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 March 31, 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: 001-33277

MADRIGAL PHARMACEUTICALS, INC.
(Exact name of registrant as specified in its charter)

Delaware	**04-3508648**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
Four Tower Bridge 200 Barr Harbor Drive, Suite 200 West Conshohocken, Pennsylvania	
(Address of principal executive offices)	**19428 (Zip Code)**

Registrant's telephone number, including area code: (267) 824-2827

Former name, former address and former fiscal year, if changed since last report:

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 Par Value Per Share	**MDGL**	**The NASDAQ Stock Market LLC**

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

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

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒
As of May 1, 2026, the registrant had 23,055,659 shares of common stock outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") includes "forward-looking statements" made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that are based on our beliefs and assumptions and on information currently available to us, but are subject to factors beyond our control. Forward-looking statements: reflect management's current knowledge, assumptions, judgment and expectations regarding future performance or events; include all statements that are not historical facts; and can be identified by terms such as "accelerate," "achieve," "may," "will," "should," "could," "would," "expects," "plans," "anticipates," "goal," "believes," "estimates," "positions," "predictive," "projects," "predicts," "intends," "potential," "continue," "seeks" and similar expressions and the negatives of those terms. In particular, forward-looking statements contained in this Quarterly Report relate to, among other things:

- our ability to successfully commercialize Rezdiffra, our only approved product, for the treatment of metabolic dysfunction-associated steatohepatitis ("MASH") with moderate to advanced liver fibrosis (consistent with stages F2 to F3 fibrosis);
- our ability to obtain and maintain full approval for Rezdiffra from the U.S. Food and Drug Administration (the "FDA") and the European Medicines Agency;
- our ability to successfully, or in a timely manner, report positive results from our outcomes trials;
- our ability to obtain and maintain regulatory approval to expand Rezdiffra's indication to a broader MASH patient population;
- our expectations regarding the degree of market acceptance of Rezdiffra by physicians, patients, third-party payors and others in the healthcare community, our ability to obtain and maintain adequate reimbursement from government and third-party payors for Rezdiffra or acceptable prices for Rezdiffra and Rezdiffra's leadership position;
- our possible or assumed future business strategies and plans (including potential ex-U.S. commercial or partnering opportunities) and potential growth opportunities and our ability to acquire or in-license new product candidates and technologies;
- our expectations and plans related to clinical trials, including anticipated timing of initiating clinical trials and the receipt of data from our clinical trials, our ability to successfully conduct our current or any future clinical trials necessary for regulatory approval and our ability to delay certain research activities and related clinical expenses as necessary;
- our ability to establish and maintain an effective commercial organization, including sales and marketing representatives, and the ability of third parties on which we rely to manufacture sufficient quantities of Rezdiffra or any other future product candidate for our commercial or clinical needs;
- anticipated or estimated future results, including our future operating performance and financial position, estimates of our expenses and liquidity and our ability to raise additional capital as needed, our ability to achieve or maintain profitability and our ability to comply with the covenants included in our loan facility;
- our ability to adequately protect our intellectual property rights or prevent disclosure of our trade secrets and other proprietary information and costs associated with litigation or other proceedings related to such matters;
- our ability to successfully complete business development transactions and receive the expected benefits of such transactions, and our ability to comply with our obligations under any of our current or future license agreements, including the license agreement with F. Hoffmann-La Roche AG in respect of resmetirom; and
- the regulation of the healthcare industry, including potential pricing reform, and general economic conditions in the United States, Europe and globally, including the impact of tariffs and inflation, that may affect us, our suppliers, third-party service providers and potential partners.

These forward-looking statements reflect management's current views with respect to future events and with respect to our business and future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those described under Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and Part II, Item 1A, "Risk Factors" in this Quarterly Report and elsewhere in this Quarterly Report. Other sections of this Quarterly Report may

include additional factors that could adversely affect our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all risk factors, nor can we assess the impact of all risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future. You are advised, however, to consult any further disclosure we make in our reports filed with the U.S. Securities and Exchange Commission.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

MADRIGAL PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited; in thousands, except share and per share amounts)

	March 31, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 227,033	$ 198,693
Restricted cash	5,155	5,090
Marketable securities	585,738	784,866
Trade receivables, net	187,356	134,476
Inventory	112,070	74,841
Prepaid expenses and other current assets	64,955	47,804
Total current assets	1,182,307	1,245,770
Property and equipment, net	8,035	1,499
Intangible assets, net	7,284	7,381
Operating lease right-of-use assets	6,203	4,939
Other noncurrent assets	23,498	—
Total assets	$ 1,227,327	$ 1,259,589
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 60,801	$ 48,878
Accrued liabilities	275,761	260,392
Operating lease liabilities	1,697	1,018
Total current liabilities	338,259	310,288
Long term liabilities:		
Loan payable, net of discount	340,330	339,881
Operating lease liabilities, net of current portion	5,284	6,731
Total long term liabilities	345,614	346,612
Total liabilities	683,873	656,900
Stockholders' equity:		
Preferred stock, par value $0.0001 per share authorized: 5,000,000 shares at March 31, 2026 and December 31, 2025; 2,369,797 shares issued and outstanding at March 31, 2026 and December 31, 2025	—	—
Common stock, par value $0.0001 per share authorized: 200,000,000 shares at March 31, 2026 and December 31, 2025; 23,041,918 and 22,842,073 shares issued and outstanding at March 31, 2026 and December 31, 2025, respectively	2	2
Additional paid-in-capital	2,727,227	2,692,280
Accumulated other comprehensive income	1,082	873
Accumulated deficit	(2,184,857)	(2,090,466)
Total stockholders' equity	543,454	602,689
Total liabilities and stockholders' equity	$ 1,227,327	$ 1,259,589

See accompanying notes to unaudited condensed consolidated financial statements.

MADRIGAL PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in thousands, except share and per share amounts)

	Three Months Ended March 31,	
	2026	2025
Revenues:		
Product revenue, net	$ 311,337	$ 137,250
Operating expenses:		
Cost of sales	26,847	4,513
Research and development	108,692	44,172
Selling, general and administrative	268,521	167,876
Total operating expenses	404,060	216,561
Loss from operations	(92,723)	(79,311)
Interest income	8,243	9,370
Interest expense	(7,819)	(3,297)
Other expense, net	(2,092)	—
Net loss	$ (94,391)	$ (73,238)
Net loss per common, Series A preferred and Series B preferred share:		
Basic and diluted net loss per common, Series A preferred, and Series B preferred share	$ (3.25)	$ (2.61)
Basic and diluted weighted average number of shares outstanding (Note 13)	29,032,422	28,085,234

See accompanying notes to unaudited condensed consolidated financial statements.

MADRIGAL PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited; in thousands)

	Three Months Ended March 31,	
	2026	2025
Net loss	$ (94,391)	$ (73,238)
Other comprehensive loss:		
Net unrealized loss on available-for-sale securities	(1,108)	(111)
Foreign currency translation gain	1,317	32
Total other comprehensive gain (loss):	209	(79)
Comprehensive loss	$ (94,182)	$ (73,317)

See accompanying notes to unaudited condensed consolidated financial statements.

MADRIGAL PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited; in thousands, except share and per share amounts)

	Preferred stock		Common stock		Additional paid-in Capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total stockholders' equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2025	2,369,797	$ —	22,842,073	$ 2	$ 2,692,280	$ 873	$ (2,090,466)	$ 602,689
Issuance of common stock under equity plans	—	—	199,845	—	2,329	—	—	2,329
Stock-based compensation expense related to equity-classified awards	—	—	—	—	32,618	—	—	32,618
Other comprehensive income	—	—	—	—	—	209	—	209
Net loss	—	—	—	—	—	—	(94,391)	(94,391)
Balance at March 31, 2026	2,369,797	$ —	23,041,918	$ 2	$ 2,727,227	$ 1,082	$ (2,184,857)	$ 543,454
Balance at December 31, 2024	2,369,797	$ —	22,004,679	$ 2	$ 2,556,095	$ 468	$ (1,802,182)	$ 754,383
Issuance of common stock under equity plans	—	—	183,037	—	8,640	—	—	8,640
Stock-based compensation expense related to equity-classified awards	—	—	—	—	20,931	—	—	20,931
Other comprehensive loss	—	—	—	—	—	(79)	—	(79)
Net loss	—	—	—	—	—	—	(73,238)	(73,238)
Balance at March 31, 2025	2,369,797	$ —	22,187,716	$ 2	$ 2,585,666	$ 389	$ (1,875,420)	$ 710,637

See accompanying notes to unaudited condensed consolidated financial statements.

MADRIGAL PHARMACEUTICALS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in thousands)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net loss	$ (94,391)	$ (73,238)
Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation expense	34,018	20,931
Depreciation and amortization expense	386	379
Amortization of debt issuance costs and discount	449	436
Amortization and interest accretion related to operating leases	408	56
Other non-cash items, net	(2,440)	—
Changes in operating assets and liabilities:		
Trade receivables, net	(52,880)	(7,606)
Prepaid expenses and other assets	(40,649)	(9,456)
Inventory	(22,187)	(21,173)
Accounts payable	3,584	(1,543)
Accrued liabilities	4,287	(530)
Accrued interest, net of interest received on maturity of investments	1,980	2,853
Net cash used in operating activities	(167,435)	(88,891)
Cash flows from investing activities:		
Purchases of marketable securities	(157,829)	(130,812)
Sales and maturities of marketable securities	353,869	294,690
Purchases of property and equipment, net of disposals	(3,849)	—
Net cash provided by investing activities	192,191	163,878
Cash flows from financing activities:		
Proceeds from exercise of common stock options	2,329	8,640
Net cash provided by financing activities	2,329	8,640
Effect of exchange rate changes on cash, cash equivalents and restricted cash	1,320	—
Net increase in cash, cash equivalents, and restricted cash	28,405	83,627
Cash, cash equivalents, and restricted cash at beginning of period	203,783	105,019
Cash, cash equivalents, and restricted cash at end of period	$ 232,188	$ 188,646
Supplemental disclosure of cash flow information:		
Obtaining an operating lease right-of-use asset in exchange for an operating lease liability	$ 1,672	$ —
Purchases of property and equipment in accounts payable	$ 2,979	$ —

See accompanying notes to unaudited condensed consolidated financial statements.

MADRIGAL PHARMACEUTICALS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Organization, Business, and Basis of Presentation

Organization and Business

Madrigal Pharmaceuticals, Inc. (the "Company" or "Madrigal") is a biopharmaceutical company focused on delivering novel therapeutics for metabolic dysfunction-associated steatohepatitis ("MASH"), a serious liver disease with high unmet medical need that can lead to cirrhosis, liver failure, liver cancer, need for liver transplantation and premature mortality. MASH was previously known as nonalcoholic steatohepatitis ("NASH"). MASH is the leading cause of liver transplantation in women, the second leading cause of all liver transplantation in the United States, and the fastest-growing indication for liver transplantation in Europe. The Company's medication, Rezdiffra (resmetirom), is a once-daily, oral, liver-directed thyroid hormone receptor beta ("THR-β") agonist designed to target key underlying causes of MASH. In March 2024, Rezdiffra became the first therapy approved by the U.S. Food and Drug Administration ("FDA") for patients with MASH and was commercially available in the United States beginning in April 2024. Following receipt of conditional marketing authorization from the European Commission ("EC"), the Company launched Rezdiffra in Germany in September 2025. Rezdiffra was the first medication approved by both the FDA and EC for the treatment of adults with noncirrhotic MASH with moderate to advanced liver fibrosis (F2 to F3 fibrosis). The Company is also evaluating Rezdiffra in patients with compensated MASH cirrhosis (consistent with F4c fibrosis) in its MAESTRO-NASH OUTCOMES trial, that, if successful, could expand the eligible patient population for Rezdiffra. In addition, the Company expects to evaluate its pipeline candidates with the goal of delivering best-in-disease therapies for the treatment of MASH.

Basis of Presentation

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP") have been condensed or omitted. Accordingly, the unaudited condensed consolidated financial statements do not include all information and footnotes required by GAAP for complete annual financial statements. However, the Company believes that the disclosures included in these financial statements are adequate to make the information presented not misleading. The unaudited condensed consolidated financial statements, in the opinion of management, reflect all adjustments, which include normal recurring adjustments, necessary for a fair statement of such interim results. The interim results are not necessarily indicative of the results that the Company will have for the full year ending December 31, 2026 or any subsequent period. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes to those financial statements for the year ended December 31, 2025.

2. Summary of Significant Accounting Policies

Principle of Consolidation

The accompanying unaudited consolidated financial statements have been prepared in conformity with GAAP and include accounts of the Company and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, and the reported amounts of revenues and expenses during the reporting periods. The Company bases its estimates on historical experience and various other assumptions that management believes to be reasonable under the circumstances. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates.

Revenue Recognition

The Company recognizes revenue in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606 - Revenue from Contracts with Customers ("ASC 606"). Revenue is recognized at a point in time when the customer obtains control of promised goods or services in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligation(s) in the contract;

(iii) determine the transaction price; (iv) allocate the transaction price to the performance obligation(s) in the contract; and (v) recognize revenue when (or as) the Company satisfies its performance obligation(s).

Product Revenue, Net

On March 14, 2024, the Company announced that the FDA granted accelerated approval of Rezdiffra (resmetirom) in conjunction with diet and exercise for the treatment of adults with noncirrhotic MASH with moderate to advanced liver fibrosis (consistent with stages F2 to F3 fibrosis). In addition, the Company commercially launched Rezdiffra in Germany in September 2025 following receipt of Conditional Marketing Authorization from the EC. The Company enters into agreements with specialty pharmacies and specialty distributors (each a "Customer" and collectively the "Customers") to sell Rezdiffra in the U.S. Revenues from product sales are recognized when the Customer obtains control of the Company's product, which occurs at a point in time, typically upon delivery to the Customer.

Revenue is recorded net of variable consideration, which includes prompt pay discounts, returns, chargebacks, rebates and co-payment assistance. The variable consideration is estimated based on contractual terms as well as management assumptions and historical data. The amount of variable consideration is calculated by using the expected value method, which is the sum of probability-weighted amounts in a range of possible outcomes, or the most likely amount method, which is the single most likely amount in a range of possible outcomes. Estimates are reviewed quarterly and adjusted as necessary.

Accruals are established for gross to net deductions and actual amounts incurred are offset against applicable accruals. The Company reflects these accruals as either a reduction in the related account receivable from the customer or as a current liability, depending on the means by which the deduction is settled. Sales deductions are based on management's estimates that involve a substantial degree of judgment.

Prompt Pay: Customers receive a prompt pay discount for payments made within a contractually agreed number of days before the due date. The discounts are accounted for as a reduction of the transaction price and recorded as a contra receivable.

Returns: The Company records allowances for product returns as a reduction of revenue at the time product sales are recorded. Product returns are estimated based on forecasted sales and historical and industry data. Returns are permitted in accordance with the return goods policy defined within each customer agreement. The returns reserve is recorded as an accrued liability.

Chargebacks: The Company estimates obligations resulting from contractual commitments with the government and other entities to sell products to qualified healthcare providers at prices lower than the list price charged to the customer who directly purchases from the Company. The customer charges the Company for the difference between what it pays to the Company for the product and the selling price to the qualified healthcare providers, with the difference recorded as a contra receivable.

Co-Payment Assistance: Co-payment assistance programs are offered to eligible end-users as price concessions and are recorded as accrued liabilities and a reduction of the transaction price. The Company uses a third-party to administer the co-payment program for pharmacy benefit claims.

Rebates: The Company's rebates include amounts paid to Medicaid, Medicare, certain other payors and other rebate programs. Reserves for rebates are recorded in the same period the related product revenue is recognized, resulting in a reduction of product revenues and an accrued liability. The Company's estimate for rebates is based on statutory or contractual discount rates, expected utilization or an estimated number of patients on treatment, as applicable.

Trade Receivables, Net

The Company's trade receivables relate to amounts due from Customers related to product sales and are recorded net of chargebacks, prompt pay discounts and other allowances. The Company assesses collectibility of overdue receivables and those determined to be uncollectible are written-off. As of March 31, 2026, there were no receivables written off. No allowance for credit loss was recognized as of March 31, 2026 or December 31, 2025.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents. The carrying amount reported in the Company's consolidated balance sheets for cash and cash equivalents approximates its fair value.

Marketable Securities

Marketable securities consist of available-for-sale debt securities that are presented as current assets in the Company's consolidated balance sheets.

The Company adjusts the cost of available-for-sale debt securities for amortization of premiums and accretion of discounts to maturity. The Company includes such amortization and accretion as a component of interest income, net. Realized gains and losses and declines in value, if any, that the Company judges to be the result of impairment or as a result of recognizing an allowance for credit losses on available-for-sale securities are reported as a component of interest income. To determine whether an impairment exists, the Company considers whether it intends to sell the debt security and, if the Company does not intend to sell the debt security, it considers available evidence to assess whether it is more likely than not that it will be required to sell the security before the recovery of its amortized cost basis. During the three months ended March 31, 2026 and 2025, the Company determined it did not have any securities that were other-than-temporarily impaired.

Marketable securities are stated at fair value, including accrued interest, with their unrealized gains and losses included as a component of accumulated other comprehensive income or loss, which is a separate component of stockholders' equity. The fair value of these securities is based on quoted prices and observable inputs on a recurring basis. Realized gains and losses are determined on the specific identification method. During the three months ended March 31, 2026 and 2025, realized gains and losses on marketable securities were not material to the consolidated financial statements.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, which include cash equivalents and marketable securities, approximate their fair values. The fair value of the Company's financial instruments reflects the amounts that would be received upon sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy has the following three levels:

Level 1—quoted prices in active markets for identical assets and liabilities.

Level 2—observable inputs other than Level 1 inputs. Examples of Level 2 inputs include quoted prices in active markets for similar assets or liabilities and quoted prices for identical assets or liabilities in markets that are not active.

Level 3—unobservable inputs that reflect the Company's own assumptions about the assumptions market participants would use in pricing the asset or liability.

Financial assets and liabilities are classified in their entirety within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The Company measures the fair value of its marketable securities by taking into consideration valuations obtained from third-party pricing sources. The pricing services utilize industry standard valuation models, including both income and market based approaches, for which all significant inputs are observable, either directly or indirectly, to estimate fair value. These inputs include reported trades of and broker-dealer quotes on the same or similar securities, issuer credit spreads, benchmark securities and other observable inputs.

As of March 31, 2026, the Company's financial assets valued based on Level 1 inputs consisted of cash and cash equivalents in a money market fund, its financial assets valued based on Level 2 inputs consisted of high-grade corporate and government agency bonds and commercial paper, and it had no financial assets valued based on Level 3 inputs. During the three months ended March 31, 2026 and 2025, the Company did not have any transfers of financial assets between Levels 1 and 2. As of March 31, 2026 and December 31, 2025, the Company did not have any financial liabilities that were recorded at fair value on a recurring basis on the balance sheet.

Inventory

Inventory, which consists of work in process and finished goods, is stated at the lower of cost or estimated net realizable value, using either actual or standard cost depending on the stage of inventory, based on a first-in, first-out method. The balance sheet classification of inventory as current or non-current is determined by whether the inventory will be consumed within the Company's normal operating cycle. The Company analyzes its inventory levels quarterly and writes down inventory subject to expiry or in excess of expected requirements, or that has a cost basis in excess of its expected net realizable value. These write downs are charged to cost of sales in the accompanying Consolidated Statements

of Operations. The Company capitalizes inventory costs when future commercial sale in the ordinary course of business is probable.

The Company considered regulatory approval of its product candidate to be uncertain and product manufactured prior to regulatory approval could not have been sold unless regulatory approval was obtained. As such, the manufacturing costs incurred prior to regulatory approval were not capitalized as inventory, but rather were expensed as incurred as research and development expenses. The Company began capitalizing inventory in March 2024 after FDA accelerated approval was granted for Rezdiffra.

Cost of Sales

Cost of sales includes the cost of manufacturing and distribution of inventory related to sales of Rezdiffra, including salaries, benefits and stock-based compensation expense for employees dedicated to the production of Rezdiffra. Cost of sales also includes royalties payable to F. Hoffmann-La Roche AG ("Roche") based on net sales of Rezdiffra. The Company estimates its annual royalty obligation and recognizes its related cost of sales at an estimated blended royalty rate each quarterly period.

Research and Development Costs

Research and development costs are expensed as incurred. Research and development costs are comprised of costs incurred in performing research and development activities, including internal costs (including cash compensation and stock-based compensation paid to research and development employees), costs for consultants, upfront and milestone payments under licensing agreements, and other costs associated with the Company's preclinical and clinical programs. In particular, the Company has conducted safety studies in animals, optimized and implemented the manufacturing of its drug, and conducted clinical trials, all of which are considered research and development expenditures. Management uses significant judgment in estimating the amount of research and development costs recognized in each reporting period. Management analyzes and estimates the progress of its clinical trials, completion of milestone events per underlying agreements, invoices received and contracted costs when estimating the research and development costs to accrue in each reporting period. Actual results could differ from the Company's estimates.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of salaries, benefits and stock-based compensation expenses for employees other than research and development employees and employees dedicated to the production of Rezdiffra, management costs, costs associated with obtaining and maintaining our patent portfolio, commercial and marketing activities, advertising, professional fees for accounting, auditing, consulting and legal services and allocated overhead expenses.

Leases

The Company determines if an arrangement is a lease at contract inception. All leases are classified as operating leases. Lease assets represent the right to use an underlying asset for the lease term and lease liabilities represent an obligation to make lease payments arising from the leasing arrangement. Operating lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. When an implicit rate is not readily determinable, an incremental borrowing rate is estimated based on information available at commencement. Lease expense is recognized on a straight-line basis over the lease term. Short-term leases of 12 months or less at commencement date are expensed as incurred.

Patents

Costs to secure and defend patents are expensed as incurred and are classified as selling, general and administrative expense in the Company's consolidated statements of operations.

Intangible Assets, Net

Intangible assets with finite lives consist of regulatory approval milestones, which are amortized to cost of sales over their estimated useful lives using the straight-line method. Intangible assets are tested for recoverability whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

Stock-Based Compensation

The Company recognizes stock-based compensation expense based on the grant date fair value of stock options, restricted stock units, and other stock-based compensation awards granted to employees, officers, directors, and consultants. Awards that vest as the recipient provides service are expensed on a straight-line basis over the requisite service period.

The Company uses the Black-Scholes option pricing model to determine the grant date fair value of stock options as management believes it is the most appropriate valuation method for its option grants. The Black-Scholes model requires inputs for risk-free interest rate, dividend yield, volatility and expected lives of the options. The expected lives for options granted represent the period of time that options granted are expected to be outstanding. For the period ended March 31, 2026, the Company used the expected term based on historical Company data for determining the expected lives of options. The Company previously used the simplified method. Expected volatility is based upon an industry estimate, the Company's historical trading activity, or a blended rate of the two. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect at the time of the grant. The Company estimates the forfeiture rate based on historical data. This analysis is re-evaluated at least annually and the forfeiture rate is adjusted as necessary.

For other stock-based compensation awards granted to employees and directors that vest based on market conditions, such as the trading price of the Company's common stock achieving or exceeding certain price targets, the Company uses a Monte Carlo simulation model to estimate the grant date fair value and recognize stock compensation expense over the derived service period. The Monte Carlo simulation model requires key inputs for risk-free interest rate, dividend yield, volatility, and expected life.

The assumptions used in computing the fair value of equity awards reflect the Company's best estimates but involve uncertainties related to market and other conditions. Changes in any of these assumptions may materially affect the fair value of awards granted and the amount of stock-based compensation recognized.

Income Taxes

The Company accounts for income taxes in accordance with ASC 740, "Income Taxes", which prescribes the use of the liability method where deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value if it is more likely than not that a portion or all of the deferred tax assets will not be realized based on the weight of available positive and negative evidence. The Company currently maintains a 100% valuation allowance on its deferred tax assets.

The Company recognizes the financial statement effects of a tax position when it is more likely than not (a likelihood of greater than 50%) that the position will be sustained upon examination by the relevant taxing authority, based on the technical merits of the position. Uncertain tax positions are recorded based upon certain recognition and measurement criteria. The Company re-evaluates uncertain tax positions at each reporting date and considers all available information, including, but not limited to, changes in tax laws or regulations, developments in case law, changes in the expected timing or outcome of audits, settlements with taxing authorities, and changes in facts or circumstances related to a particular tax position. Adjustments to recognized tax positions are recorded in the period in which new information becomes available. Interest and penalties related to unrecognized tax benefits are recognized as a component of income tax expense in the Company's consolidated statements of operations.

Comprehensive Income (Loss)

Comprehensive income (loss) is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. The difference between the Company's net income (loss) and comprehensive income (loss) includes changes in unrealized gains and losses on marketable securities and foreign currency translation adjustments.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") or other standard setting bodies and adopted by the Company as of the specified effective date. Except as noted below, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its condensed consolidated financial statements and disclosures.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, which applies to all public entities and requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses. Public entities must adopt the new standard prospectively for fiscal years beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption and retrospective application are permitted. The Company is currently evaluating the impact of ASU 2024-03 on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): *Targeted Improvements to the Accounting for Internal-Use Software* ("ASU 2025-06"), which clarifies and aligns existing guidance related to accounting for certain costs incurred in connection with internal-use software, including updated guidance regarding agile and iterative software development methodologies. The standard applies to all entities that incur costs to develop internal-use software. ASU 2025-06 is effective for annual periods beginning after December 15, 2027, and interim periods within those annual periods. The Company early adopted ASU 2025-06 prospectively, effective January 1, 2026. The adoption did not have a material impact on its consolidated financial statements.

3. Liquidity and Uncertainties

The Company is subject to risks common to development stage companies and early commercial companies in the biopharmaceutical industry including, but not limited to, uncertainty of product development and commercialization, dependence on key personnel, uncertainty of market acceptance of products and product reimbursement, product liability, uncertain protection of proprietary technology, potential inability to raise additional financing necessary for development and commercialization, and compliance with the applicable regulations.

The Company has incurred losses since inception, including approximately $94.4 million for the three months ended March 31, 2026, resulting in an accumulated deficit of approximately $2,184.9 million as of March 31, 2026. The Company has historically funded its operations primarily through proceeds from sales of the Company's capital stock and debt financings. In July 2025, the Company entered into a senior secured credit facility that provides up to $500.0 million. See Note 8 "Long Term Debt" for additional details. In addition, following FDA and EC approval, the Company receives revenue from sales of Rezdiffra. Management expects to incur losses until the Company is able to generate sufficient revenue from Rezdiffra and any other approved products. The Company believes that its cash, cash equivalents and marketable securities at March 31, 2026 will be sufficient to fund operations past one year from the issuance of these financial statements. The Company's future long-term liquidity requirements will be substantial and will depend on many factors, including the Company's ability to effectively commercialize Rezdiffra, the Company's decisions regarding future geographic expansion, the conduct of any future preclinical studies and clinical trials, the Company entering into any strategic transactions, the Company's ability to maintain compliance with the liquidity covenant in the Financing Agreement (as defined in Note 8) and potential milestone payments payable pursuant to its license agreements. To meet its future capital needs, the Company may need to raise additional capital through debt or equity financings, collaborations, partnerships or other strategic transactions. However, there can be no assurance that the Company will be able to complete any such transactions on acceptable terms or otherwise. The inability of the Company to obtain sufficient funds on acceptable terms when needed, if at all, could have a material adverse effect on the Company's business, results of operations and financial condition. The Company has the ability to delay certain commercial activities, geographic expansion activities, and certain research activities and related clinical expenses if necessary due to liquidity concerns until a date when those concerns are relieved.

4. Product Revenue, Net

The following table summarizes balances and activity for gross to net reserves (in thousands):

	Chargebacks, Discounts for Prompt Pay and Other Allowances	Rebates, Co-Pay Assistance, Returns, and Other	Totals
Balance at December 31, 2025	$ 8,838	$ 90,504	$ 99,342
Provision related to sales in the current year	37,824	128,950	166,774
Adjustments related to prior year sales	(1,978)	(2,367)	(4,345)
Payments and customer credits issued	(23,850)	(94,359)	(118,209)
Balance at March 31, 2026	$ 20,834	$ 122,728	$ 143,562

Concentrations of Credit Risk and Significant Customers

The Company generates revenue from a small number of large, reputable customers. The following customers accounted for over 10% of total gross product revenue during the three months ended March 31, 2026 and 2025.

	Three Months Ended March 31,	
	2026	2025
Customer A	31 %	34 %
Customer B	19 %	23 %
Customer C	13 %	10 %
Customer D	13 %	3 %
Customer E	12 %	15 %

5. Cash, Cash Equivalents, Restricted Cash and Marketable Securities

The Company held restricted cash of $5.2 million and $5.1 million as of March 31, 2026 and December 31, 2025, respectively, predominately as collateral to its corporate credit card program.

A summary of cash, cash equivalents, restricted cash and available-for-sale marketable securities held by the Company as of March 31, 2026 and December 31, 2025 is as follows (in thousands):

	March 31, 2026			
	Cost	Unrealized gains	Unrealized losses	Fair value
Cash, cash equivalents and restricted cash:				
Cash (Level 1)	$ 83,555	$ —	$ —	$ 83,555
Money market funds (Level 1)	63,621	—	—	63,621
U.S. government and government sponsored entity (GSE) securities (Level 1)	1,470	—	—	1,470
Corporate debt securities with original maturities of 3 months or less (Level 2)	83,542	—	—	83,542
Total cash, cash equivalents and restricted cash	232,188	—	—	232,188
Marketable securities:				
Corporate debt securities with original maturities of 1 year or less (Level 2)	238,508	15	(136)	238,387
U.S. government and GSE securities with original maturities of 1 year or less (Level 2)	257,024	135	(32)	257,127
U.S. government and GSE securities with original maturities of 1 to 2 years (Level 2)	73,045	4	(175)	72,874
Corporate debt securities with original maturities of 1 to 2 years (Level 2)	17,407	1	(58)	17,350
Total cash, cash equivalents, restricted cash and marketable securities	$ 818,172	$ 155	$ (401)	$ 817,926

	December 31, 2025			
	Cost	Unrealized gains	Unrealized losses	Fair value
Cash, cash equivalents and restricted cash:				
Cash (Level 1)	$ 109,708	$ —	$ —	$ 109,708
Money market funds (Level 1)	50,211	—	—	50,211
U.S. government and government-sponsored entity (GSE) securities (Level 1)	9,129	—	—	9,129
Corporate debt securities with original maturities of 3 months or less (Level 2)	34,735	—	—	34,735
Total cash, cash equivalents and restricted cash	203,783	—	—	203,783
Marketable securities:				
Corporate debt securities with original maturities of 1 year or less (Level 2)	372,096	178	(16)	372,258
U.S. government and GSE securities with original maturities of 1 year or less (Level 2)	298,007	460	(1)	298,466
U.S. government and GSE securities with original maturities of 1 to 2 years (Level 2)	91,936	211	—	92,147
Corporate debt securities with original maturities of 1 to 2 years (Level 2)	21,968	30	(3)	21,995
Total cash, cash equivalents, restricted cash and marketable securities	$ 987,790	$ 879	$ (20)	$ 988,649

6. Inventory

The following table summarizes the Company's inventory balances as of March 31, 2026 and December 31, 2025 (in thousands):

	March 31, 2026	December 31, 2025
Raw materials	$ —	$ —
Work in process	106,258	67,633
Finished goods	5,812	7,208
Total inventory	$ 112,070	$ 74,841

There was no provision for excess inventory recorded as of March 31, 2026 or December 31, 2025.

7. Accrued Liabilities

Accrued liabilities as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Rebates, returns and other revenue related reserves	$ 120,750	$ 90,504
Clinical study, manufacturing and drug supply	36,862	26,907
Compensation and benefits	34,330	69,211
Selling, general and administrative	46,826	40,026
Other	36,993	33,744
Total accrued liabilities	$ 275,761	$ 260,392

8. Long Term Debt

Hercules Loan Facility

In May 2022, the Company entered into a $250.0 million senior secured loan facility (as amended from time to time, the "Hercules Loan Facility") with the several banks and other financial institutions or entities party thereto (collectively, the "Hercules Lenders"), and Hercules Capital, Inc. ("Hercules"), in its capacity as administrative agent and collateral agent for itself and the Hercules Lenders. Interest on the Hercules Loan Facility was the greater of (i) the prime rate plus 2.45% and (ii) 8.25%. The Hercules Loan Facility included an end-of-term charge of 5.35% of the aggregate principal amount, which was accounted for in the loan discount. In connection with the first tranche drawn at closing, the Company issued Hercules a warrant to purchase 14,899 shares of Company common stock, which had a Black-Scholes value of $0.6 million. In addition, the Company issued to Hercules and its affiliates warrants to purchase an aggregate of 4,555 shares of common stock, which had a Black-Scholes value of $0.9 million, following the closing of the second tranche.

On July 17, 2025, the Company used the proceeds of the Initial Term Loan under the Financing Agreement (each as defined below in this Note 8) to repay all outstanding obligations under the Hercules Loan Facility, totaling $121.7 million, and upon such repayment, terminated the Hercules Loan Facility. The amount repaid by the Company included $115.0 million of outstanding indebtedness plus accrued and unpaid interest as of the repayment date and exit fees. As a result of the termination, all credit commitments under the Hercules Loan Facility were terminated and all security interests and guarantees executed in connection with the Hercules Loan Facility were released. The repayment resulted in a $2.8 million loss on extinguishment of debt, primarily due to the write off of unamortized debt issuance costs.

Financing Agreement

On July 17, 2025 (the "Closing Date"), the Company entered into a Financing Agreement (as amended from time to time, the "Financing Agreement") with the Guarantors (as defined below in this Note 8), certain funds managed by Blue Owl Capital Corporation, as the lenders (the "Lenders"), and LSI Financing LLC, as the administrative agent for the Lenders (the "Administrative Agent"). Under the Financing Agreement, the Lenders have committed up to $500.0 million in senior secured credit facilities, consisting of (a) an initial term loan in an aggregate principal amount equal to $350.0 million (the "Initial Term Loan") and (b) delayed draw term loan commitments in an aggregate principal amount not to

exceed $150.0 million (the loans thereunder, if any, the "Delayed Draw Term Loans"). In addition, the Financing Agreement includes an uncommitted incremental facility in an aggregate principal amount not to exceed $250.0 million (the loans thereunder, if any, the "Incremental Term Loans", together with the Initial Term Loan and any Delayed Draw Term Loans, collectively the "Term Loans"), subject to the satisfaction of certain terms and conditions set forth in the Financing Agreement. The Initial Term Loan was funded on the Closing Date. Delayed Draw Term Loans are available at the Company's election from time to time after the Closing Date until December 31, 2027. Incremental Term Loans are available at the Company's and the Lenders' mutual consent from time to time after the Closing Date.

Any outstanding principal on the Term Loans will bear interest at a rate per annum on the basis of a 360-day year equal to the sum of (i) the three-month forward-looking term secured overnight financing rate administered by the Federal Reserve Bank of New York (subject to 1.0% per annum floor) plus (ii) 4.75%. Accrued interest is payable quarterly following the funding of the Initial Term Loan on the Closing Date, on any date of prepayment or repayment of the Term Loans and at maturity. The outstanding balance of the Term Loans, if not repaid sooner, shall be due and payable in full on the maturity date thereof. The stated maturity date of the Term Loans is July 17, 2030.

The Company may prepay the Term Loans at any time (in whole or in part) and may be required to make mandatory prepayments upon the occurrence of certain customary prepayment events. In certain instances and during certain time periods, these prepayments will be subject to customary prepayment fees. If the Term Loans are prepaid on or prior to the one-year anniversary of the original issuance, the Company must pay a make-whole amount equal to the greater of (i) 3.00% of the Term Loans being prepaid at such time and (ii) the present value of all remaining interest payments on the amount repaid through the one-year anniversary of the original issuance of such Term Loans, calculated using a discount rate. Thereafter, the amount of any such prepayment fee may vary, but the maximum amount that may be due with any such prepayment would be an amount equal to 3.00% of the Term Loans being prepaid at such time, with such prepayment fee stepping down on each anniversary of the original issuance of such Term Loans.

The Financing Agreement contains affirmative covenants and negative covenants applicable to the Company and its subsidiaries that are customary for financings of this type. The Company and the Guarantors are also required to maintain a minimum unrestricted cash balance of $100.0 million at all times. The Financing Agreement also includes representations, warranties, indemnities and events of default that are customary for financings of this type, including an event of default relating to a change of control of the Company. Upon the occurrence of an event of default, the Lenders may, among other things, accelerate the Company's obligations under the Financing Agreement. The obligations of the Company under the Financing Agreement are and will be guaranteed by certain of the Company's existing and future direct and indirect subsidiaries, subject to certain exceptions (such subsidiaries, collectively, the "Guarantors").

On July 17, 2025, concurrently with the entry into the Financing Agreement, the Company, the Guarantors and the Administrative Agent entered into a Pledge and Security Agreement. As security for the obligations of the Company and the Guarantors, each of the Company and the Guarantors are required to grant to the Administrative Agent, for the benefit of the Lenders and secured parties, a continuing first priority security interest in substantially all of the assets of the Company and the Guarantors (including all equity interests owned or hereafter acquired by the Company and the Guarantors), subject to certain customary exceptions. On September 4, 2025, the parties amended the Financing Agreement to add certain of the Company's subsidiaries as Guarantors.

As of March 31, 2026, the outstanding principal amount under the Financing Agreement was $350.0 million. The interest rate during the three months ended March 31, 2026 was 8.42%. Interest expense was $7.8 million and $3.3 million for the three months ended March 31, 2026 and 2025, respectively. As of March 31, 2026, the Company was in compliance with all loan covenants and provisions.

Future minimum payments, including interest and principal, under the loans payable outstanding as of March 31, 2026 were as follows (in thousands):

Period Ending March 31, 2026:	Amount
2026	$ 22,591
2027	29,984
2028	30,067
2029	29,984
2030	366,266
	$ 478,892
Less amount representing interest	(128,892)
Less unamortized discount	(9,670)
Loan payable, net of discount	$ 340,330

9. Stockholders' Equity

Common Stock

Each common stockholder is entitled to one vote for each share of common stock held. The common stock will vote together with all other classes and series of stock of the Company as a single class on all actions to be taken by the Company's stockholders. Each share of common stock is entitled to receive dividends, as and when declared by the Company's Board of Directors (the "Board"). The Company has never declared cash dividends on its common stock and does not expect to do so in the foreseeable future.

Preferred Stock

The Company's Series A Convertible Preferred Stock and Series B Convertible Preferred Stock (together, the "Series A and B Preferred Stock") have a par value of $0.0001 per share and are convertible into shares of the Company's common stock at a one-to-one ratio, subject to adjustment as provided in the Certificates of Designation of Preferences, Rights and Limitations of Series A Convertible Preferred Stock and Series B Convertible Preferred Stock that the Company filed with the Secretary of State of the State of Delaware on June 21, 2017 and December 22, 2022, respectively. The terms of the Series A and B Preferred Stock are set forth in such Certificates of Designation. Each share of the Series A and B Preferred Stock is convertible into shares of common stock following notice that may be given at the holder's option. Upon any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, after the satisfaction in full of the debts of the Company and the payment of any liquidation preference owed to the holders of shares of capital stock of the Company ranking prior to the Series A and B Preferred Stock upon liquidation, the holders of the Series A and B Preferred Stock shall participate *pari passu* with the holders of the common stock (on an as-if-converted-to-common-stock basis) in the net assets of the Company. Shares of the Series A and B Preferred Stock will generally have no voting rights, except as required by law. Shares of the Series A and B Preferred Stock will be entitled to receive dividends before or concurrently with shares of any other class or series of capital stock of the Company (other than dividends in the form of the common stock) equal to the dividend payable on each share of the common stock, on an as-converted basis.

Pre-Funded Warrants

In connection with an underwritten public offering in September 2023, the Company issued pre-funded warrants (the "2023 Pre-Funded Warrants") to purchase 2,048,098 shares of common stock at a public offering price of $151.6899 per 2023 Pre-Funded Warrant, which represents the per share public offering price for common stock less a $0.0001 per share exercise price for each such 2023 Pre-Funded Warrant. In addition, in connection with an underwritten public offering in March 2024, the Company issued pre-funded warrants (the "2024 Pre-Funded Warrants," and together with the 2023 Pre-Funded Warrants, the "Pre-Funded Warrants") to purchase 1,557,692 shares of common stock at a public offering price of $259.9999 per 2024 Pre-Funded Warrant, which represents the per share public offering price for the common stock less a $0.0001 per share exercise price for each such 2024 Pre-Funded Warrant.

The Pre-Funded Warrants are generally exercisable at any time; however, a holder of Pre-Funded Warrants may not exercise the warrant to the extent that the holder, together with its affiliates, would beneficially own more than 9.99% of the number of shares of common stock outstanding immediately after giving effect to such exercise. A holder of Pre-

Funded Warrants may increase or decrease this percentage, but not in excess of 19.99%, by providing at least 61 days' prior notice to the Company.

At-The-Market Issuance Sales Agreement

In May 2024, the Company entered into a Sales Agreement (the "Sales Agreement") with Cowen and Company, LLC ("Cowen"). Pursuant to the Sales Agreement, the Company is authorized to issue and sell up to $300.0 million in shares of the Company's common stock, at the Company's option, through Cowen as its sales agent. Sales of common stock through Cowen could be made by any method that is deemed an "at-the-market" offering as defined in Rule 415 promulgated under the Securities Act of 1933, as amended, including by means of ordinary brokers' transactions at market prices, in block transactions or as otherwise agreed by the Company and Cowen. Subject to the terms and conditions of the Sales Agreement, Cowen would use commercially reasonable efforts consistent with its normal trading and sales practices to sell the common stock based upon the Company's instructions (including any price, time or size limits or other customary parameters or conditions the Company imposed). The Company sold no shares in the three months ended March 31, 2026 or 2025 under the Sales Agreement.

10. Stock-based Compensation

2015 Stock Plan

The 2015 Stock Plan, as amended (the "2015 Stock Plan"), is the Company's stockholder-approved incentive plan through which equity based grants are awarded. The 2015 Stock Plan provides for the grant of incentive stock options, non-statutory stock options, restricted stock, restricted stock units and other stock-based compensation awards to employees, officers, directors, and consultants of the Company. The administration of the 2015 Stock Plan is under the general supervision of the Compensation Committee of the Board of Directors. The terms of stock options awarded under the 2015 Stock Plan, in general, are determined by the Compensation Committee, provided the exercise price per share generally shall not be set at less than the fair market value of a share of the common stock on the date of grant and the term shall not be greater than ten years from the date the option is granted. As of March 31, 2026, 211,145 shares were available for future issuance under the 2015 Stock Plan.

2023 Inducement Plan

In September 2023, the Company adopted the 2023 Inducement Plan (the "2023 Inducement Plan"), pursuant to which the Company from time to time was permitted to make equity grants to new employees as a material inducement to their employment. The 2023 Inducement Plan was adopted without stockholder approval, pursuant to Nasdaq Listing Rule 5635(c)(4), and was administered by the Compensation Committee of the Board. The 2023 Inducement Plan provided for the granting of non-statutory stock options, restricted stock, restricted stock units, performance stock units and other stock-based compensation awards to new employees, but did not allow for the granting of incentive stock options. The terms of the stock options under the 2023 Inducement Plan, in general, were determined by the Compensation Committee, provided the exercise price per share generally would not be set at less than the fair market value of a share of the common stock on the date of grant and the term would not be greater than ten years from the date the option or award was granted. A total of 500,000 shares of the Company's common stock were reserved for issuance under the 2023 Inducement Plan. In June 2025, the Company terminated the 2023 Inducement Plan, and therefore no additional awards may be made from the 2023 Inducement Plan. Any awards outstanding under the 2023 Inducement Plan will continue to be governed by the terms thereof.

2025 Inducement Plan

In June 2025, the Company adopted the 2025 Inducement Plan (the "2025 Inducement Plan"), pursuant to which the Company may from time to time make equity grants to new employees as a material inducement to their employment. The 2025 Inducement Plan was adopted without stockholder approval, pursuant to Nasdaq Listing Rule 5635(c)(4), and is administered by the Compensation Committee of the Board. The 2025 Inducement Plan provides for the granting of non-statutory stock options, restricted stock, restricted stock units, performance stock units and other stock-based compensation awards to new employees, but does not allow for the granting of incentive stock options. The terms of the stock options under the 2025 Inducement Plan, in general, are determined by the Compensation Committee, provided the exercise price per share generally shall not be set at less than the fair market value of a share of the common stock on the date of grant and the term shall not be greater than ten years from the date the option or award is granted. A total of 100,000 shares of the Company's common stock were initially reserved for issuance under the 2025 Inducement Plan. In September 2025, the 2025 Inducement Plan was amended to increase the aggregate number of shares reserved for issuance by an additional 300,000 shares. A total of 230,287 shares were available for future issuance as of March 31, 2026.

Stock Options

The following table summarizes stock option activity during the three months ended March 31, 2026:

	Shares	Weighted average exercise price
Outstanding at December 31, 2025	979,861	$ 155.25
Options granted	102,652	437.68
Options exercised	(58,815)	39.84
Options cancelled	(5,353)	231.67
Outstanding at March 31, 2026	1,018,345	$ 189.98
Exercisable at March 31, 2026	716,129	$ 126.50

The total cash received by the Company as a result of stock option exercises was $2.3 million and $8.6 million for the three months ended March 31, 2026 and 2025, respectively. The total intrinsic value of options exercised was $27.6 million and $25.7 million for the three months ended March 31, 2026 and 2025, respectively.

The Company awards restricted stock units ("RSUs") to employees, officers and directors of the Company. RSUs vest annually and are subject to forfeiture if employment or service terminates before vesting.

The following table summarizes RSU activity, excluding performance-based RSUs, during the three months ended March 31, 2026:

	Shares	Weighted average grant date fair value
Outstanding at December 31, 2025	798,422	$ 307.85
RSUs granted	315,641	439.07
RSUs vested	(141,030)	299.16
RSUs forfeited	(12,135)	304.20
Outstanding at March 31, 2026	960,898	$ 352.28

For the three months ended March 31, 2026 and 2025, the total fair value of RSUs vested was $65.3 million and $25.0 million, respectively.

Performance-Based Restricted Stock Units

The Company has granted various performance-based restricted stock units ("PSUs") to certain senior members of leadership. Depending on the terms of the PSUs and the outcome of the pre-established performance criteria, which may include a market or performance condition, a recipient may ultimately earn the target number of PSUs granted or a specified multiple thereof at the end of the vesting period. The Company granted PSUs to the Company's Chief Executive Officer ("CEO") in connection with his hiring in September 2023. Such PSUs may be earned based on the achievement of three significant sustained stock price appreciation hurdles over a five-year period. The Company's CEO achieved the first two hurdles in 2025 and earned 50,000 shares for each hurdle. The Company's CEO is eligible to earn an additional 50,000 shares upon the achievement of the final hurdle. Earned PSUs are settled on a delayed basis notwithstanding the date of achievement of the stock price hurdle. Beginning in 2024, the Company issued PSUs to certain executives that may be earned based on the Company's total shareholder return relative to a defined peer group over a three year period. Accordingly, any PSUs granted in 2024, 2025 and 2026 will vest, to the extent earned, in the first quarter of 2027, 2028 and 2029, respectively.

The following table summarizes PSU activity during the three months ended March 31, 2026:

	PSUs	Eligible to Earn PSUs	Weighted average grant date fair value
Outstanding PSUs at December 31, 2025	103,244	256,488	$ 500.55
PSUs granted	38,803	77,606	616.19
PSUs earned	—	—	—
PSUs forfeited	(173)	(346)	593.93
Outstanding at March 31, 2026	141,874	333,748	$ 532.06

Outstanding PSUs excludes 100,000 shares underlying PSU awards that have been earned but are subject to delayed settlement as there is no longer a risk of forfeiture with respect to these awards.

Outstanding Awards

As of March 31, 2026, the Company had RSUs, PSUs, and options outstanding pursuant to which an aggregate of 2,312,991 shares of its common stock may be issued pursuant to the terms of all awards granted under the 2015 Stock Plan, 2023 Inducement Plan and 2025 Inducement Plan. Shares underlying PSU awards that have been earned but are subject to delayed settlement have been excluded from this amount as there is no longer a risk of forfeiture with respect to these awards.

Stock-Based Compensation Expense

Stock-based compensation expense during the three months ended March 31, 2026 and 2025 was as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Stock-based compensation expense by type of award:		
Stock options	$ 5,163	$ 5,439
Restricted stock units	24,490	11,788
Performance-based restricted stock units	4,365	3,704
Total stock-based compensation expense	$ 34,018	$ 20,931
Effect of stock-based compensation expense by line item:		
Cost of sales	$ 96	$ —
Research and development	7,865	5,215
Selling, general and administrative	26,057	15,716
Total stock-based compensation expense included in net loss	$ 34,018	$ 20,931

Unrecognized stock-based compensation expense as of March 31, 2026 was $377.1 million with a weighted average remaining period of 3.13 years.

11. Commitments and Contingencies

Licenses and Other Commitments

The Company has entered into customary contractual arrangements and letters of intent in preparation for and in support of operations in the normal course of business. As of March 31, 2026, the Company had approximately $222.9 million of obligations under these agreements related to active pharmaceutical ingredient, which is expected to be paid through 2029.

Roche Agreement

The Company has a Research, Development and Commercialization Agreement (as amended, the "Roche Agreement") with Roche which grants the Company a sole and exclusive license to develop, use, sell, offer for sale and

import any Licensed Product (as defined in the Roche Agreement). In January 2026, the Company entered into an amendment to the Roche Agreement to provide the Company the full and exclusive right and discretion to control all patent term adjustments and patent term extensions applicable to Rezdiffra, including patents owned by Roche and jointly owned between the parties. In consideration of the foregoing, the royalty payable to Roche based on net sales of Rezdiffra will not be reduced until the expiration of certain patent term extensions that have been, or could have been, filed.

The Roche Agreement required certain milestone payments to Roche. In March 2024, upon receiving FDA approval of Rezdiffra, a milestone was achieved and $5.0 million was paid to Roche. In August 2025, upon receiving conditional marketing authorization from the EC, a milestone was achieved and $3.0 million was paid to Roche. Furthermore, a tiered single-digit royalty is payable on net sales of resmetirom or a product developed from resmetirom, subject to certain reductions. The Company began incurring royalty expense following its commercial launch of Rezdiffra in April 2024.

CSPC License (MGL-2086)

In July 2025, the Company entered into an exclusive global license agreement (the "CSPC License Agreement") with CSPC Pharmaceutical Group Limited ("CSPC") for MGL-2086 (formerly known as SYH2086), an oral small molecule GLP-1 receptor agonist. Pursuant to the CSPC License Agreement, CSPC has granted the Company an exclusive global license to develop, manufacture, and commercialize MGL-2086. The transaction closed in September 2025. The Company paid CSPC an upfront payment of $120.0 million in October 2025. CSPC is eligible to receive up to $2.0 billion in development, regulatory and commercial milestone payments, as well as royalties on net sales ranging from mid-single digits to low-double digits.

Pfizer License (ervogastat)

In December 2025, the Company entered into an exclusive global license agreement with Pfizer Inc. (the "Pfizer License Agreement") to develop, manufacture and commercialize ervogastat, a Phase 2 oral DGAT-2 inhibitor, and two additional early-stage MASH assets. The Company paid Pfizer an upfront payment of $50.0 million in December 2025. In addition, Pfizer is eligible to receive up to $70.0 million in development and regulatory milestone payments related to ervogastat and low-double digit royalties on net sales of ervogastat. Pfizer is eligible to receive additional development, regulatory and commercial milestone payments and royalty payments on net sales of the two licensed early stage assets.

Ribocure License (siRNA programs)

In February 2026, the Company entered into an exclusive global license agreement (the "Ribocure License Agreement") with Suzhou Ribo Life Science Co. Ltd. and Ribocure Pharmaceuticals AB (together, "Ribocure") granting the Company exclusive global rights to develop, manufacture and commercialize six small interfering RNA ("siRNA") programs. Pursuant to the Ribocure License Agreement, the Company paid Ribocure an upfront payment of $60.0 million. In addition, Ribocure is eligible to receive up to $4.4 billion in development, regulatory and commercial milestone payments across all programs, as well as royalties on net sales ranging from mid-single digits to low-double digits.

As of March 31, 2026, $48.3 million of the upfront payment was recorded to R&D expense and $11.7 million was capitalized as a prepaid asset and other asset to be recorded as research and development services are performed by Ribocure.

Arrowhead License (PNPLA3)

In May 2026, the Company entered into an exclusive global license agreement (the "Arrowhead License Agreement") with Arrowhead Pharmaceuticals Inc. ("Arrowhead") granting the Company an exclusive global license to ARO-PNPLA3. Pursuant to the Arrowhead License Agreement, the Company will pay Arrowhead an upfront payment of $25.0 million. In addition, Arrowhead is eligible to receive up to $975.0 million in development, regulatory and commercial milestone payments, as well as royalties on net sales ranging from high-single digits to the mid-teens.

Leases

In 2019, the Company entered into an operating lease for office space located in West Conshohocken, Pennsylvania (the "Office Lease"), which was further amended by four amendments entered into from 2019 to May 2023. In August 2023, the Company entered into the Fifth Amendment to the Office Lease (the "Fifth Lease Amendment"). The Fifth Lease Amendment extended the term of the Office Lease through November 2026. As a result of the Fifth Lease Amendment, an incremental $1.6 million right-of-use asset and lease liabilities were recorded during the year ended

December 31, 2023. In 2024, we entered into the Sixth, Seventh, Eighth, and Ninth Amendments to the Office Lease, leasing additional office space available in the same premises under the Office Lease, which resulted in an incremental $1.3 million right-of-use asset and lease liability recorded.

In April 2025, the Company entered into an operating lease for additional office space in West Conshohocken, Pennsylvania. The lease commenced in May 2025 and resulted in a $4.0 million right-of-use asset and lease liability. In March 2026, the Company entered into an amendment to this lease, which modified the lease term and payment schedule. As a result, the right-of-use asset and lease liability balances were remeasured, resulting in balances of $4.0 million and $4.6 million as of March 31, 2026, respectively.

In September 2025, the Company entered into an operating lease for office space in Waltham, Massachusetts. The commencement date had not occurred as of March 31, 2026. Upon lease commencement, the Company expects to make total lease payments of $9.9 million over an 84-month lease term. As of March 31, 2026, the Company has recorded a $1.2 million prepaid lease payment related to approved change orders, which will be included in the measurement of the right-of-use asset upon commencement.

In February 2026, the Company entered into an operating lease for office space in Baar, Switzerland. The lease commenced on March 1, 2026 and has a term of 24 months. As a result, the Company recognized a right-of-use asset and corresponding lease liability of approximately $1.4 million upon commencement.

12. Segment Information

The Company operates as one reportable segment focused on delivering novel therapeutics for MASH. The Company's Chief Executive Officer, as the chief operating decision maker (“CODM”), leads the Company in support of four core values—focus on the patient, having an owner mindset, the relentless pursuit of innovation and commitment to collaboration. To best align the Company with these values, the CODM reviews consolidated financials, along with qualitative information, to evaluate performance, manage and allocate resources, make operating decisions, and assess planning and forecasting on a total company basis. Assets, liabilities and equity are reviewed and presented on the same level as the Company's consolidated balance sheet. Starting in the first quarter of 2026, the Company has further disaggregated its significant expense categories within research and development into four categories and selling, general and administrative into four categories. Prior periods have been recast to conform to the current period presentation.

Management does not segment business operations for internal reporting or decision making purposes. As the Company has a single reporting segment, the segment accounting policies are the same as those at the Company level, as described in Note 2 “Summary of Significant Accounting Policies.”

The following table presents net loss reported at the segment measure of profit and loss:

	Three Months Ended March 31,	
	2026	2025
Product revenue, net	$ 311,337	$ 137,250
Cost of sales	(26,847)	(4,513)
Research and development:		
Compensation and benefit-related expenses	(15,097)	(9,035)
Stock-based compensation	(7,865)	(5,215)
Professional fees and other external expenses	(84,547)	(28,797)
Facility related and other internal expenses[1]	(1,183)	(1,125)
Selling, general and administrative:		
Compensation and benefit-related expenses	(83,605)	(48,361)
Stock-based compensation	(26,057)	(15,716)
Professional fees and other external expenses	(131,252)	(88,014)
Facility related and other internal expenses[1]	(27,607)	(15,785)
Other segment (expense) income[2]	(1,668)	6,073
Net loss	$ (94,391)	$ (73,238)

[1] Facility and other internal expenses includes occupancy, information technology, and other internal costs.

[2] Other segment (expense) income includes interest income, interest expense and other expense, net.

13. Net Loss per Share

Basic net loss per share is computed using the weighted average number of shares outstanding during the period. Diluted net loss per share is computed using the weighted average number of shares outstanding and the weighted average dilutive potential shares outstanding using the treasury stock method. However, for the three months ended March 31, 2026 and 2025, diluted net loss per share is the same as basic net loss per share because the inclusion of weighted average shares of common stock issuable upon the exercise of stock options and warrants or vesting of restricted stock units would be anti-dilutive.

Weighted average common shares outstanding includes (i) the Pre-Funded Warrants, as the exercise price is negligible, and (ii) PSUs that have been earned but are subject to a delayed settlement feature, as the vesting conditions have been met but the shares will be settled at a later date. Series A and B Preferred Stock are also included in the calculation of net loss per share under the two-class method. The Series A and B Preferred Stock have no preferential treatment compared to shares of common stock and therefore, the Series A and B Preferred Stock are considered additional classes of common stock for purposes of calculating net loss per share. As the Series A and B Preferred Stock are convertible into shares of common stock at a one-to-one ratio, the basic and diluted net loss per share of the Series A and B Preferred Stock is the same as basic and diluted net loss per common share and, accordingly, the Company has not separately presented the basic and diluted net loss per share for each class, and has calculated the basic and diluted net loss per share by including all shares in the denominator.

The following table sets forth the computation of basic and diluted net loss per common, Series A, and Series B share (net loss in thousands):

	Three Months Ended March 31,	
	2026	As Revised 2025
Numerator:		
Net loss	$ (94,391)	$ (73,238)
Denominator:		
Weighted average common shares outstanding	22,959,235	22,091,314
Pre-funded warrants	3,605,790	3,605,790
Weighted average earned PSUs	97,600	18,333
Series A preferred stock	1,969,797	1,969,797
Series B preferred stock	400,000	400,000
Basic and diluted weighted average number of shares outstanding	29,032,422	28,085,234
Basic and diluted net loss per common, Series A preferred, and Series B preferred share	$ (3.25)	$ (2.61)

The following table summarizes outstanding securities not included in the computation of diluted net loss per common share, as their inclusion would be anti-dilutive:

	Outstanding at March 31,	
	2026	2025
Common stock options	1,018,345	1,526,018
Restricted stock units	960,898	694,995
Unearned performance-based restricted stock units	333,748	292,970
Warrants	19,454	19,454

Revision to previously issued financial statements

The Company previously concluded that its Pre-Funded Warrants and Series A and B Preferred Stock should be excluded from the calculation of basic and diluted net loss per share pursuant to the two-class method. In preparation of the financial statements for the three months ended March 31, 2026, the Company determined that the exercise of the Pre-Funded Warrants was not subject to a contingency, as previously concluded, and have a negligible exercise price of $0.0001. The Company also determined that the Series A and B Preferred Stock do not have preferential rights over the Company's common stock and should therefore be considered additional classes of the Company's common stock for the earnings per share calculations. As a result of the correction, the Pre-Funded Warrants and the Series A and B Preferred Stock should be included in basic and diluted net loss per share calculation.

The Company assessed the materiality of the change in the calculation of net loss per share, considering both quantitative and qualitative factors, and concluded that the effects of the change to the calculation and presentation of net loss per share are not material, individually or in the aggregate, to any previously reported quarterly or annual period and are not expected to be material to the current period annual financial statements. However, the Company has revised its presentation of net loss per share previously included in the Company's consolidated financial statements to reflect the inclusion of the Pre-Funded Warrants and Series A and B Preferred Stock in basic and diluted weighted average shares outstanding for the three months ended March 31, 2025 and these revisions are reflected in this Form 10-Q. All related amounts have been updated to reflect the effects of the revision throughout the financial statements and related footnotes, as applicable. The Company will also revise its presentation of net loss per share consistent with the foregoing in its future filings, as applicable.

As the Series A and B Preferred Stock are convertible into shares of common stock at a one-to-one ratio, the basic and diluted net loss per share of the Series A and Series B Preferred Stock is the same as basic and diluted net loss per

common share and accordingly, the Company has not separately presented the basic and diluted net loss per share for each class, and has calculated the basic and diluted net loss per share by including all shares in the denominator.

The following tables summarize the impact of the revision on both the weighted average shares outstanding and net loss per share calculations for each of the relevant periods:

	Weighted Average Shares Outstanding		Net Loss per Share	
Period Impacted	**As Reported**	**As Revised**	**As Reported**	**As Revised**
Year-ended 12/31/2025	22,434,310	28,409,706	$ (12.85)	$ (10.15)
Year-ended 12/31/2024	21,272,962	26,908,070	$ (21.90)	$ (17.31)
Year-ended 12/31/2023	18,687,774	21,562,581	$ (19.99)	$ (17.33)
Three months ended 3/31/25	22,091,314	28,085,234	$ (3.32)	$ (2.61)
Three months ended 6/30/25	22,207,017	28,232,604	$ (1.90)	$ (1.50)
Six months ended 6/30/25	22,149,492	28,159,333	$ (5.22)	$ (4.10)
Three months ended 9/30/25	22,482,502	28,508,089	$ (5.08)	$ (4.01)
Nine months ended 9/30/25	22,261,718	28,276,865	$ (10.32)	$ (8.12)

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

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read together with our unaudited consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q and our audited financial statements and accompanying notes for the year ended December 31, 2025 and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, both of which are included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

About Madrigal Pharmaceuticals, Inc.

Overview

We are a biopharmaceutical company focused on delivering novel therapeutics for metabolic dysfunction-associated steatohepatitis ("MASH"), a serious liver disease with high unmet medical need that can lead to cirrhosis, liver failure, liver cancer, need for liver transplantation and premature mortality. MASH was previously known as nonalcoholic steatohepatitis ("NASH"). MASH is the leading cause of liver transplantation in women, the second leading cause of all liver transplantation in the United States and the fastest-growing indication for liver transplantation in Europe. Our medication, Rezdiffra (resmetirom), is a once-daily, oral, liver-directed thyroid hormone receptor beta ("THR-β") agonist designed to target key underlying causes of MASH. In March 2024, Rezdiffra became the first therapy approved by the U.S. Food and Drug Administration ("FDA") for patients with MASH and was commercially available in the United States beginning in April 2024. Following receipt of conditional marketing authorization ("CMA") from the European Commission ("EC"), we launched Rezdiffra in Germany in September 2025. Rezdiffra was the first medication approved by both the FDA and EC for the treatment of adults with noncirrhotic MASH with moderate to advanced liver fibrosis (F2 to F3 fibrosis). We are also evaluating Rezdiffra in patients with compensated MASH cirrhosis (consistent with F4c fibrosis) in our MAESTRO-NASH OUTCOMES trial, that, if successful, could expand the eligible patient population for Rezdiffra.

In addition, we are advancing a focused pipeline to lead the evolution of MASH treatment for patients for decades to come. Through our business development efforts, we have acquired rights to MGL-2086, an oral glucagon-like peptide-1 ("GLP-1") receptor agonist, ervogastat, an oral diacylglycerol O-acyltransferase 2 ("DGAT-2") inhibitor, six small interfering RNA ("siRNA") programs and additional preclinical MASH candidates. We plan to evaluate these candidates with the goal of delivering best-in-disease therapies for the treatment of MASH. As we continue to build our pipeline, we will evaluate mechanisms that fit scientifically, strategically and commercially to enhance our leading position in MASH care.

Approval of Rezdiffra

The FDA's accelerated approval and the EC's conditional marketing authorization, as well as Rezdiffra's approved prescribing information, were supported by 52-week data from our Phase 3 MAESTRO-NASH trial in which both 100 mg and 80 mg doses of Rezdiffra demonstrated statistically significant improvement compared to placebo on (i) MASH resolution with no worsening of fibrosis and (ii) an improvement in fibrosis by at least one stage with no worsening of the nonalcoholic fatty liver disease ("NAFLD") activity score. MAESTRO-NASH remains ongoing as an outcomes trial where we are generating confirmatory outcomes data to 54-months that, if positive, is expected to verify a clinical benefit and support the full FDA approval of Rezdiffra to treat noncirrhotic MASH. We expect outcomes data from this trial in 2028. In addition, full FDA approval of Rezdiffra to treat noncirrhotic MASH could also be based on results from our Phase 3 MAESTRO-NASH OUTCOMES trial. In this trial, we are assessing progression to liver decompensation events in patients with compensated MASH cirrhosis treated with Rezdiffra versus placebo. A positive outcome in this trial is also expected to support the full FDA approval of Rezdiffra for noncirrhotic MASH, and expand the eligible patient population for Rezdiffra with an additional indication in patients with compensated MASH cirrhosis. We expect results from the MAESTRO-NASH OUTCOMES trial in 2027. We have agreed to submit results from these trials to the European Medicines Agency ("EMA") in support of full approval of Rezdiffra in the European Union.

Market Opportunity for Rezdiffra in MASH

MASH is a more advanced form of metabolic dysfunction-associated steatotic liver disease ("MASLD"). MASLD has become the most common liver disease in the United States and other developed countries and is characterized by an accumulation of fat in the liver with no other apparent causes. MASH can progress to cirrhosis or liver failure, can require liver transplantation and can also result in liver cancer. Patients with MASH, especially those with more advanced metabolic risk factors (hypertension, concomitant type 2 diabetes), are at increased risk for adverse cardiovascular events and increased morbidity and mortality. In addition, MASH patients with moderate to advanced fibrosis (consistent with fibrosis stages F2 and F3) have a 10-to-17 times higher risk of liver-related mortality. MASH is also an independent driver of cardiovascular disease, which is the leading cause of mortality for patients.

Based on published epidemiology data and an analysis of medical claims using ICD-10 disease diagnosis codes as of 2023, we estimate that 315,000 patients diagnosed with MASH with moderate to advanced fibrosis (stages F2 to F3) were under the care of specialist prescribers which we are targeting during the launch of Rezdiffra in the U.S. Through 2025, we estimate that the number of patients under specialist care in the U.S. has grown nearly 50% to approximately 460,000 patients with moderate to advanced fibrosis, and as disease awareness improves and disease prevalence increases, we expect the number of identified MASH patients with moderate to advanced fibrosis eligible for treatment to grow significantly going forward. In addition, we estimate that approximately 370,000 patients with MASH with moderate to advanced fibrosis are currently diagnosed and under the care of specialists across Europe.

With a growing body of real-world supportive data, we continue to educate healthcare providers and patients on the risks of MASH and the potential clinical benefits and appropriate use of Rezdiffra. During our first six quarters of launch in the United States, we focused our efforts on hepatologists and gastroenterologists. Beginning in the fourth quarter of 2025, we expanded our field team to further target select endocrinologists that provide care to MASH patients. We are also supporting the creation of care pathways for patients at physician offices, driving breadth and depth of Rezdiffra prescribers and engaging with payers to support patient access to therapy.

Beyond Germany, we expect to launch Rezdiffra on a country-by-country basis in Europe dependent on multiple factors, including the completion of reimbursement procedures and regulatory approval where required. In addition, we may enter into distribution agreements with third parties to distribute Rezdiffra in smaller European countries and in other jurisdictions globally.

Key Developments

In January 2026, we announced the expansion of our pipeline with an exclusive global license with Pfizer Inc. (the "Pfizer License Agreement") for ervogastat, an oral DGAT-2 inhibitor. DGAT-2 inhibitors work by blocking the final step in triglyceride assembly and storage, resulting in lower hepatic triglycerides, reduced lipotoxic fat and decreased inflammation. In the fourth quarter of 2026, we plan to initiate a drug-to-drug interaction study with resmetirom and consult with the FDA on the design of a Phase 2 combination trial.

In February 2026, we announced an exclusive global license agreement (the "Ribocure License Agreement") with Suzhou Ribo Life Science Co. Ltd. and Ribocure Pharmaceuticals AB (together, "Ribocure") for six novel siRNA programs designed to silence certain genes implicated in MASH disease progression. By pairing the precision of gene-silencing with Rezdiffra, we are exploring whether reducing drivers of disease at the genetic level can complement Rezdiffra's therapeutic effects. Preclinical development activities have commenced.

In May 2026, we announced an exclusive global license agreement (the "Arrowhead License Agreement") with Arrowhead Pharmaceuticals Inc. ("Arrowhead") for ARO-PNPLA3, a clinical-stage siRNA asset targeting a mutation in the patatin-like phospholipase domain-containing protein 3 (PNPLA3) gene, a genetically validated driver of MASH. ARO-PNPLA3 is a GalNac-conjugated siRNA designed to reduce expression of PNPLA3. Mutations in the PNPLA3 gene have been shown to disrupt the liver's ability to properly process fat. This leads to increased fat accumulation in hepatocytes, and is strongly associated with MASH progression and a high risk of developing hepatocellular carcinoma (HCC). The results of two Phase 1 trials suggested that a single dose of ARO-PNPLA3 reduced liver fat content in homozygous carriers of the PNPLA3 I148M variant, providing proof-of-concept for ARO-PNPLA3 as a precision-medicine approach in this patient population. We will consult with the FDA on design of a Phase 2 combination trial with Rezdiffra.

Basis of Presentation

Product Revenue, Net

In March 2024, the FDA approved Rezdiffra for the treatment of noncirrhotic MASH with moderate to advanced liver fibrosis (consistent with stages F2 to F3 fibrosis). We began generating revenue from sales of Rezdiffra in the United States in April 2024. In addition, we launched Rezdiffra in Germany in September 2025. Revenue is recorded net of variable consideration, which includes prompt pay discounts, returns, chargebacks, rebates, and co-payment assistance.

Cost of Sales

Cost of sales includes the cost of manufacturing and distribution of inventory related to sales of Rezdiffra, including salaries, benefits and stock-based compensation expense for employees dedicated to the production of Rezdiffra. We expect cost of sales to increase in the future, as manufacturing costs incurred prior to regulatory approval were expensed to research and development rather than capitalized as inventory, as approval was considered uncertain. Cost of sales also includes royalties payable to F. Hoffmann-La Roche AG ("Roche") based on net sales of Rezdiffra. Each

quarterly period, we estimate our total royalty obligation for the full year and recognize our cost of sales at an even rate over the year, based on an estimated blended royalty rate.

Research and Development Expenses

Research and development expenses primarily consist of costs associated with our research activities, including the clinical development of our product candidates. We expense our research and development expenses as incurred. We contract with clinical research organizations to manage our clinical trials under agreed upon budgets for each trial, with oversight by our clinical program managers. We account for nonrefundable advance payments for goods and services that will be used in future research and development activities as expenses when the service has been performed or when the goods have been received. Manufacturing expense includes costs associated with drug formulation development and clinical drug production. We do not track employee and facility related research and development costs by project, as we typically use our employee and infrastructure resources across multiple research and development programs. We believe that the allocation of such costs would be arbitrary and not be meaningful.

Our research and development expenses consist primarily of:

- salaries and related expense, including stock-based compensation, paid to our employees engaged in research and development activities;
- external expenses paid to clinical trial sites, contract research organizations, laboratories, database software and consultants that conduct clinical trials;
- expenses related to development and the production of non-clinical and clinical trial supplies, including fees paid to contract manufacturers;
- expenses related to preclinical activities;
- expenses related to compliance with drug development regulatory requirements;
- other allocated expenses, which include direct and allocated expenses for depreciation of equipment and other supplies; and
- certain upfront and milestone payments payable pursuant to our license agreements.

We expect to continue to incur substantial expenses related to our development activities for the foreseeable future as we conduct our clinical trial programs, manufacturing and toxicology studies. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later stage clinical trials, additional drug manufacturing requirements, and later stage toxicology studies such as carcinogenicity studies. The process of conducting preclinical studies and clinical trials necessary to obtain regulatory approval is costly and time consuming. The probability of success for each product candidate is affected by numerous factors, including preclinical data, clinical data, competition, manufacturing capability and commercial viability.

Completion dates and costs for our clinical development programs as well as our research program can vary significantly for any future product candidate and are difficult to predict. As a result, we cannot estimate with any degree of certainty the costs we will incur in connection with the development of product candidates at this time. We expect that we will make determinations as to which programs and product candidates to pursue and how much funding to direct to each program and product candidate on an ongoing basis in response to the scientific success of research, results of ongoing and future clinical trials, potential collaborative agreements with respect to programs or potential product candidates and ongoing assessments as to each product candidate's commercial potential.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of salaries, benefits and stock-based compensation expenses, paid to employees engaged in selling, general and administrative activities, management costs, costs associated with commercial activities, costs associated with obtaining and maintaining our patent portfolio, commercial and marketing activities, professional fees for accounting, auditing, consulting and legal services, and allocated overhead expenses.

We expect that our selling, general and administrative expenses will increase in the future as we expand our operating activities, continue commercialization efforts, including extending operations into new geographies (if approved), maintain and expand our patent portfolio and incur additional costs associated with being a public company and maintaining compliance with exchange listing and U.S. Securities and Exchange Commission ("SEC") requirements.

Interest Income

Interest income consists primarily of interest and dividend income earned on cash equivalents and marketable securities.

Interest Expense

Interest expense consists primarily of interest accrued on principal balances outstanding under our Financing Agreement (as amended from time to time, the "Financing Agreement") with the guarantors thereunder, certain funds managed by Blue Owl Capital Corporation, as the lenders (the "Lenders"), and LSI Financing LLC, as the administrative agent for the Lenders (the "Administrative Agent").

Other Expense, Net

Other expense, net consists primarily of realized and unrealized gains and losses on foreign currency transactions.

Critical Accounting Policies and Estimates

Our management's discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue, and expenses and the disclosure of contingent assets and liabilities at the date of the financial statements. On an ongoing basis, we evaluate our estimates and judgments, including those related to gross to net expenses, inventory valuation, accrued research and development expenses and stock-based compensation expenses. We base our estimates on historical experience, known trends and events, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ materially from these estimates under different assumptions or conditions. There have been no material changes in our critical accounting policies and significant judgments and estimates as compared to those disclosed in "Part II, Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 filed with the SEC on February 19, 2026. Refer to Note 2 to the unaudited condensed consolidated financial statements in this Quarterly Report on Form 10-Q for details of accounting policies over revenue and inventory.

Results of Operations

Three Months Ended March 31, 2026 and 2025

The following table provides comparative unaudited results of operations for the three months ended March 31, 2026 and 2025 (in thousands):

	Three Months Ended March 31,			
	2026	2025	$ Change	% Change
Product revenue, net	$ 311,337	$ 137,250	$ 174,087	127 %
Operating expenses:				
Cost of sales	26,847	4,513	22,334	495 %
Research and development	108,692	44,172	64,520	146 %
Selling, general and administrative	268,521	167,876	100,645	60 %
Total operating expenses	404,060	216,561	187,499	87 %
Loss from operations	(92,723)	(79,311)	(13,412)	17 %
Interest income	8,243	9,370	(1,127)	(12)%
Interest expense	(7,819)	(3,297)	(4,522)	137 %
Other expense, net	(2,092)	—	(2,092)	100 %
Net loss	$ (94,391)	$ (73,238)	$ (21,153)	29 %

Product Revenue, net

We recorded $311.3 million of product revenue, net for the three months ended March 31, 2026, compared to $137.3 million in the corresponding period in 2025. The increase was driven by increased demand for Rezdiffra in the United States in 2026.

Cost of Sales

Cost of sales were incurred as a result of sales of Rezdiffra and includes non-cash stock-based compensation expense for employees dedicated to the production of Rezdiffra. For the three months ended March 31, 2026, we recorded $26.8 million of cost of sales compared to $4.5 million in the corresponding period in 2025. The increase in cost of sales was primarily driven by an increase in royalties payable to Roche as a result of an increase in net sales of Rezdiffra in 2026.

Research and Development Expenses

The following table represents our research and development expenses for the three months ended March 31, 2026 and 2025 (in thousands):

	Three Months Ended March 31,			
	2026	2025	$ Change	% Change
Compensation and benefit-related expenses	$ 15,097	$ 9,035	$ 6,062	67 %
Stock-based compensation	7,865	5,215	2,650	51 %
Professional fees and other external expenses	84,547	28,797	55,750	194 %
Facility related and other internal expenses[(1)]	1,183	1,125	58	5 %
Total	$ 108,692	$ 44,172	$ 64,520	146 %

[(1)] Facility and other internal expenses includes occupancy, information technology, and other internal costs.

Our research and development expenses were $108.7 million for the three months ended March 31, 2026, compared to $44.2 million in the corresponding period in 2025. Research and development expenses include non-cash stock-based compensation expense associated with employees engaged in research and development activities. Research and development expenses increased by $64.5 million in the 2026 period, primarily due to one-time upfront payments of $54.3 million related to business development transactions during the three months ended March 31, 2026 and an $8.7 million increase in compensation and benefit-related expenses and stock-based compensation expense as a result of increased headcount in connection with pipeline expansion activities.

Selling, General and Administrative Expenses

The following table represents our selling, general and administrative expenses for the three months ended March 31, 2026 and 2025 (in thousands):

	Three Months Ended March 31,			
	2026	2025	$ Change	% Change
Compensation and benefit-related expenses	$ 83,605	$ 48,361	$ 35,244	73 %
Stock-based compensation	26,057	15,716	10,341	66 %
Professional fees and other external expenses	131,252	88,014	43,238	49 %
Facility related and other internal expenses[(1)]	27,607	15,785	11,822	75 %
Total	$ 268,521	$ 167,876	$ 100,645	60 %

[(1)] Facility and other internal expenses includes occupancy, information technology, and other internal costs.

Our selling, general and administrative expenses were $268.5 million for the three months ended March 31, 2026, compared to $167.9 million in the corresponding period in 2025. Selling, general and administrative expenses includes non-cash stock-based compensation expense. Selling, general and administrative expenses increased by $100.6 million in the 2026 period, primarily due to a $43.2 million increase in professional fees and other external expenses as a result of continued investment in commercial activities for Rezdiffra, including direct-to-consumer (DTC) marketing efforts, and a $45.6 million increase in compensation and benefit-related expenses and stock-based compensation expense primarily due to headcount for the endocrinology field force expansion that began in the fourth quarter of 2025.

Interest Income

Our net interest income was $8.2 million for the three months ended March 31, 2026, compared to $9.4 million in the corresponding period in 2025. The decrease in interest income was primarily due to lower interest rates compared to the corresponding period in 2025.

Interest Expense

Our interest expense was $7.8 million for the three months ended March 31, 2026, compared to $3.3 million in the corresponding period in 2025. The increase of $4.5 million was primarily the result of a higher average outstanding principal balance after entering into the Financing Agreement.

Other Expense, Net

Other expense, net consists primarily of realized and unrealized gains and losses on foreign currency transactions.

Macroeconomic Events

Changes in, and uncertainties related to, global trade or other economic policies, including tariffs, pricing policies or other restrictions imposed by the United States government or governments of other nations, may have an adverse effect on us, our partners and the pharmaceutical industry as a whole. Based on our current manufacturing locations, supply chain operations and inventory, we believe that the current tariff policies will not have a material impact on our business, results of operations or financial condition. Our U.S. commercial and clinical supply of resmetirom is currently manufactured in the United States. In addition, we have engaged a European manufacturer to produce our commercial supply of drug product for European commercialization. Additional changes to the policies of the United States or other nations that affect the geopolitical landscape or global trade, economy or market conditions, and other direct or indirect impacts of such policies, are uncertain and unpredictable, and could, in the future, have an adverse effect on our business, results of operations or financial condition.

Liquidity and Capital Resources

As of March 31, 2026, we had cash, cash equivalents, restricted cash, and marketable securities totaling $817.9 million compared to $988.6 million as of December 31, 2025. We have historically funded our operations primarily through proceeds from sales of our capital stock and debt financings. In July 2025, we entered into a senior secured credit

facility that provides up to $500.0 million. See Note 8 “Long Term Debt” for additional details. We began receiving revenue from sales of Rezdiffra following the receipt of accelerated FDA approval in March 2024 and CMA from the EC in August 2025.

Until we are able to generate sufficient revenue from Rezdiffra and any other future approved products, we anticipate that we will continue to incur losses. While our rate of cash usage will likely increase in the future, in particular to support our product development and clinical trial efforts, our commercialization efforts and geographic expansion activities and our business development goals, we believe our available cash resources are sufficient to fund our operations past one year from the issuance of the financial statements contained herein. Our future long-term liquidity requirements will be substantial and will depend on many factors, including our ability to effectively commercialize Rezdiffra, our decisions regarding future geographic expansion, the conduct of any future preclinical studies and clinical trials, our entry into any strategic transactions, our ability to maintain compliance with the liquidity covenant in the Financing Agreement and potential milestone payments payable pursuant to our license agreements. To meet future long-term liquidity requirements, we may need to raise additional capital to fund our operations through equity or debt financings, collaborations, partnerships or other strategic transactions. Additional capital, if needed, may not be available on terms acceptable to us, or at all. If adequate funds are not available, or if the terms of potential funding sources are unfavorable, this could have a material adverse effect on our business, results of operations and financial condition. We have the ability to delay certain commercial activities, geographic expansion activities and certain research activities and related clinical expenses, if necessary, due to liquidity concerns until a date when those concerns are relieved.

At-the-Market Sales Agreement

In May 2024, we entered into a Sales Agreement (the “Sales Agreement”) with Cowen and Company, LLC, an affiliate of TD Securities (USA) LLC (“Cowen”), replacing and superseding our prior sales agreement. We are authorized to issue and sell up to $300.0 million of shares of our common stock under the Sales Agreement. Sales of our common stock, if any, under the Sales Agreement will be made by any method that is deemed to be an “at the market” offering as defined in Rule 415(a)(4) of the Securities Act of 1933, as amended. We have no obligation to sell any common stock and may at any time suspend offers under the Sales Agreement or terminate the Sales Agreement pursuant to its terms.

We did not make any sales under the Sales Agreement during the three months ended March 31, 2026 or 2025. As of March 31, 2026, $300.0 million remained available for sale under the Sales Agreement and our related prospectus supplement.

Credit Facilities

Hercules Loan Facility

In May 2022 we entered into a $250.0 million senior secured loan facility with Hercules Capital, Inc. (the “Hercules Loan Facility”). Interest on the Hercules Loan Facility was the greater of (i) the prime rate plus 2.45% and (ii) 8.25%. The Hercules Loan Facility included an end-of-term charge of 5.35% of the aggregate principal amount, which was accounted for in the loan discount.

On July 17, 2025, we used the proceeds received from the Financing Agreement to repay all outstanding obligations under the Hercules Loan Facility, totaling $121.7 million, and upon such repayment, terminated the Hercules Loan Facility. The amount we repaid included $115.0 million of outstanding indebtedness plus accrued and unpaid interest as of the repayment date and exit fees. As a result of the termination, all credit commitments under the Hercules Loan Facility were terminated and all security interests and guarantees in connection with the Hercules Loan Facility were released. The repayment resulted in a $2.8 million loss on extinguishment of debt, primarily due to the write off of unamortized debt issuance costs.

Financing Agreement

On July 17, 2025 (the “Closing Date”), we entered into the Financing Agreement with the Lenders and the Administrative Agent. Under the Financing Agreement, the Lenders have committed up to $500.0 million in senior secured credit facilities, consisting of (a) the initial term loan in an aggregate principal amount equal to $350.0 million (the “Initial Term Loan”) and (b) delayed draw term loans in an aggregate principal amount not to exceed $150.0 million (the “Delayed Draw Term Loans”). In addition, the Financing Agreement includes uncommitted Incremental Term Loans in an aggregate principal amount not to exceed $250.0 million (the “Incremental Term Loans”), subject to the satisfaction of certain terms and conditions set forth in the Financing Agreement. The Initial Term Loan was funded on the Closing Date. Delayed Draw Term Loans are available at our election from time to time until December 31, 2027. Incremental Term Loans are

available at our and the Lenders' mutual consent from time to time. The proceeds from the Financing Agreement are expected to primarily support our business development activities.

Any outstanding principal on the Term Loans will bear interest at a rate per annum on the basis of a 360-day year equal to the sum of (i) the three-month forward-looking term secured overnight financing rate administered by the Federal Reserve Bank of New York (subject to a 1.0% per annum floor) plus (ii) 4.75%. Accrued interest is payable (i) quarterly following the funding of the Initial Term Loan on the Closing Date, (ii) on any date of prepayment or repayment of the Term Loans and (iii) at maturity. The outstanding balance of the Term Loans, if not repaid sooner, shall be due and payable in full on July 17, 2030.

We may prepay the Term Loans at any time (in whole or in part) and may be required to make mandatory prepayments upon the occurrence of certain customary prepayment events. In certain instances and during certain time periods, these prepayments will be subject to customary prepayment fees. If the Term Loans are prepaid on or prior to the one-year anniversary of the original issuance date, we must pay a make-whole amount equal to the greater of (i) 3.00% of the Term Loans being prepaid at such time and (ii) the present value of all remaining interest payments on the amount repaid through the one-year anniversary of the original issuance of such Term Loans, calculated using a discount rate. Thereafter, the amount of any such prepayment fee may vary, but the maximum amount that may be due with any such prepayment would be an amount equal to 3.00% of the Term Loans being prepaid at such time, with such prepayment fee stepping down on each anniversary of the original issuance of such Term Loans.

The Financing Agreement contains affirmative covenants and negative covenants applicable to us and our subsidiaries that are customary for financings of this type. We and the Guarantors (as defined below) are also required to maintain a minimum unrestricted cash balance of $100.0 million at all times. The Financing Agreement also includes representations, warranties, indemnities and events of default that are customary for financings of this type, including an event of default relating to us experiencing a change of control. Upon the occurrence of an event of default, the Lenders may, among other things, accelerate our obligations under the Financing Agreement. Our obligations under the Financing Agreement are and will be guaranteed by certain of our existing and future direct and indirect subsidiaries, subject to certain exceptions (such subsidiaries, collectively, the "Guarantors").

On July 17, 2025, concurrently with the entry into the Financing Agreement, we, the Guarantors and the Administrative Agent entered into a Pledge and Security Agreement. As security for our obligations under the Financing Agreement, we and the Guarantors granted to the Administrative Agent, for the benefit of the Lenders and secured parties, a continuing first priority security interest in substantially all of our and the Guarantors' assets (including all equity interests owned or hereafter acquired by us and the Guarantors), subject to certain customary exceptions. On September 4, 2025, the parties amended the Financing Agreement to add certain of our subsidiaries as Guarantors.

As of March 31, 2026, the outstanding principal amount under the Financing Agreement was $350.0 million. The interest rate during the three months ended March 31, 2026 was 8.42%. Interest expense was $7.8 million and $3.3 million for the three months ended March 31, 2026 and 2025, respectively. As of March 31, 2026, we were in compliance with all loan covenants and provisions.

Cash Flows

The following table provides a summary of our net cash flow activity (in thousands):

	Three Months Ended March 31,	
	2026	2025
Net cash used in operating activities	$ (167,435)	$ (88,891)
Net cash provided by investing activities	$ 192,191	$ 163,878
Net cash provided by financing activities	$ 2,329	$ 8,640

Operating Activities

Net cash used in operating activities was $167.4 million for the three months ended March 31, 2026, compared to $88.9 million for the corresponding period in 2025. The use of cash in these periods resulted primarily from our losses from operations, driven by commercialization efforts, including purchases of API, one-time upfront payments related to business development transactions and higher annual incentive bonus payouts, partially offset by cash receipts from sales of Rezdiffra, as adjusted for non-cash charges for stock-based compensation, and changes in our working capital accounts.

Investing Activities

Net cash provided by investing activities was $192.2 million for the three months ended March 31, 2026, compared to net cash provided by investing activities of $163.9 million for the corresponding period in 2025. Net cash provided by investing activities for the three months ended March 31, 2026 primarily consisted of $353.9 million from sales and maturities of marketable securities, partially offset by $157.8 million of purchases of marketable securities for our investment portfolio and $3.8 million of purchases of property and equipment. Net cash provided by investing activities for the corresponding period in 2025 primarily consisted of $294.7 million from sales and maturities of marketable securities, partially offset by $130.8 million of purchases of marketable securities in our investment portfolio.

Financing Activities

Net cash provided by financing activities was $2.3 million for the three months ended March 31, 2026, compared to $8.6 million for the corresponding period in 2025. Net cash provided by financing activities for the three months ended March 31, 2026 consisted of $2.3 million from the exercise of stock options. Net cash provided by financing activities for the corresponding period in 2025 consisted of $8.6 million from the exercise of stock options.

Contractual Obligations and Commercial Commitments

In 2019, we entered into an operating lease for office space in certain premises located in West Conshohocken, Pennsylvania (the "Office Lease"), which was further amended by four amendments entered into from 2019 to May 2023. In August 2023, we entered into the Fifth Amendment to the Office Lease (the "Fifth Lease Amendment") pursuant to which the term of the Office Lease was extended through November 2026. As a result of the Fifth Lease Amendment, an incremental $1.6 million right-of-use asset and lease liability were recorded during the year ended December 31, 2023. In 2024, we entered into the Sixth, Seventh, Eighth, and Ninth Amendments to the Office Lease, leasing additional office space available in the same premises under the Office Lease, which resulted in an incremental $1.3 million right-of-use asset and lease liability recorded.

In April 2025, we entered into an operating lease for additional office space in West Conshohocken, Pennsylvania. The lease commenced in May 2025 and resulted in a $4.0 million right-of-use asset and lease liability. In March 2026, we entered into an amendment to this lease, which modified the lease term and payment schedule. As a result, the right-of-use asset and lease liability balances were remeasured, resulting in balances of $4.0 million and $4.6 million as of March 31, 2026, respectively.

In September 2025, we entered into an operating lease for office space in Waltham, Massachusetts. The commencement date had not occurred as of March 31, 2026. Upon lease commencement, we expect to make total lease payments of $9.9 million over an 84-month lease term. As of March 31, 2026, we recorded a $1.2 million prepaid lease payment related to approved change orders, which will be included in the measurement of the right-of-use asset upon commencement.

In February 2026, we entered into an operating lease for office space in Baar, Switzerland. The lease commenced on March 1, 2026 and has a term of 24 months. As a result, we recognized a right-of-use asset and corresponding lease liability of approximately $1.4 million upon commencement.

In May 2022, we entered into the $250.0 million Hercules Loan Facility. On July 17, 2025, we entered into the Financing Agreement and used the proceeds to repay all outstanding obligations under the Hercules Loan Facility, totaling $121.7 million, and upon such repayment, terminated the Hercules Loan Facility. The amount we repaid included $115.0 million of outstanding indebtedness plus accrued and unpaid interest as of the repayment date and exit fees. The Initial Term Loan of $350.0 million under the Financing Agreement was funded on July 17, 2025. Accrued interest under the Financing Agreement is payable quarterly, on any date of prepayment or repayment of the term loans outstanding thereunder and at maturity. We are not required to repay any principal amounts outstanding under the Financing Agreement until maturity in July 2030, subject to certain prepayment events set forth in the Financing Agreement. See Note 8 "Long Term Debt" to the unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for additional information regarding the Financing Agreement.

Pursuant to the Research, Development and Commercialization Agreement with Roche (as amended, the "Roche Agreement"), Roche granted us a sole and exclusive license to develop, use, sell, offer for sale and import any Licensed Product (as defined in the Roche Agreement). We received FDA approval for Rezdiffra in March 2024 and EC approval for Rezdiffra in August 2025. A tiered single-digit royalty is payable to Roche on net sales of Rezdiffra, subject to certain reductions.

In July 2025, we entered into the CSPC License Agreement with CSPC for MGL-2086 (formerly known as SYH2086), a preclinical oral small molecule GLP-1 receptor agonist. Pursuant to the CSPC License Agreement, CSPC has granted us an exclusive global license to develop, manufacture, and commercialize MGL-2086. The transaction closed in September 2025. We paid CSPC an upfront payment of $120.0 million in October 2025. CSPC is eligible to receive up to $2.0 billion in development, regulatory and commercial milestone payments, as well as royalties on net sales ranging from mid-single digits to low-double digits.

In December 2025, we entered into the Pfizer License Agreement with Pfizer Inc. ("Pfizer") to develop, manufacture and commercialize ervogastat, a Phase 2 oral DGAT-2 inhibitor, and two additional early-stage MASH assets. We paid Pfizer an upfront payment of $50.0 million in December 2025. In addition, Pfizer is eligible to receive up to $70.0 million in development and regulatory milestone payments related to ervogastat and low-double digit royalties on net sales of ervogastat. Pfizer is eligible to receive additional development, regulatory and commercial milestone payments and royalty payments on net sales of the two licensed early stage assets.

In February 2026, we entered into the Ribocure License Agreement granting us exclusive global rights to develop, manufacture and commercialize six siRNA programs. Pursuant to the Ribocure License Agreement, we paid Ribocure an upfront payment of $60.0 million. In addition, Ribocure is eligible to receive up to $4.4 billion in development, regulatory and commercial milestone payments across all programs, as well as royalties on net sales ranging from mid-single digits to low-double digits.

In May 2026, we entered into the Arrowhead License Agreement with Arrowhead granting us an exclusive global license to ARO-PNPLA3. Pursuant to the Arrowhead License Agreement, we will pay Arrowhead an upfront payment of $25.0 million. In addition, Arrowhead is eligible to receive up to $975.0 million in development, regulatory and commercial milestone payments, as well as royalties on net sales ranging from high-single digits to the mid-teens.

We have entered into customary contractual agreements in support of the Phase 3 clinical trials and in connection with manufacturing Rezdiffra. As of March 31, 2026, we had approximately $222.9 million of obligations under these agreements related to active pharmaceutical ingredient, which is expected to be paid through December 2029.

Except as noted above, no significant changes to contractual obligations and commitments occurred during the three months ended March 31, 2026, as compared to those disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 filed with the SEC on February 19, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate Risk

Financing Agreement

As of March 31, 2026, our primary exposure to interest rate risk was associated with our variable rate borrowings under the Financing Agreement. Any outstanding principal on the Term Loans will bear interest at a rate per annum on the basis of a 360-day year equal to the sum of (i) the three-month forward-looking term secured overnight financing rate administered by the Federal Reserve Bank of New York (subject to a 1.0% per annum floor) plus (ii) 4.75%. See Note 8 "Long Term Debt" to the unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q. Interest rates are sensitive to a variety of factors, including changes in fiscal and monetary policies, geopolitical events, changes in global economic conditions and other factors beyond our control. For the quarter ended March 31, 2026, the interest rate associated with the $350.0 million of borrowings outstanding under the Financing Agreement was 8.42%. For the three months ended March 31, 2026, the effect of a hypothetical 100 basis point increase or decrease in the interest rate would have changed our interest expense under the Financing Agreement by approximately $0.9 million.

Investment Portfolio

We are exposed to market risk with respect to our cash, cash equivalents and marketable securities. We regularly review our investments and monitor the financial markets. We invest in high-quality financial instruments, primarily money market funds, U.S. government and agency securities, government-sponsored bond obligations and certain other corporate debt securities, with the effective duration of the portfolio less than 12 months and no security with an effective duration in excess of 24 months, which we believe are subject to limited credit risk. We currently do not hedge interest rate exposure. Due to the short-term duration of our investment portfolio and the low risk profile of our investments, we believe that an immediate 10% change in interest rates would not have a material effect on the fair market value of our portfolio. We do not believe that we have any material exposure to interest rate risk or changes in credit ratings arising from our investments.

Foreign Exchange Exposure

As we expand our operations into Europe, we are exposed to risks related to changes in foreign currency exchange rates, primarily between the U.S. dollar, euro and Swiss franc. The majority of our expenses are generally denominated in the currencies in which they are incurred, which is primarily the U.S. dollar. As we endeavor to expand our presence in international markets, to the extent we are required to enter into agreements denominated in a currency other than the U.S. dollar, results of operations and cash flows may increasingly be subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign currency exchange rates. To date, we have not entered into any hedging arrangements with respect to foreign currency risk. As our international operations grow, we will continue to reassess our approach to manage our risk relating to fluctuations in currency rates.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to provide reasonable assurance that information required to be disclosed by us in the reports that 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 our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Under the supervision of our principal executive officer and principal financial officer, we evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective to provide such reasonable assurance described above as of March 31, 2026.

Limitations on the Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Changes in Internal Control over Financial Reporting

During the three months ended March 31, 2026, we implemented a new Enterprise Resource Planning ("ERP") system. We updated our internal controls over financial reporting, as necessary, to accommodate related changes in our business processes. There were no other changes to our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We are not party to any material legal proceedings.

Item 1A. Risk Factors.

There have been no material changes to the risk factors included in detail in the "Risk Factors" sections appearing in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 19, 2026.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Director and Executive Officer 10b5-1 Plans

Our policy governing transactions in our securities by our directors, officers and employees permits our directors, officers and employees to enter into trading plans complying with Rule 10b5-1 under the Exchange Act. The following table describes the written plans for the sale of our securities that were adopted by our executive officers and directors during the quarter ended March 31, 2026. Each plan was entered into during an open trading window and is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) (each a "Trading Plan").

Name and Title	Action Taken (Date)	Scheduled Start Date of Trading Plan	Scheduled Expiration Date of Trading Plan	Maximum Number of Shares Subject to Trading Plan
Richard Levy, M.D., Director	Modification (February 20, 2026)	5/22/2026	12/31/2026	5,682
David Soergel, M.D., Chief Medical Officer	Adoption (March 02, 2026)	6/1/2026	12/31/2026	4,293[1]

(1) This Trading Plan provides for the sale of shares to be received upon future vesting of certain outstanding restricted stock unit awards, net of any shares sold to satisfy applicable taxes. The number of shares to be sold to satisfy taxes, and thus the exact number of shares to be sold pursuant to this Trading Plan, can only be determined upon the occurrence of future vesting events. For purposes of this disclosure, we have reported the maximum aggregate number of shares to be sold without subtracting any shares to be sold to satisfy tax obligations.

Item 6. Exhibits.

The exhibits filed or furnished as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index, which Exhibit Index is incorporated herein by reference.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
10.1#	First Amendment to the Research, Development and Commercialization Agreement, dated as of January 29, 2026, by and between the Registrant and Roche.	Form 8-K (Exhibit 10.1)	1/30/2026	001-33277	
10.2*	Severance and Change of Control Agreement, dated as of February 18, 2026, by and between the Registrant and Carole Huntsman.	Form 10-K (Exhibit 10.31)	2/19/2026	001-33277	
10.3*	Severance and Change of Control Agreement, dated as of February 18, 2026, by and between the Registrant and Mardi Dier.	Form 10-K (Exhibit 10.33)	2/19/2026	001-33277	
10.4*	Severance and Change of Control Agreement, dated as of February 18, 2026, by and between the Registrant and Shannon Kelley.	Form 10-K (Exhibit 10.35)	2/19/2026	001-33277	
10.5*	Severance and Change of Control Agreement, dated as of February 18, 2026, by and between the Registrant and David Soergel, M.D.	Form 10-K (Exhibit 10.37)	2/19/2026	001-33277	
10.6	Amendment to Lease, dated March 14, 2026, by and between KPG FF Owner, L.P. and the Registrant.				X
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, 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) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1**	Certifications of Principal Executive Officer and 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.INS	Inline XBRL Instance Document.				X
101.SCH	Inline XBRL Taxonomy Extension Schema Document.				X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.				X

104	Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set.

Certain portions of this exhibit have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

* Indicates a management contract, compensatory plan or arrangement.

** The certifications attached as Exhibit 32.1 that accompany this Quarterly Report pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, shall not be deemed "filed" by the registrant for purposes of Section 18 of the Exchange Act and are not to be incorporated by reference into any of the registrant's filings under the Securities Act or the Exchange Act, irrespective of any general incorporation language contained in any such filing.

SIGNATURES

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

MADRIGAL PHARMACEUTICALS, INC.

Date: May 6, 2026

By: /s/ William J. Sibold
William J. Sibold
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 6, 2026

By: /s/ Rita Thakkar
Rita Thakkar
Senior Vice President and Chief Accounting Officer
(Principal Accounting Officer)

AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE ("Amendment") is made by and between KPG FF Owner, L.P., a Delaware limited partnership ("Landlord") and Madrigal Pharmaceuticals, Inc., a Delaware corporation ("Tenant"), and is dated as of the last date on which this Amendment has been fully executed by Landlord and Tenant ("date of this Amendment" or "Effective Date of this Amendment").

BACKGROUND RECITALS

A. Landlord and Tenant entered into a Lease Agreement dated as of April 24, 2025 (hereinafter referred to as the "Lease"), covering approximately 54,115 rentable square feet ("RSF") (as described in the Lease, the "Premises"), being part of the second and third floor in Building 2 and part of the first floor of Building 1, in the project currently known as "1K1" (or such other name as Landlord may from time to time designate), having the street address at 1001 Conshohocken State Road, West Conshohocken, Pennsylvania; and

B. Tenant is responsible for the planning, design, construction and completion of the Work to construct the Phase Two Space pursuant to Exhibit "E", Article II of the Lease; and

C. Landlord and Tenant desire to modify certain terms and provisions of the Lease as set forth in this Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the Premises and the covenants hereinafter set forth, intending to be legally bound, Landlord and Tenant agree as follows:

1. The above recitals are incorporated herein by reference.

2. All capitalized and non-capitalized terms used in this Amendment which are not separately defined herein but are defined in the Lease shall have the meaning given to each such term in the Lease. From and after the date of this Amendment, references to the Lease shall be deemed to mean the Lease together with and as modified by this Amendment.

3. Section 1(e) of the Lease is hereby modified as follows:

(a) Notwithstanding any terms or provisions of the Lease to the contrary, the Phase Two Commencement Date with respect to the approximately 7,080 RSF Additional Second Floor Space shall be the fixed and agreed-on date of April 1, 2026. Tenant's obligation to pay Monthly Rent for the Additional Second Floor Space, on a per-RSF basis, shall commence as of such Phase Two Commencement Date (i.e., April 1, 2026) with respect to the Additional Second Floor Space. Tenant's Share applicable to the Additional Second Floor Space only is agreed to be 2.79%.

(b) Notwithstanding any terms or provisions of the Lease to the contrary, the Phase Two Commencement Date with respect to the approximately 21,975 RSF Suite 2-300 shall be the fixed and agreed-on date of June 1, 2026. Tenant's obligation to pay Monthly Rent for Suite 2-300, on a per-RSF basis, shall commence as of such Phase Two Commencement Date (i.e., June 1, 2026)

with respect to Suite 2-300. Tenant's Share applicable to Suite 2-300 only is agreed to be 8.64%.

(c) Notwithstanding any terms or provisions of the Lease to the contrary, the Phase Two Commencement Date with respect to the approximately 10,128 RSF Suite 1-104 shall be the fixed and agreed-on date of March 1, 2026. Tenant's obligation to pay Monthly Rent for Suite 1-104, on a per-RSF basis, shall commence as of such Phase Two Commencement Date (i.e., March 1, 2026) with respect to Suite 1-104. Tenant's Share applicable to Suite 1-104 only is agreed to be 3.98%.

(d) The Phase Two Commencement Dates set forth herein above shall not be extended or delayed due to any incompletion or delay of the Work, whether due to Force Majeure or for any other reason whatsoever.

4. Section 1(g)(ii) of the Lease is modified by deleting all references to the First Abatement Period, including, without limitation, the following:

> "(i) the first three (3) full calendar months of the Term following the Phase Two Commencement Date (i.e., Month 1 through Month 3 of the table of Base Rent above in this subsection (ii); referred to herein as the "First Abatement Period");"

and substituting in place thereof the following:

> "(i) those certain three (3) months of the Term consisting of the following: (a) the full calendar month of June, 2027, (b) the full calendar month of June, 2028, and (c) the full calendar month of June, 2029;"

For avoidance of doubt, it is the intention of the parties that in lieu of the First Abatement Period, and subject to the other terms of the Lease, Tenant will be entitled to an abatement of certain monthly installments of Base Rent, Excess Operating Expenses, and Excess Property Taxes only for those certain three (3) months of the Term set forth above. Tenant's obligation to pay all costs and charges for electricity and other utilities and all other Additional Rent pursuant to the terms of the Lease shall not be waived, released or abated during any of such periods.

5. Section 1(d) of the Lease is modified as follows: For purposes of the Initial Term, the Phase Two Commencement Date shall be June 1, 2026. Accordingly, the Expiration Date shall be November 30, 2031. Sections 1(f), 1(g), and all other applicable Lease provisions shall be deemed amended in accordance with the foregoing.

6. Tenant represents and warrants to Landlord that no broker, finder or agent brought about this transaction and Tenant agrees to indemnify and hold Landlord harmless from any and all claims of any broker, finder or agent arising out of or in connection with negotiations of, or entering into, this Amendment based on any claim that Tenant agreed to pay or cause to be paid such broker, finder or agent any fee, commission or compensation in connection with this Amendment or the transactions contemplated hereby.

7. Tenant hereby represents to Landlord that to Tenant's knowledge (i) there exists no default under the Lease either by Tenant or Landlord; (ii) Tenant is entitled to no credit, free rent or other offset or abatement of the rents due under the Lease which has not been exhausted, except as expressly provided in this Amendment; (iii) there exists no offset, defense or counterclaim to Tenant's

obligations under the Lease; and (iv) Landlord has timely completed all work, alterations and improvements required of Landlord and possession of the Premises has been delivered to and accepted by Tenant in the manner and condition required under the Lease, except in regards to the leaking occurring on the first floor as identified by Tenant to Landlord on October 14, 2025.

8. This Amendment contains the entire agreement between the parties hereto with respect to the modification of the Lease and supersedes and replaces any prior agreement and understandings between the parties, either oral or written, concerning this Amendment. Except as expressly amended herein, the Lease shall remain in full force and effect as if the same had been set forth in full herein, and Landlord and Tenant hereby ratify and confirm all of the terms and conditions thereof.

9. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns (subject to the restrictions of the Lease against assignment and subletting by Tenant).

10. Each party agrees that it will not raise or assert as a defense to any obligation under the Lease or this Amendment or make any claim that the Lease or this Amendment is invalid or unenforceable due to any failure of this document to comply with ministerial requirements including, but not limited to, requirements for corporate seals, attestations, witnesses, notarizations, or other similar requirements, and each party hereby waives the right to assert any such defense or make any claim of invalidity or unenforceability due to any of the foregoing.

11. This Amendment may be executed in multiple counterparts, each of which, when assembled to include the signature for each party contemplated to sign this Amendment, will constitute a complete and fully executed original. All such fully executed counterparts will collectively constitute a single agreement. Tenant expressly agrees to the use of electronic signatures and electronic recordkeeping for purposes of the Lease. Upon request by Landlord, Tenant shall provide its original signature.

12. **CONFESSION OF JUDGMENT**. Tenant hereby acknowledges, affirms and restates the terms and provisions originally set forth in Section 22(b)(v) of the Lease and further agrees that judgment by confession may be entered against Tenant and any subtenant or occupant of the Premises as follows.

A. RESERVED.

B. CONFESSION OF JUDGMENT FOR POSSESSION. TENANT COVENANTS AND AGREES THAT UPON THE OCCURRENCE AND DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, OR IF THIS LEASE IS TERMINATED OR THE TERM OR ANY EXTENSIONS OR RENEWALS THEREOF ARE TERMINATED OR EXPIRE, THEN LANDLORD MAY, WITHOUT LIMITATION, CAUSE JUDGMENTS IN EJECTMENT FOR POSSESSION OF THE PREMISES TO BE ENTERED AGAINST TENANT AND, FOR THOSE PURPOSES, TENANT HEREBY GRANTS THE FOLLOWING WARRANT OF ATTORNEY: (I) TENANT HEREBY IRREVOCABLY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR LANDLORD (AS WELL AS SOME ONE ACTING FOR LANDLORD) IN ANY ACTIONS COMMENCED FOR RECOVERY OF POSSESSION OF THE PREMISES TO APPEAR FOR TENANT AND CONFESS OR OTHERWISE ENTER JUDGMENT IN EJECTMENT FOR POSSESSION OF THE

PREMISES AGAINST TENANT AND ALL PERSONS CLAIMING DIRECTLY OR INDIRECTLY BY, THROUGH OR UNDER TENANT, AND THEREUPON A WRIT OF POSSESSION MAY FORTHWITH ISSUE AND BE SERVED, WITHOUT ANY PRIOR NOTICE, WRIT OR PROCEEDING WHATSOEVER; AND (II) IF, FOR ANY REASON AFTER THE FOREGOING ACTION OR ACTIONS SHALL HAVE BEEN COMMENCED, IT SHALL BE DETERMINED THAT POSSESSION OF THE PREMISES SHOULD REMAIN IN OR BE RESTORED TO TENANT, LANDLORD SHALL HAVE THE RIGHT TO COMMENCE ONE OR MORE FURTHER ACTIONS AS HEREINBEFORE SET FORTH TO RECOVER POSSESSION OF THE PREMISES INCLUDING APPEARING FOR TENANT AND CONFESSING OR OTHERWISE ENTERING JUDGMENT FOR POSSESSION OF THE PREMISES AS HEREINBEFORE SET FORTH.

C. Proceedings. In any procedure or action to enter judgment by confession pursuant to Subsection B above: (a) if Landlord shall first cause to be filed in such action an affidavit or averment of the facts constituting the Event of Default or occurrence of the condition precedent, or event, the happening of which default, occurrence or Event of Default authorizes and empowers Landlord to cause the entry of judgment(s) by confession, such affidavit or averment shall be conclusive evidence of such facts, Events of Default, occurrences, conditions precedent or events; and (b) if a true copy of this Lease (and of the truth of which such affidavit or averment shall be

sufficient evidence) be filed in such procedure or action, it shall not be necessary to file the original as a warrant of attorney, any rule of court, custom, or practice to the contrary notwithstanding.

D. Waivers by Tenant of Errors and Notice to Quit. Tenant hereby releases to Landlord and to any attorneys who may appear for Landlord all errors in any procedure(s) or action(s) to enter judgment(s) by confession by virtue of the warrants of attorney contained in this Lease, and all liability therefor. Tenant further authorizes the prothonotary, or any clerk of any court of record to issue a writ of execution or other process. If proceedings shall be commenced to recover possession of the Premises either at the end of the Term or sooner termination of this Lease, or for non-payment of Rent or for any other reason, Tenant specifically waives the right to the fifteen (15) or thirty (30) days' notice to quit required by 68 P.S. §250.501, as amended, and agrees that notice under either Pa.R.C.P. 2973.2 or Pa.R.C.P. 2973.3, as amended from time to time, shall be sufficient in either or any such case.

E. Rights of Assignee of Landlord. The right to enter judgment(s) against Tenant by confession and to enforce all of the other provisions of this Lease may at the option of any assignee of this Lease, be exercised by any assignee of the Landlord's right, title and interest in this Lease in his, her or their own name, any statute, rule of court, custom, or practice to the contrary notwithstanding.

F. NOTICE; WAIVERS BY TENANT. SUBSECTION B ABOVE CONTAINS A WARRANT OF ATTORNEY AUTHORIZING ANY PROTHONOTARY, CLERK OF COURT, ATTORNEY OF ANY COURT OF RECORD AND/OR LANDLORD (AS WELL AS SOMEONE ACTING FOR LANDLORD) TO APPEAR FOR, AND CONFESS JUDGMENT(S) AGAINST, TENANT, WITHOUT ANY PRIOR NOTICE OR AN OPPORTUNITY TO BE HEARD. SUBSECTION B ABOVE ALSO PERMITS LANDLORD TO EXECUTE UPON THE CONFESSED JUDGMENT(S) WHICH COULD HAVE THE EFFECT OF DEPRIVING TENANT OF ITS PROPERTY WITHOUT ANY PRIOR NOTICE OR AN OPPORTUNITY TO BE HEARD. TENANT HEREBY ACKNOWLEDGES THAT

IT HAS CONSULTED WITH AN ATTORNEY REGARDING THE IMPLICATIONS OF THESE PROVISIONS AND TENANT UNDERSTANDS THAT IT IS BARGAINING AWAY SEVERAL IMPORTANT LEGAL RIGHTS. ACCORDINGLY, TENANT HEREBY KNOWINGLY, INTENTIONALLY, VOLUNTARILY AND UNCONDITIONALLY WAIVES ANY RIGHTS THAT IT MAY HAVE UNDER THE CONSTITUTION AND/OR LAWS OF THE UNITED STATES OF AMERICA AND THE COMMONWEALTH OF PENNSYLVANIA TO PRIOR NOTICE AND/OR AN OPPORTUNITY FOR HEARING WITH RESPECT TO BOTH THE ENTRY OF SUCH CONFESSED JUDGMENT(S) AND ANY SUBSEQUENT ATTACHMENT, LEVY OR EXECUTION THEREON. TENANT EXPRESSLY WARRANTS AND REPRESENTS THAT THE FOLLOWING WARRANTS OF ATTORNEY TO CONFESS JUDGMENT HAVE BEEN AUTHORIZED EXPRESSLY BY ALL PROPER ACTION OF THE BOARD OF DIRECTORS OR SIMILAR GOVERNING BODY OF TENANT. NOTWITHSTANDING ANYTHING CONTAINED IN SUBSECTION B ABOVE, THIS SUBSECTION AND THE AUTHORITY GRANTED TO LANDLORD THEREIN IS NOT AND SHALL NOT BE CONSTRUED TO CONSTITUTE A "POWER OF ATTORNEY" AND IS NOT GOVERNED BY THE PROVISIONS OF 20 Pa.C.S.A. §§5601-5611. FURTHERMORE, AN ATTORNEY OR OTHER PERSON ACTING UNDER THIS SUBSECTION SHALL NOT HAVE ANY FIDUCIARY OBLIGATION TO THE TENANT AND, WITHOUT LIMITING THE FOREGOING, SHALL HAVE NO DUTY TO: (1) EXERCISE THESE POWERS FOR THE BENEFIT OF THE TENANT, (2) KEEP SEPARATE ASSETS OF TENANT FROM THOSE OF SUCH ATTORNEY OR OTHER PERSON ACTING UNDER THESE SUBSECTIONS, (3) EXERCISE REASONABLE CAUTION OR PRUDENCE ON BEHALF OF TENANT, OR (4) KEEP A FULL AND ACCURATE RECORD OF ALL ACTIONS, RECEIPTS AND DISBURSEMENTS ON BEHALF OF TENANT. TENANT FURTHER ACKNOWLEDGES AND AGREES THAT (I) SUCH WARRANTS OF ATTORNEY TO CONFESS JUDGMENT ARE BEING EXECUTED IN CONNECTION WITH A COMMERCIAL TRANSACTION, (II) LANDLORD'S CONFESSION OF JUDGMENT FOLLOWING AN EVENT OF DEFAULT AND IN ACCORDANCE WITH SUCH WARRANTS OF ATTORNEY WOULD BE IN ACCORDANCE WITH TENANT'S REASONABLE EXPECTATIONS, AND (III) LANDLORD DOES NOT AND, IN REGARDS TO THE LEASE, SHALL NOT HAVE ANY OF THE DUTIES TO TENANT SET FORTH IN 20 PA C.S.A. §5601.3(b).

ACKNOWLEDGED AND AGREED:

MADRIGAL PHARMACEUTICALS, INC.

BY: /s/ Nupur Darji
AUTHORIZED REPRESENTATIVE

IN WITNESS WHEREOF, Landlord and Tenant have hereunto set their hands the date and year first above written, and acknowledge one to the other they possess the requisite authority to enter

year first above written, and acknowledge one to the other they possess the requisite authority to enter into this transaction and to sign this Amendment.

Date signed:

03/14/2026

Landlord:

KPG FF Owner, L.P.,
a Delaware limited partnership

By: KPG FF GP, LLC,
a Delaware limited liability company,
its general partner

By: /s/ Rich Gottlieb
Name: Rich Gottlieb
Title: President

Date signed:

03/14/2026

Tenant:

Madrigal Pharmaceuticals, Inc.,
a Delaware corporation

By: /s/ Nupur Darji
Name: Nupur Darji
Title: Executive Director, Real Estate & Facilities

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William J. Sibold, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Madrigal Pharmaceuticals, Inc.;

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

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

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ William J. Sibold

William J. Sibold
President and Chief Executive Officer
(Principal Executive Officer)
Date: May 6, 2026

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Mardi C. Dier, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Madrigal Pharmaceuticals, Inc.;

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

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

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Mardi C. Dier

Mardi C. Dier
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)
Date: May 6, 2026

Exhibit 32.1

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Subsections (a) and (b) of Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. Section 1350)), each of the undersigned officers of Madrigal Pharmaceuticals, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 6, 2026

/s/ William J. Sibold
William J. Sibold
President and Chief Executive Officer
(Principal Executive Officer)

Dated: May 6, 2026

/s/ Mardi C. Dier
Mardi C. Dier
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

These certifications accompany the Form 10-Q, are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.