation; such Party has the requisite power and authority under applicable law and its governing documents to execute, deliver and perform its obligations under this Amendment; the individual executing this Amendment on behalf of such Party has full power and authority under such Party's governing documents to execute and deliver this Amendment in the name of, and on behalf of, such Party and to cause such Party to perform its obligations under this Amendment; this Amendment has been duly authorized, executed and delivered by such Party; and this Amendment is the legal, valid and binding obligation of such Party, and is enforceable against such Party in accordance with its terms.

20. Brokerage Commissions. Except as may be set forth in one or more separate agreements between Landlord and Landlord's broker, or Landlord or Landlord's broker and Tenant's broker, each Party represents and warrants to the other Party that no claim exists for a brokerage commission, finder's fee or similar fee in connection with this Amendment based on any agreement made by such representing Party. Each Party shall indemnify, defend and hold harmless the other Party from and against any claim for a brokerage commission, finder's fee or similar fee in connection with this Amendment based on an actual or alleged agreement made by such indemnifying Party.

21. Entire Agreement. The Lease, as amended by this Amendment, constitutes the entire agreement of the Parties, and supersedes all previous negotiations, understandings and agreements between the Parties, whether oral or written, including, without limitation, any oral discussions, letters of intent and email correspondence. Neither Party has relied on any representation, understanding, information, discussion, assertion, guarantee, warranty, collateral contract or other assurance (including, without limitation, one relating to square footage) made by or on behalf of the other Party or any other person whatsoever (including, without limitation, any real estate broker or agent) that is not set forth in the Lease, as amended by this Amendment, and each Party waives all rights and remedies, at law or in equity, arising or that may arise as the result of such Party's reliance thereon.

22. Electronic Mail or Electronic Signatures. Signatures to this Amendment transmitted by electronic mail shall be valid and effective to bind the Party so signing, and each Party shall be bound by its own electronically mailed signature and shall accept the electronically mailed signature of the other Party. The execution of this Amendment may occur by electronic signature utilizing DocuSign or any other technology, and any electronic signature (meaning any electronic symbol, designation or process), whether digital or encrypted, used by either Party shall authenticate this Amendment and have the same force and effect as a manual signature.

23. General Provisions. In the event of any conflict between the provisions of the Lease and the provisions of this Amendment, the provisions of this Amendment shall control. Except as set forth in this Amendment, the Lease (which, by definition, includes all previous amendments) is ratified and affirmed in its entirety. This Amendment shall inure to the benefit of, and be binding on, the Parties and their respective successors and assigns. This Amendment shall be governed by, and construed and interpreted in accordance with, the laws (excluding the choice of law rules) of the state of Utah. This Amendment may be executed in any number of duplicate originals or counterparts, each of which when so executed shall constitute in the aggregate but one and the same document. Signature pages may be detached from the counterparts and attached to a single copy of this Amendment to physically form one document. Each exhibit referred to in, and attached to, this Amendment is an integral part of this Amendment and is incorporated in this Amendment by this reference.

[Remainder of page intentionally left blank; signatures on following page]

THE PARTIES have executed this Amendment below, to be effective as of the Effective Date.

LANDLORD:

INNOVATION POINTE THREE, LLC,
a Utah limited liability company, by its Manager:

INNOVATION POINTE HOLDINGS, LLC,
a Utah limited liability company

By /s/ David S. Layton David S. Layton, Manager

TENANT:

PATTERN INC.,
a Utah corporation

By /s/ Jason Beesley

Print or Type Name of Signatory:

Jason Beesley

Its CFO

EXHIBIT A

to

THIRD AMENDMENT TO LEASE

CROWN SIGNAGE

[insert depictions of Crown Signage]

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A)

I, David Wright, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Pattern Group 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 5, 2026

/s/ David Wright

David Wright

Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A)

I, Jason Beesley, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Pattern Group 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 5, 2026

/s/ Jason Beesley

Jason Beesley

Chief Financial Officer

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of Pattern Group Inc. (the "Company") for the period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Wright, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

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

Date: November 5, 2026

/s/ David Wright

David Wright

Chief Executive Officer

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification is being furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Exhibit 32.2

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

In connection with the Quarterly Report on Form 10-Q of Pattern Group Inc. (the "Company") for the period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jason Beesley, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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

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

Date: November 5, 2026

/s/ Jason Beesley

Jason Beesley

Chief Financial Officer

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certification is being furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.