Table of Contents

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2026

OR

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

For the transition period from _____ to _____

Commission File Number: 001-42125

Waystar Holding Corp.

(Exact name of registrant as specified in its charter)

Delaware	**84-2886542**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1550 Digital Drive, #300 Lehi, Utah	**84043**
(Address of principal executive offices)	**(Zip Code)**

(844) 492-9782
(Registrant's telephone number, including area code)

Not applicable
(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, par value $0.01 per share	**WAY**	**The Nasdaq Stock Market LLC**

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

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

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

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

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

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

The registrant had outstanding 192,391,658 shares of common stock as of October 26, 2026.

Glossary

The following definitions apply to these terms as used in this Quarterly Report on Form 10-Q:

"Advent" means those certain investment funds of Advent International, L.P. and its affiliates;

"AI" means artificial intelligence;

"Bain" means those certain investment funds of Bain Capital, LP and its affiliates;

"CPPIB" means Canada Pension Plan Investment Board;

"Credit Facilities" means, collectively, the First Lien Credit Facility, the Revolving Credit Facility, and the Receivables Facility;

"Derby TopCo" means Derby TopCo Partnership LP, our direct parent entity prior to the Equity Distribution, in which the Institutional Investors, other equity holders, and certain members of management previously held equity interests;

"EQT" means those certain investment funds of EQT AB and its affiliates;

"Equity Distribution" means the distribution of shares of our common stock held by Derby TopCo to the limited partners of Derby TopCo in accordance with the limited partnership agreement of Derby TopCo, which distribution occurred in connection with our initial public offering. Following the Equity Distribution, EQT, CPPIB, Bain, and other equity holders, including members of management, directly hold shares of our common stock;

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended;

"First Lien Credit Facility" means the term loan credit facility under the first lien credit agreement, dated as of October 22, 2019, by and among Waystar Technologies, Inc. and the lenders party thereto, as amended from time to time;

"GAAP" means U.S. generally accepted accounting principles;

"Institutional Investors" means EQT, CPPIB, and Bain, and their respective affiliates;

"Iodine" means Iodine Software Holdings, Inc.;

"Net Revenue Retention Rate" means the total amount invoiced to clients in a given 12-month period divided by the total amount invoiced to those same clients from the prior 12-month period. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Metrics and Non-GAAP Financial Measures—Net Revenue Retention Rate";

"NM" means not meaningful;

"2025 Form 10-K" means the Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC by Waystar Holding Corp. on February 17, 2026;

"Receivables Facility" means the receivables facility under the receivables financing agreement, dated as of August 12, 2021, by and among Waystar RC LLC, PNC Bank, National Association, as administrative agent, Waystar Technologies, Inc., as initial servicer, and PNC Capital Markets LLC, as structuring agent, as amended from time to time;

"Revolving Credit Facility" means the revolving credit facility under the first lien credit agreement, dated as of October 22, 2019, by and among Waystar Technologies, Inc. and the lenders party thereto, as amended from time to time;

"SEC" means the U.S. Securities and Exchange Commission;

"Securities Act" means the U.S. Securities Act of 1933, as amended;

"SOFR" means the Secured Overnight Financing Rate;

"Stockholders Agreement" means the stockholders agreement, dated as of June 10, 2024, by and among the Institutional Investors, certain stockholders, and certain members of management; and

"Waystar," the "Company," "we," "us," and "our" mean the business of Waystar Holding Corp. and its subsidiaries.

Certain numerical figures have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in various tables may not be arithmetic aggregations of the figures that precede them.

Cautionary Statement Regarding Forward-Looking Statements

This report contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, that reflect our current views with respect to, among other things, our operations and financial performance. Forward-looking statements include all statements that are not historical facts. These forward-looking statements are included throughout this report and relate to matters such as our industry, business strategy, goals, and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity, and capital resources and other financial and operating information. We have used the words "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "future," "will," "seek," "foreseeable," the negative version of these words or similar terms and phrases to identify forward-looking statements in this report.

The forward-looking statements contained in this report are based on management's current expectations and are not guarantees of future performance. The forward-looking statements are subject to various risks, uncertainties, assumptions, or changes in circumstances that are difficult to predict or quantify. Our expectations, beliefs, and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs, and projections will result or be achieved. Actual results may differ materially from these expectations due to changes in global, regional, or local economic, business, competitive, market, regulatory, and other factors, many of which are beyond our control. We believe that these factors include but are not limited to the following:

- our operation in a highly competitive industry;
- our ability to retain our existing clients and attract new clients;
- our ability to successfully execute on our business strategies in order to grow;
- our ability to accurately assess the risks related to acquisitions and successfully integrate acquired businesses, including the acquisition of Iodine;
- our ability to establish and maintain strategic relationships;
- the growth and success of our clients and overall healthcare transaction volumes;
- consolidation in the healthcare industry;
- our selling cycle of variable length to secure new client agreements;
- our implementation cycle that is dependent on our clients' timing and resources;
- our dependence on our senior management team and certain key employees, and our ability to attract and retain highly skilled employees;
- the accuracy of the estimates and assumptions we use to determine the size of our total addressable market;
- our ability to develop and market new solutions, or enhance our existing solutions, to respond to technological changes, or evolving industry standards;
- the interoperability, connectivity, and integration of our solutions with our clients' and their vendors' networks and infrastructures;
- the performance and reliability of internet, mobile, and other infrastructure;
- the consequences if we cannot obtain, process, use, disclose, or distribute the highly regulated data we require to provide our solutions;
- our reliance on certain third-party vendors and providers;
- any errors or malfunctions in our products and solutions;

- failure by our clients to obtain proper permissions or provide us with accurate and appropriate information;
- the potential for embezzlement, identity theft, or other similar illegal behavior by our employees or vendors, and a failure of our employees or vendors to observe quality standards or adhere to environmental, social, and governance standards;
- our compliance with the applicable rules of the National Automated Clearing House Association and the applicable requirements of card networks;
- increases in card network fees and other changes to fee arrangements;
- the effect of payer and provider conduct which we cannot control;
- privacy concerns and security breaches or incidents relating to our platform or data (including personal information and other regulated data);
- the complex and evolving laws and regulations regarding privacy, data protection, and cybersecurity;
- our ability to adequately protect and enforce our intellectual property rights;
- our ability to use or license data and integrate third-party technologies;
- the development, deployment, and use of AI;
- our use of "open source" software;
- legal proceedings initiated by third parties alleging that we are infringing or otherwise violating their intellectual property rights;
- claims that our employees, consultants, or independent contractors have wrongfully used or disclosed confidential information of third parties;
- the heavily regulated industry in which we conduct business;
- the uncertain and evolving healthcare regulatory and political framework;
- healthcare laws and data privacy and security laws and regulations governing our processing of personal information (which may also be referred to as "personal data" or "personally identifiable information");
- reduced revenues in response to changes to the healthcare regulatory landscape;
- legal, regulatory, and other proceedings that could result in adverse outcomes;
- contractual obligations requiring compliance with certain provisions of the Bank Secrecy Act/anti-money laundering laws and regulations;
- existing laws that regulate our ability to engage in certain marketing activities;
- our full compliance with website accessibility standards;
- any changes in our tax rates, the adoption of new tax legislation, or exposure to additional tax liabilities;
- limitations on our ability to use our net operating losses to offset future taxable income;
- losses due to asset impairment charges;
- our substantial debt and restrictive covenants in the agreements governing our Credit Facilities;
- interest rate fluctuations;
- unavailability of additional capital on acceptable terms or at all;
- the impact of general macroeconomic conditions;
- our history of net losses and our ability to achieve or maintain profitability;
- the interests of certain investors may be different than the interests of other holders of our securities; and
- the other factors described elsewhere in this report, including under the headings "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Quantitative and Qualitative Disclosures About Market Risk" and Part II, Item 1A, "Risk Factors" or as described under the heading "Risk Factors" in our 2025 Form 10-K, or as described in the other documents and reports we file with the SEC.

These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this report. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, our actual results may vary in material respects from those projected in these forward-looking statements.

Any forward-looking statements made by us in this report speak only as of the date of this report and are expressly qualified in their entirety by the cautionary statements included in this report. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. You should not place undue reliance on our forward-looking statements. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as may be required by any applicable securities laws.

Investors and others should note that we routinely announce financial and other material information using our Investor Relations website (investors.waystar.com), SEC filings, press releases, public conference calls and webcasts. We use these channels of distribution to communicate with our investors and members of the public about our company, our services and other items of interest. Information contained on our website is not part of this report or our other filings with the SEC.

Table of Contents

	Page
Part I - Financial Information	
Item 1. Financial Statements	1
Unaudited Condensed Consolidated Balance Sheets	1
Unaudited Condensed Consolidated Statements of Operations	2
Unaudited Condensed Consolidated Statements of Comprehensive Income	3
Unaudited Condensed Consolidated Statements of Changes in Stockholders' Equity	4
Unaudited Condensed Consolidated Statements of Cash Flows	6
Notes to Unaudited Condensed Consolidated Financial Statements	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	29
Item 3. Quantitative and Qualitative Disclosures About Market Risk	40
Item 4. Controls and Procedures	40
Part II - Other Information	
Item 1. Legal Proceedings	42
Item 1A. Risk Factors	42
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	43
Item 3. Defaults Upon Senior Securities	44
Item 4. Mine Safety Disclosures	44
Item 5. Other Information	44
Item 6. Exhibits	45
Signatures	47

Table of Contents

Part I - Financial Information

Item 1. Financial Statements

Waystar Holding Corp.
Unaudited Condensed Consolidated Balance Sheets (in Thousands, Except for Share and Per Share Data)

	September 30, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	$ 30,820	$ 61,355
Restricted cash	24,161	15,454
Investment securities	246,075	24,877
Accounts receivable, net of allowance of $4,130 at September 30, 2026 and $6,170 at December 31, 2025	187,007	177,037
Income tax receivable	—	6,437
Prepaid expenses	22,834	20,078
Other current assets	4,551	3,174
Total current assets	515,448	308,412
Property, plant and equipment, net	73,172	51,649
Operating lease right-of-use assets, net	11,922	12,972
Intangible assets, net	1,189,418	1,292,839
Goodwill	4,014,868	4,016,818
Deferred costs	110,720	93,951
Other long-term assets	7,292	8,459
Total assets	$ 5,922,840	$ 5,785,100
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 68,078	$ 50,949
Accrued compensation	31,025	40,942
Aggregated funds payable	23,369	15,104
Other accrued expenses	38,020	22,990
Deferred revenue	64,773	67,855
Current portion of long-term debt	13,404	13,537
Related party current portion of long-term debt	790	657
Current portion of operating lease liabilities	5,713	6,029
Total current liabilities	245,172	218,063
Long-term liabilities		
Deferred tax liability	174,539	211,320
Long-term debt, net, less current portion	1,374,057	1,394,523
Related party long-term debt, net, less current portion	75,468	64,186
Operating lease liabilities, net of current portion	11,163	11,994
Deferred revenue - long-term	5,572	5,496
Other long-term liabilities	278	692
Total liabilities	1,886,249	1,906,274
Commitments and contingencies (Note 20)		
Stockholders' equity		
Preferred stock $0.01 par value - 100,000,000 and 100,000,000 shares authorized as of September 30, 2026 and December 31, 2025, respectively; zero shares issued or outstanding as of both September 30, 2026 and December 31, 2025	—	—
Common stock $0.01 par value - 2,500,000,000 and 2,500,000,000 shares authorized at September 30, 2026 and December 31, 2025, respectively; 193,813,805 and 191,587,193 shares issued at September 30, 2026 and December 31, 2025, respectively; 192,265,522 and 191,587,193 shares outstanding at September 30, 2026 and December 31, 2025, respectively	1,938	1,916
Treasury stock, at cost	(33,487)	—
Additional paid-in capital	4,060,817	3,986,353
Accumulated other comprehensive income (loss)	959	(632)
Retained earnings (accumulated deficit)	6,364	(108,811)
Total stockholders' equity	4,036,591	3,878,826
Total liabilities and stockholders' equity	$ 5,922,840	$ 5,785,100

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

Waystar Holding Corp.
Unaudited Condensed Consolidated Statements of Operations (in Thousands, Except for Share and Per Share Data)

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Revenue	$ 325,624	$ 268,651	$ 959,172	$ 795,740
Operating expenses				
Cost of revenue (exclusive of depreciation and amortization expenses)	99,202	85,136	293,923	255,525
Sales and marketing	51,998	45,158	148,207	128,805
General and administrative	51,393	32,422	118,495	84,914
Research and development	20,299	12,403	56,390	36,103
Depreciation and amortization	41,466	33,300	124,384	100,106
Total operating expenses	264,358	208,419	741,399	605,453
Income from operations	61,266	60,232	217,773	190,287
Other expense				
Interest expense, net	(18,182)	(16,613)	(56,531)	(52,195)
Related party interest expense	(1,115)	(902)	(3,059)	(2,475)
Income before income taxes	41,969	42,717	158,183	135,617
Income tax expense	10,944	12,069	43,008	43,516
Net income	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Net income per share:				
Basic	$ 0.16	$ 0.18	$ 0.60	$ 0.53
Diluted	$ 0.16	$ 0.17	$ 0.59	$ 0.51
Weighted-average shares outstanding:				
Basic	191,938,402	174,352,079	191,825,646	173,388,077
Diluted	195,913,142	181,240,033	195,743,104	181,165,738

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

Waystar Holding Corp.
Unaudited Condensed Consolidated Statements of Comprehensive Income (in Thousands)

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net income	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Other comprehensive income/(loss), before tax:				
Interest rate swaps and cap	106	(179)	2,860	(1,868)
Available-for-sale securities	(451)	32	(742)	—
Income tax effect:				
Interest rate swaps and cap	(25)	44	(709)	445
Available-for-sale securities	110	(8)	182	—
Other comprehensive income/(loss), net of tax	(260)	(111)	1,591	(1,423)
Comprehensive income, net of tax	$ 30,765	$ 30,537	$ 116,766	$ 90,678

(1) Amounts reclassified out of accumulated other comprehensive income/(loss) into interest expense, net included $2,443 and $2,171 for the three months ended September 30, 2026 and 2025, respectively, and $4,992 and $4,060 for the nine months ended September 30, 2026 and 2025, respectively.

(2) The income tax effects of amounts reclassified out of accumulated other comprehensive income/(loss) were $(598) and $(534) for the three months ended September 30, 2026 and 2025, respectively, and $(1,222) and $(999) for the nine months ended September 30, 2026 and 2025, respectively.

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

Waystar Holding Corp.
Unaudited Condensed Consolidated Statements of Changes in Stockholders' Equity (in Thousands, Except Share Data)

	Three months ended September 30, 2026							
	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained earnings (accumulated deficit)	Total
	Shares	Amount	Shares	Amount				
Balances at June 30, 2026	192,583,037	$ 1,926	(659,061)	$ (12,741)	$ 4,020,499	$ 1,219	$ (24,661)	$ 3,986,242
Stock-based compensation	—	—	—	—	24,569	—	—	24,569
Issuance of common stock under employee equity plans	1,230,768	12	—	—	15,749	—	—	15,761
Common stock repurchased	—	—	(889,222)	(20,746)	—	—	—	(20,746)
Net income	—	—	—	—	—	—	31,025	31,025
Other comprehensive income/(loss)	—	—	—	—	—	(260)	—	(260)
Balances at September 30, 2026	193,813,805	$ 1,938	(1,548,283)	$ (33,487)	$ 4,060,817	$ 959	$ 6,364	$ 4,036,591

	Three months ended September 30, 2025							
	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balances at June 30, 2025	174,146,070	$ 1,741	—	$ —	$ 3,331,277	$ (431)	$ (159,447)	$ 3,173,140
Stock-based compensation	—	—	—	—	11,525	—	—	11,525
Issuance of common stock under employee equity plans	521,770	6	—	—	7,388	—	—	7,394
Net income	—	—	—	—	—	—	30,648	30,648
Other comprehensive income/(loss)	—	—	—	—	—	(111)	—	(111)
Balances at September 30, 2025	174,667,840	$ 1,747	—	$ —	$ 3,350,190	$ (542)	$ (128,799)	$ 3,222,596

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

Waystar Holding Corp.
Unaudited Condensed Consolidated Statements of Changes in Stockholders' Equity (in Thousands, Except Share Data)

	Nine months ended September 30, 2026							
	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained earnings (accumulated deficit)	Total
	Shares	Amount	Shares	Amount				
Balances at December 31, 2025	191,587,193	$ 1,916	—	$ —	$ 3,986,353	$ (632)	$ (108,811)	$ 3,878,826
Stock-based compensation	—	—	—	—	49,858	—	—	49,858
Issuance of common stock under employee equity plans	2,226,612	22	—	—	24,606	—	—	24,628
Common stock repurchased	—	—	(1,548,283)	(33,487)	—	—	—	(33,487)
Net income	—	—	—	—	—	—	115,175	115,175
Other comprehensive income/(loss)	—	—	—	—	—	1,591	—	1,591
Balances at September 30, 2026	193,813,805	$ 1,938	(1,548,283)	$ (33,487)	$ 4,060,817	$ 959	$ 6,364	$ 4,036,591

	Nine months ended September 30, 2025							
	Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balances at December 31, 2024	172,108,240	$ 1,722	—	$ —	$ 3,298,083	$ 881	$ (220,900)	$ 3,079,786
Stock-based compensation	—	—	—	—	29,693	—	—	29,693
Issuance of common stock under employee equity plans	2,559,600	25	—	—	22,414	—	—	22,439
Net income	—	—	—	—	—	—	92,101	92,101
Other comprehensive income/(loss)	—	—	—	—	—	(1,423)	—	(1,423)
Balances at September 30, 2025	174,667,840	$ 1,747	—	$ —	$ 3,350,190	$ (542)	$ (128,799)	$ 3,222,596

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

Waystar Holding Corp.
Unaudited Condensed Consolidated Statements of Cash Flows (in Thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities		
Net income	$ 115,175	$ 92,101
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	124,384	100,106
Stock-based compensation	49,691	29,871
Provision for bad debt expense	2,884	2,605
Loss on extinguishment of debt	113	711
Impairment expense	1,990	—
Deferred income taxes	(37,490)	22,959
Amortization of debt discount and issuance costs	2,010	2,021
Other	86	—
Changes in:		
Accounts receivable	(12,854)	(3,045)
Income tax receivable	6,437	2,838
Prepaid expenses and other current assets	(4,898)	(4,980)
Deferred costs	(16,282)	(7,116)
Other long-term assets	705	(2,362)
Accounts payable and accrued expenses	20,824	10,580
Deferred revenue	(3,006)	(1,863)
Operating lease right-of-use assets and lease liabilities	(1,582)	(1,387)
Net cash provided by operating activities	248,187	243,039
Cash flows from investing activities		
Purchase of property and equipment and capitalization of internally developed software costs	(41,359)	(17,069)
Purchase of investment securities	(368,341)	(206,444)
Proceeds from sale or maturity of investment securities	149,088	206,444
Measurement period adjustments related to prior year acquisition	2,037	—
Net cash used in investing activities	(258,575)	(17,069)
Cash flows from financing activities		
Change in aggregated funds liability	8,265	1,789
Repurchase of common stock	(33,487)	—
Proceeds from issuance of common stock from employee equity plans	24,628	22,439
Proceeds from issuances of debt, net of creditor fees	19,800	—
Payments on debt	(30,646)	(8,751)
Finance lease liabilities paid	—	(672)
Net cash provided by (used in) financing activities	(11,440)	14,805
Increase/(decrease) in cash and cash equivalents during the period	(21,828)	240,775
Cash and cash equivalents and restricted cash–beginning of period	76,809	204,582
Cash and cash equivalents and restricted cash–end of period	$ 54,981	$ 445,357
Supplemental disclosures of cash flow information		
Interest paid	$ 62,124	$ 59,303
Cash taxes paid (refunds received), net	58,882	9,439
Non-cash investing and financing activities		
Fixed asset purchases in accounts payable	996	539
Reconciliation of Balance Sheet Cash Accounts to Cash Flow Statement		
Balance sheet		
Cash and cash equivalents	30,820	421,056
Restricted cash	24,161	24,301
Total	$ 54,981	$ 445,357

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

Waystar Holding Corp.
Notes to Unaudited Condensed Consolidated Financial Statements

1. Business

Waystar Holding Corp. ("Waystar", "we", "us" or "our") is a provider of mission-critical AI-powered cloud technology to healthcare organizations. Our enterprise-grade platform transforms the complex and disparate processes comprising healthcare payments received by healthcare providers from payers and patients, from pre-service engagement through post-service remittance and reconciliation. Our platform enhances data integrity, eliminates manual tasks, and improves claim and billing accuracy, which results in better transparency, reduced labor costs, and faster, more accurate reimbursement and cash flow. The market for our solutions extends throughout the United States and includes Puerto Rico and other U.S. territories.

Risks and Uncertainties— We are subject to risks common to companies in similar industries, including, but not limited to, our operation in a highly competitive industry, our ability to retain our existing clients and attract new clients, our ability to successfully execute on our business strategies in order to grow, our ability to accurately assess the risks related to acquisitions and successfully integrate acquired businesses, including the acquisition of Iodine, our ability to establish and maintain strategic relationships, the growth and success of our clients and overall healthcare transaction volumes, consolidation in the healthcare industry, our selling cycle of variable length to secure new client agreements, our implementation cycle that is dependent on our clients' timing and resources, our dependence on our senior management team and certain key employees, and our ability to attract and retain highly skilled employees, the accuracy of the estimates and assumptions we use to determine the size of our total addressable market, our ability to develop and market new solutions, or enhance our existing solutions, to respond to technological changes or evolving industry standards, the interoperability, connectivity, and integration of our solutions with our clients' and their vendors' networks and infrastructures, the performance and reliability of internet, mobile, and other infrastructure, the consequences if we cannot obtain, process, use, disclose, or distribute the highly regulated data we require to provide our solutions, and our reliance on certain third-party vendors and providers.

On occasion, we enter into standard indemnification arrangements in the ordinary course of business. Pursuant to these arrangements, we indemnify, hold harmless, and agree to reimburse the indemnified parties for losses suffered or incurred by the indemnified party, in connection with any trade secret, copyright, patent, or other intellectual property infringement claim by any third party with respect to its technology. The terms of these indemnification agreements are generally perpetual following the execution of the agreement. The maximum potential future payments we could be required to make under these agreements are not determinable because it involves claims that may be made against us in the future but have not yet been made. Historically, we have not incurred costs to defend lawsuits or settle claims related to these indemnification agreements.

We have entered into agreements with our directors and officers that may require us to indemnify them against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from their willful misconduct.

No liability associated with such indemnifications was recorded as of September 30, 2026 and December 31, 2025.

2. Summary of Significant Accounting Policies

Basis of Financial Statement Presentation

The financial statements include the unaudited condensed consolidated balance sheets, statements of operations, statements of comprehensive income, statements of changes in stockholders' equity, and statements of cash flows of Waystar and its subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The accompanying unaudited condensed consolidated financial statements and notes have been prepared in accordance with GAAP and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of management, the interim financial information includes all adjustments of a normal recurring nature necessary for a fair presentation of our financial position, results of operations, changes in stockholders' equity and cash flows. The results of operations for the nine months ended September 30, 2026 are not necessarily indicative of the results for the full year or the results for any future periods. These unaudited condensed consolidated

financial statements should be read in conjunction with the audited consolidated financial statements and related notes for the year ended December 31, 2025 in the Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 17, 2026 (the "2025 Annual Report").

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Significant estimates and assumptions are used for, but are not limited to: (1) revenue recognition, including estimated expected customer life; (2) recoverability of accounts receivable and taxes receivable; (3) impairment assessment of goodwill and long-lived intangible assets; (4) fair value of intangibles acquired in business combinations; (5) litigation reserves; (6) depreciation and amortization; (7) fair value of stock options issued to employees and assumed as part of business combinations; (8) fair value of interest rate swaps; and (9) leases, including incremental borrowing rate. Future events and their effects cannot be predicted with certainty, and accordingly, accounting estimates require the exercise of judgment. We evaluate and update assumptions and estimates on an ongoing basis and may employ outside experts to assist in evaluations. Actual results could differ from the estimates used.

Revenue Recognition

We derive revenue primarily from providing access to our solutions for use in the healthcare industry and in doing so generate two types of revenue: (i) subscription revenue and (ii) volume-based revenue, which account for 99% of total revenue for all periods presented. We also derive revenue from implementation fees for our software, as well as hardware sales to facilitate patient payments.

We recognize revenue in accordance with Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), through the following five steps:

- identification of the contract, or contracts, with a client;
- identification of the performance obligations in the contract;
- determination of the transaction price;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenue when, or as, we satisfy a performance obligation.

Our customers, referred to as clients elsewhere in this report, represent healthcare providers across all types of care settings, including physician practices, clinics, surgical centers, and laboratories, as well as large hospitals and health systems.

We account for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The length of our contracts varies but is typically two to three years, and our contracts generally renew automatically for successive one-year terms. Our revenue is reported net of applicable sales and use tax and is recognized as, or when, control of these services or products is transferred to clients, in an amount that reflects the consideration we expect to be entitled to in exchange for the contract's performance obligations.

Revenue from our subscription services as well as from our volume-based services represents a single promise to provide continuous access (i.e., a stand-ready obligation) to our software solutions in the form of a service. Our software products are made available to our clients via a cloud-based, hosted platform where our clients do not have the right or practical ability to take possession of the software. As each day of providing access to the software solutions is substantially the same and the client simultaneously receives and consumes the benefits as services are provided, these services are viewed as a single performance obligation comprised of a series of distinct daily services.

Revenue from our subscription services is recognized over time on a ratable basis over the contract term beginning on the date that the service is made available to the client. Volume-based services are priced based on transaction, dollar volume or provider count in a given period. Given the nature of the promise is based on unknown quantities or outcomes of services to be performed over the contract term, the volume-based fee is determined to be variable consideration. The

volume-based transaction fees are recognized each day using a time-elapsed output method based on the volume or transaction count at the time the clients' transactions are processed.

Our other services are generally related to implementation activities across all solutions and hardware sales to facilitate patient payments. Implementation services are not considered performance obligations as they do not provide a distinct service to clients without the use of our software solutions. As such, implementation fees related to our solutions are billed upfront and recognized ratably over the contract term. Implementation fees and hardware sales represent less than 1% of total revenue for all periods presented.

Our contracts with clients typically include various combinations of our software solutions. Determining whether such software solutions are considered distinct performance obligations that should be accounted for separately versus together requires significant judgment. Specifically, judgment is required to determine whether access to our SaaS solutions is distinct from other services and solutions included in an arrangement.

We follow the requirements of ASC 606-10-55-36 through -40, Revenue from Contracts with Customers, Principal Agent Considerations, in determining the gross versus net revenue presentations for our performance obligations in the contract with a client. Revenue recorded where we act in the capacity of a principal is reported on a gross basis equal to the full amount of consideration to which we expect to be entitled in exchange for the good or service transferred. Revenue recorded where we act in the capacity of an agent is reported on a net basis, exclusive of any consideration provided to the principal party in the transaction.

The principal versus agent evaluation is a matter of judgment that depends on the facts and circumstances of the arrangement and is dependent on whether we control the good or service before it is transferred to the client or whether we are acting as an agent of a third party. This evaluation is performed separately for each performance obligation identified. For the majority of our contracts, we are considered the principal in the transaction with the client and recognize revenue gross of any related channel partner fees or costs. We have certain agency arrangements where third parties control the goods or services provided to a client and we recognize revenue net of any fees owed to these third parties.

Payment terms and conditions vary by contract type, although our standard payment terms generally require payment within 30 to 60 days. In instances where the timing of revenue recognition differs from the timing of payment, we have determined our contracts do not generally include a significant financing component. The primary purpose of our invoicing terms is to provide clients with simplified and predictable ways of purchasing our products and services, not to receive financing from our clients or to provide clients with financing.

Contract Costs

Incremental Costs of Obtaining a Contract

Incremental costs of obtaining a contract primarily include commissions paid to our internal sales personnel. We consider all such commissions to be both incremental and recoverable since they are only paid when a contract is secured. These capitalized costs are amortized on a straight-line basis over the expected period of benefit, which is determined based on the average customer life, which includes anticipated renewals of contracts. As of September 30, 2026 and December 31, 2025, the total unamortized costs reported as deferred costs on our balance sheet amounted to $43.2 million and $32.4 million, respectively, for internal sales commissions. For the three months ended September 30, 2026 and 2025, amortization related to the sales commission asset was $4.2 million and $3.3 million, respectively. For the nine months ended September 30, 2026 and 2025, amortization related to the sales commission asset was $11.7 million and $9.6 million, respectively. The aforementioned amortization amounts are included in sales and marketing in our consolidated statements of operations.

Costs to Fulfill a Contract

We capitalize costs incurred to fulfill contracts that i) relate directly to the contract, ii) are expected to generate resources that will be used to satisfy performance obligations under the contract, and iii) are expected to be recovered through revenue generated under the contract. Costs incurred to implement clients on our solutions (e.g., direct labor) are capitalized and amortized on a straight-line basis over the estimated customer life if we expect to recover those costs. As of September 30, 2026 and December 31, 2025, the total unamortized costs reported as deferred costs on our balance sheet

amounted to $67.3 million and $61.6 million, respectively, for fulfillment costs. For the three months ended September 30, 2026 and 2025, amortization related to the fulfillment cost asset was $4.9 million and $4.2 million, respectively. For the nine months ended September 30, 2026 and 2025, amortization related to the fulfillment cost asset was $14.3 million and $11.8 million, respectively. The aforementioned amortization amounts are included in the cost of revenue in our consolidated statements of operations.

There were no impairment losses relating to deferred costs during the periods presented.

Channel Partners

We account for fees paid to channel partners within sales and marketing expenses in the accompanying statements of operations. For the three months ended September 30, 2026 and 2025, we recorded fees to all channel partners of $22.8 million and $19.8 million, respectively. For the nine months ended September 30, 2026 and 2025, we recorded fees to all channel partners of $66.2 million and $57.1 million, respectively. As we are primarily responsible for contracting with and fulfilling contracts for the end user, we record revenue gross of related channel partner fees.

Cash and cash equivalents

We consider highly liquid investments with an original maturity of three months or less to be cash equivalents. We maintain our cash in bank deposit accounts, which, at times, may exceed federally insured limits. We have not experienced any credit losses in such accounts.

Investment securities

Our short-term investments, which consist of debt securities, are stated at fair value. These debt securities have been categorized as available-for-sale and classified as current assets given their maturity date is 12 months or less. Unrealized holding gains and losses for debt securities, net of applicable deferred taxes, are included in other comprehensive income or loss as a component of stockholders' equity until realized from a sale or an expected credit loss is recognized. For the purpose of determining realized gross gains and losses for debt securities sold, that are included as a component of interest income/(expense) in the consolidated statements of operations, the cost of investment securities sold is based upon specific identification. We recorded $2.1 million and $1.4 million of interest income on investment securities for the three months ended September 30, 2026 and 2025, respectively, within "Interest expense, net" of our statements of operations. We recorded $4.2 million and $2.0 million of interest income on investment securities for the nine months ended September 30, 2026 and 2025, respectively, within "Interest expense, net" of our statements of operations.

Under the current expected credit losses model, expected losses on available-for-sale debt securities are recognized through an allowance for credit losses rather than as reductions in the amortized cost of securities. For debt securities whose fair value is less than their amortized cost which we do not intend to sell or are not required to sell, we evaluate the expected cash flows to be received as compared to amortized cost and determine if an expected credit loss has occurred. In the event of any expected credit loss, only the amount of impairment associated with the expected credit loss is recognized in income with the remainder, if any, of the loss recognized in other comprehensive income. To the extent we have the intent to sell the debt security, or it is more likely than not we will be required to sell the debt security before recovery of our amortized cost basis, we recognize an impairment loss in income in an amount equal to the full difference between the amortized cost basis and the fair value.

There were no impairment losses relating to our investment securities during the periods presented.

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, "Disaggregation of Income Statement Expenses." The standard is intended to benefit investors by providing more detailed information about expenses that is critically important in understanding an entity's performance, assessing an entity's prospects for future cash flows, and comparing an entity's performance over time and with that of other entities. For public business entities, this ASU will be effective for annual reporting periods beginning after December 15, 2026,

and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments in this ASU should be applied either (1) prospectively to financial statements issued for reporting periods after the effective date of this ASU or (2) retrospectively to any or all prior periods presented in the financial statements. We are currently evaluating the effect of the adoption of this amendment on our consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, “Targeted Improvements to the Accounting for Internal-Use Software” to modernize the accounting guidance for the costs to develop software for internal use. The new guidance amends the existing standard that refers to various stages of a software development project to align better with current software development methods, such as agile programming. The new guidance will be effective for all entities for annual periods beginning after December 15, 2027. The guidance can be applied on a fully prospective basis, a modified basis for in-process projects, or a full retrospective basis. We are currently evaluating the effect of the adoption of this amendment on our consolidated financial statements.

In November 2025, the FASB issued ASU 2025-09, “Hedge Accounting Improvements,” which is an update to ASU 2017-12, “Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities.” Consistent with the original objective of ASU 2017-12, the objective of this ASU is to more closely align hedge accounting with the economics of an entity's risk management activity. The amendments included in the five issues addressed in this ASU are intended to better reflect those strategies in financial reporting by enabling entities to achieve and maintain hedge accounting for highly effective economic hedges of forecasted transactions. For public companies, the new guidance will be effective for annual reporting periods beginning after December 15, 2026, and interim periods within those annual reporting periods. We are currently evaluating the effect of the adoption of this amendment on our consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, an update to improve the guidance in Topic 270, Interim Reporting, by improving the navigability of the required interim disclosures and clarifying when that guidance is applicable. For public companies, the update is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. We are currently evaluating the effect of the adoption of this amendment on our consolidated financial statements.

Waystar Holding Corp.
Notes to Unaudited Condensed Consolidated Financial Statements

3. Revenue Recognition

Disaggregation of Revenue

The following table presents revenues disaggregated by revenue type, solution type and the timing of revenue recognition (in thousands):

		Three months ended September 30,					
		2026			2025		
	Recognition	Solution type			Solution type		
		Patient	Provider	Total	Patient	Provider	Total
Subscription revenue	Over time	$ 3,454	$ 177,272	$ 180,726	$ 3,515	$ 130,935	$ 134,450
Volume-based revenue	Over time	77,704	65,156	142,860	73,671	58,671	132,342
Implementation services and other revenue	Various	1,079	959	2,038	964	895	1,859
Total revenues		$ 82,237	$ 243,387	$ 325,624	$ 78,150	$ 190,501	$ 268,651

		Nine months ended September 30,					
		2026			2025		
	Recognition	Solution type			Solution type		
		Patient	Provider	Total	Patient	Provider	Total
Subscription revenue	Over time	$ 10,347	$ 518,835	$ 529,182	$ 10,087	$ 380,512	$ 390,599
Volume-based revenue	Over time	240,681	183,789	424,470	227,549	173,002	400,551
Implementation services and other revenue	Various	2,692	2,828	5,520	2,063	2,527	4,590
Total revenues		$ 253,720	$ 705,452	$ 959,172	$ 239,699	$ 556,041	$ 795,740

Contract Liabilities

We derive our revenue from contracts with clients primarily through subscription fees and volume-based fees. Our payment terms with the client generally comprise an initial payment for implementation services, which includes client enrollment and the setup of contracted solutions on our platform. These implementation fees are due upon contract execution. Additionally, subscription fees are earned on an ongoing basis, which are invoiced monthly.

Client payments received in advance of fulfilling the corresponding performance obligations are recorded as contract liabilities. Implementation fees are recognized over the contract term, with any unrecognized amounts deferred as contract liabilities. These amounts are reported as deferred revenue on our consolidated balance sheet.

Revenue recognized from the amounts included in deferred revenue as of the beginning of the period was $10.9 million and $0.8 million for the three months ended September 30, 2026 and 2025, respectively. Revenue recognized from the amounts included in deferred revenue as of the beginning of the period was $64.7 million and $9.1 million for the nine months ended September 30, 2026 and 2025, respectively.

Transaction Price Allocated to Remaining Performance Obligations

At September 30, 2026, the transaction price related to unsatisfied performance obligations that are expected to be recognized for the next 12 months and greater than 12 months was $77.8 million and $46.0 million, respectively.

The transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) for executed contracts does not include revenue related to performance obligations that are part of a contract with an original expected duration of one year or less.

Additionally, the balance does not include variable consideration that is allocated entirely to wholly unsatisfied promises that form part of a single performance obligation comprised of a series of distinct daily services.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations and changes in the timing and scope of contracts, arising from contract modifications.

Waystar Holding Corp.
Notes to Unaudited Condensed Consolidated Financial Statements

4. Segments

Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assessing performance. We have one business activity and there are no segment managers who are held accountable for operations, operating results and plans for products or components below the consolidated unit level. The geographical location of our customers has no impact on strategy or products offered. The "chief operating decision maker," or CODM, assesses performance and allocates resources using a consolidated profitability metric as discussed below. Accordingly, we have determined that we operate in a single reportable operating segment.

Our CODM is our Chief Executive Officer. On a monthly basis, our CODM reviews the following financial information presented on a consolidated basis. The key profitability metric used for purposes of making key personnel staffing decisions, approving operating budgets and forecasts, and making strategy decisions is Net Income as detailed below. See Note 3 for our disaggregated revenue by type.

	Three months ended September 30,		Nine months ended September 30,	
($ in thousands)	**2026**	**2025**	**2026**	**2025**
Total Revenue	$ 325,624	$ 268,651	$ 959,172	$ 795,740
Less:				
Materials and connectivity	68,165	60,061	202,610	182,785
Labor and associated expenses	31,037	25,075	91,313	72,740
Research and development	20,299	12,403	56,390	36,103
Sales and marketing	51,998	45,158	148,207	128,805
General and administrative	51,393	32,422	118,495	84,914
Depreciation	6,992	5,449	20,963	16,025
Amortization	34,474	27,851	103,421	84,081
Interest and non-operating expenses, net	19,297	17,515	59,590	54,670
Income tax expense	10,944	12,069	43,008	43,516
Segment Net income	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Consolidated Net income	$ 31,025	$ 30,648	$ 115,175	$ 92,101

Waystar Holding Corp.
Notes to Unaudited Condensed Consolidated Financial Statements

5. Investment Securities

The following table summarizes unrealized positions for our investment securities classified as available-for-sale fixed-maturity debt securities, disaggregated by class of instrument (in thousands):

	Amortized Cost	Allowances for Credit Losses	Total Unrealized Gains	Total Unrealized Losses	Fair Value
As of September 30, 2026					
Commercial Paper	$ 120,201	$ —	$ —	$ 384	$ 119,817
Corporate Notes	10,071	—	—	35	10,036
U.S. Treasury Bills	35,661	—	—	93	35,568
U.S. Government Agencies	80,887	—	—	233	80,654
Total	$ 246,820	$ —	$ —	$ 745	$ 246,075
As of December 31, 2025					
Commercial Paper	$ 12,439	$ —	$ —	$ 4	$ 12,435
U.S. Treasury Bills	7,459	—	1	—	7,460
U.S. Government Agencies	4,982	—	—	—	4,982
Total	$ 24,880	$ —	$ 1	$ 4	$ 24,877

6. Fair Value Measurements and Disclosures

The following table presents the fair value hierarchy for financial assets and liabilities measured at fair value on a recurring basis (in thousands):

	Balance Sheet Classification	Carrying Value	Level 1	Level 2	Level 3
September 30, 2026					
Available-for-sale fixed-maturity securities					
Commercial paper	Investment securities	$ 119,817	$ —	$ 119,817	$ —
Corporate notes	Investment securities	$ 10,036	$ —	$ 10,036	$ —
U.S. treasury bills	Investment securities	$ 35,568	$ —	$ 35,568	$ —
U.S. government agencies	Investment securities	$ 80,654	$ —	$ 80,654	$ —
Money market funds	Cash and cash equivalents	$ 16,524	$ 16,524	$ —	$ —
Other financial assets:					
Interest rate swaps	Other current assets	$ 2,014	$ —	$ 2,014	$ —
December 31, 2025					
Available-for-sale fixed-maturity securities					
Commercial paper	Investment securities	$ 12,435	$ —	$ 12,435	$ —
U.S. treasury bills	Investment securities	$ 7,460	$ —	$ 7,460	$ —
U.S. government agencies	Investment securities	$ 4,982	$ —	$ 4,982	$ —
Money market funds	Cash and cash equivalents	$ 25,292	$ 25,292	$ —	$ —
Other financial assets:					
Interest rate cap	Other current assets	$ 274	$ —	$ 274	$ —
Other financial liabilities:					
Interest rate swaps	Other accrued expenses	$ 621	$ —	$ 621	$ —
Interest rate swaps	Other long-term liabilities	$ 414	$ —	$ 414	$ —

The fair values of our interest rate swaps and cap are based on the sum of all future net present value cash flows. The future cash flows are derived based on the terms of our interest rate swaps and cap, as well as considering published discount factors, and projected SOFR curve. The fair value of long-term debt was a Level 2 instrument, the fair value of which was determined using the present value of future cash flows based on the borrowing rates currently available for debt with similar terms and maturities. The carrying value of our First Lien Credit Facility was $1,370.6 million and $1,401.2 million compared to a fair value of $1,367.2 million and $1,408.3 million at September 30, 2026 and December 31, 2025, respectively. The carrying value of our Receivables Facility approximated fair value at September 30, 2026 and December 31, 2025. There were no transfers in or out of Level 3 during the periods presented.

As of September 30, 2026 and December 31, 2025, the carrying value of cash equivalents, accounts receivable, accounts payable, accrued liabilities, and other current assets and liabilities approximates fair value due to the short maturities of these instruments. Interest rate swaps are Level 2 instruments whose fair value is derived from discounted cash flows adjusted for nonperformance risk. Investment securities are Level 2 instruments whose fair value is observed through market data of similar securities. Money market funds are Level 1 instruments whose fair value is observed through daily quoted prices of similar assets. Money market funds are considered cash equivalents because they have a maturity of less than three months and are highly liquid.

7. Property and Equipment, Net

The balances of the major classes of property and equipment are as follows (in thousands):

	September 30, 2026	December 31, 2025
Computer hardware	$ 57,318	$ 44,045
Capitalized internal-use software	70,789	53,373
Purchased computer software	23,474	23,188
Furniture and fixtures	4,352	4,184
Office equipment	275	271
Leasehold improvements	5,748	4,994
Internal-use software in progress	29,563	19,110
	191,519	149,165
Accumulated depreciation	(118,347)	(97,516)
Total	$ 73,172	$ 51,649

Depreciation of fixed assets, including the amortization of capitalized software, for the three months ended September 30, 2026 and 2025 was $7.0 million and $5.4 million, respectively. Depreciation of fixed assets, including the amortization of capitalized software, for the nine months ended September 30, 2026 and 2025 was $21.0 million and $16.0 million, respectively.

We capitalized $9.5 million and $4.6 million in software development costs for the three months ended September 30, 2026 and 2025, respectively. We capitalized $27.9 million and $13.5 million in software development costs for the nine months ended September 30, 2026 and 2025, respectively. Amortization of capitalized software was $4.7 million and $3.6 million for the three months ended September 30, 2026 and 2025, respectively. Amortization of capitalized software was $14.0 million and $10.3 million for the nine months ended September 30, 2026 and 2025, respectively. The net book value of capitalized software development costs was $49.7 million and $35.9 million as of September 30, 2026 and December 31, 2025, respectively.

During the nine months ended September 30, 2026, we recorded impairment expense of $2.0 million within general and administrative expense in our consolidated statement of operations related to a right-of-use asset and leasehold improvements at an office location we plan to exit. The impairment resulted from a change in the expected use of the facility and was measured as the excess of the carrying value of the asset group over its estimated fair value. Fair value was determined using an income approach based on estimated future sublease income.

There were no other impairments of property and equipment for the three and nine months ended September 30, 2026 and 2025, respectively.

8. Goodwill and Other Intangible Assets

Goodwill has a balance of $4.0 billion as of both September 30, 2026 and December 31, 2025. During the three and nine months ended September 30, 2026, there was a $0.1 million addition and $2.0 million reduction, respectively, to goodwill due to measurement period adjustments related to the prior year acquisition of Iodine. The measurement period adjustments were related to finalizing closing working capital as outlined within the Merger Agreement. There were no other additions, disposals or impairments to goodwill during the three and nine months ended September 30, 2026.

Amortization for definite-lived intangible assets is as follows (in thousands, except useful life):

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value	Weighted-Average Remaining Useful Life
As of September 30, 2026				
Customer relationships	$ 1,720,000	$ (622,914)	$ 1,097,086	11.4
Purchased developed technology	119,800	(42,255)	77,545	3.9
Tradenames and trademarks	45,100	(30,313)	14,787	2.7
Total	$ 1,884,900	$ (695,482)	$ 1,189,418	
As of December 31, 2025				
Customer relationships	$ 1,720,000	$ (539,645)	$ 1,180,355	12.0
Purchased developed technology	119,800	(27,045)	92,755	4.6
Tradenames and trademarks	45,100	(25,371)	19,729	3.3
Total	$ 1,884,900	$ (592,061)	$ 1,292,839	

Amortization expense was $34.5 million and $27.9 million for the three months ended September 30, 2026 and 2025, respectively. Amortization expense was $103.4 million and $84.1 million for the nine months ended September 30, 2026 and 2025, respectively.

9. Leases

The following table presents components of lease expense for the three and nine months ended September 30, 2026 and 2025 (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Finance lease cost				
Interest on lease liabilities	$ —	$ 173	$ —	$ 530
Operating lease cost	1,262	1,194	3,753	3,465
Variable lease cost	28	149	192	527
Short-term lease	223	227	830	620
Total lease cost	$ 1,513	$ 1,743	$ 4,775	$ 5,142

Maturities of lease liabilities as of September 30, 2026 are as follows (in thousands):

	Operating Leases
2026	$ 1,994
2027	5,866
2028	5,552
2029	3,597
2030	1,283
Thereafter	—
Total future minimum lease payments	18,292
Less: Interest	1,416
Total	$ 16,876

Supplemental cash flow information related to leases for the three and nine months ended September 30, 2026 and 2025 are as follows (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flows for operating leases	$ 1,874	$ 1,622	$ 5,334	$ 4,852
Financing cash flows for financing leases	—	401	—	1,095
Right-of-use assets obtained in exchange for new lease liabilities:				
Operating leases	$ 3,558	$ —	$ 3,558	$ —

Supplemental balance sheet information related to leases as of September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
Weighted average remaining lease term (years):		
Operating leases	3.0	3.5
Weighted average discount rate:		
Operating leases	5.1 %	5.0 %

10. Income Taxes

We recognized income tax expense of $10.9 million and $12.1 million for the three months ended September 30, 2026 and 2025, respectively, based on the quarter-to-date pre-tax income. We recognized income tax expense of $43.0 million and $43.5 million for the nine months ended September 30, 2026 and 2025, respectively, based on the year-to-date pre-tax income. Our effective income tax rate was 26.1% and 28.3% for the three months ended September 30, 2026 and 2025, respectively. Our effective income tax rate was 27.2% and 32.1% for the nine months ended September 30, 2026 and 2025, respectively. Differences in the effective tax rate and statutory federal income tax rate of 21% are primarily driven by the impact of certain limitations on the deductibility of stock-based compensation recognized for financial reporting purposes as well as state income taxes and research and development credits claimed.

11. Accounts Receivable Securitization

As of September 30, 2026 and December 31, 2025, we had $100.0 million and $80.0 million, respectively, outstanding under a receivables financing agreement with a counterparty as the lender, which provides for a three-year receivables facility with a limit of $100.0 million (the “Receivables Facility”). Pursuant to the Receivables Facility, we sell and/or contribute current and future receivables to Waystar RC LLC as the Special Purpose Entity (“SPE”). The SPE, in turn, pledges its interests in the receivables to the counterparty, which either makes loans or issues letters of credit on behalf of the SPE. All receivables remain on our balance sheet as they continue to be the property of our consolidated entities under the securitization.

On February 13, 2026, we executed an amendment to our Receivables Facility that increased the credit available to us from $80.0 million to $100.0 million and extended the maturity date from October 31, 2026 to February 13, 2029. Additionally, the amendment decreased the interest rate on the Receivables Facility from 1.61% per annum above the SOFR rate to 1.10% per annum above the SOFR rate. In connection with this amendment, we capitalized $0.2 million of lender fees.

The interest rate under the Receivables Facility is 1.10% per annum above the SOFR rate with a minimum base of 0%. The SOFR is adjusted each thirty-day period to the thirty-day SOFR rate. Interest under the Receivables Facility is paid monthly in arrears. At September 30, 2026, the effective interest rate for the Receivables Facility was 5.01%.

All principal under the Receivables Facility is due on February 13, 2029.

The Receivables Facility contains certain covenants which, among other things, require we maintain certain collection thresholds with respect to our accounts receivable. We were in compliance with all such debt covenants during the periods presented.

12. Debt

Debt instruments consist primarily of term notes, revolving lines of credit, and a Receivables Facility as follows (in thousands):

	September 30, 2026	December 31, 2025
First lien term loan facility outstanding debt	$ 1,370,601	$ 1,401,246
Receivables facility outstanding debt	100,000	80,000
Total outstanding debt	1,470,601	1,481,246
Unamortized debt issuance costs	(6,882)	(8,343)
Current portion of long-term debt	(14,194)	(14,194)
Total long-term debt, net	$ 1,449,525	$ 1,458,709

The maturity of long-term principal payments (excluding debt discount) at September 30, 2026 is as follows (in thousands):

2026	$ 3,549
2027	14,194
2028	14,194
2029	1,438,664
	$ 1,470,601

As of September 30, 2026 and December 31, 2025, there is no outstanding balance on our Revolving Credit Facility. The interest rate under the Revolving Credit Facility is 1.50% per annum above the SOFR rate with a minimum base of 0.00%. The SOFR is adjusted each thirty-day period to the thirty-day SOFR rate. At September 30, 2026, the effective interest rate for the Revolving Credit Facility is 5.41%.

On February 23, 2026, we utilized the funds from the most recent amendment on our Receivables Facility (see Note 11) to repay $20.0 million on our First Lien Credit Facility (“February 2026 First Lien Paydown”). As part of the February 2026 First Lien Paydown, we recorded a loss on extinguishment of $0.1 million for the three months ended March 31, 2026. The interest rate under the amended First Lien Credit Facility is 2.00% per annum above the SOFR rate with a minimum base of 0.00%. The SOFR is adjusted each thirty-day period to the thirty-day SOFR rate. Interest under the First Lien Credit Facility is paid monthly in arrears. At September 30, 2026, the effective interest rate for the First Lien Credit Facility is 6.09%.

Principal on the First Lien Credit Facility is payable in 20 equal quarterly installments with the remaining balance to be paid on October 22, 2029. As of September 30, 2026, there are 12 payments remaining. The First Lien Credit Facility contains certain covenants which, among other things, restrict our ability to incur additional indebtedness. We were in compliance with such debt covenants as of September 30, 2026.

We had unamortized debt issuance costs of $6.9 million and $8.3 million as of September 30, 2026 and December 31, 2025, respectively.

In connection with the Revolving Credit Facility, unamortized debt issuance costs were $1.2 million and $1.7 million as of September 30, 2026 and December 31, 2025, respectively.

13. Derivative Financial Instruments

To mitigate the risk of an increase in interest rates on the First Lien Credit Facility, we entered into interest rate swaps on January 13, 2023, April 1, 2025 and April 9, 2025, along with an interest rate cap on October 1, 2025. We attempt to

minimize our interest risk exposure by fixing our rate through the utilization of interest rate swaps and caps, which are derivative instruments. The interest rate swaps and cap mitigate the exposure on the variable component of interest on our First Lien Credit Facility. The interest rate swaps result in the fixed interest rate shown in the tables below on the swapped portion of the First Lien Credit Facility. The interest rate cap shown in the tables below limits the maximum interest rate we will pay on the covered portion of the First Lien Credit Facility. Our swaps and cap are entered into with financial institutions that participate in the First Lien Credit Facility. By using a derivative instrument to hedge exposures to changes in interest rates, we expose ourselves to credit risk due to the possible failure of the counterparty to perform under the terms of the derivative contract.

As of September 30, 2026, we have the following interest rate swaps designated as hedging instruments:

Effective Dates	Floating Rate Debt	Fixed Rates
January 31, 2026 through March 31, 2027	$ 275.0 million	3.59 %
January 31, 2026 through March 31, 2027	$ 275.0 million	3.27 %

As of December 31, 2025, we have the following interest rate swap or cap agreements designated as hedging instruments:

Effective Dates	Floating Rate Debt	Fixed Rates
May 31, 2023 through January 31, 2026	$ 506.7 million	3.87 %
April 1, 2025 through January 30, 2026	$ 80.0 million	3.59 %
October 1, 2025 through April 30, 2026	$ 127.0 million	3.50 %
January 31, 2026 through March 31, 2027	$ 275.0 million	3.59 %
January 31, 2026 through March 31, 2027	$ 275.0 million	3.27 %

The gain or loss on the swaps or cap is recognized in accumulated other comprehensive income/(loss) and reclassified into earnings as adjustments to interest expense in the same period or periods during which the swaps or cap affect earnings. Gains or losses on the swaps or cap representing hedge components excluded from the assessment of effectiveness are recognized in current earnings.

The effect of derivative instruments designated as hedging instruments on the accompanying consolidated financial statements is as follows (in thousands):

Derivatives - Cash Flow Hedging Relationships	Amount of Gain or (Loss) Recognized in AOCI/AOCL on Derivative	Location of Gain or (Loss) Reclassified from AOCI/AOCL into Income	Amount of Gain or (Loss) Reclassified from AOCI/AOCL into Income	Total Interest Expense on Consolidated Statements of Operations
Interest rate swaps and cap:				
Three months Ended September 30, 2026	$ 81	Interest expense	$ 362	$ (19,297)
Three months Ended September 30, 2025	$ (135)	Interest expense	$ 736	$ (17,515)
Nine Months Ended September 30, 2026	$ 2,151	Interest expense	$ 820	$ (59,590)
Nine Months Ended September 30, 2025	$ (1,423)	Interest expense	$ 2,026	$ (54,670)

The net amount of accumulated other comprehensive income expected to be reclassified to interest expense, net in the next 12 months is $1.5 million.

14. Related Party Transactions

At September 30, 2026 and December 31, 2025, we had $76.3 million and $64.8 million, respectively, of outstanding debt as part of the First Lien Credit Facility from Bain Affiliated Funds and CPPIB Credit Investments III Inc., affiliates of Bain Capital, LP and Canada Pension Plan Investment Board (“Affiliated Debtholders”). Interest expense associated with and paid to Affiliated Debtholders was $1.1 million and $0.9 million for the three months ended September 30, 2026 and 2025, respectively, and $3.1 million and $2.5 million for the nine months ended September 30, 2026 and 2025, respectively.

Bain has an ownership interest in us and a significant interest in some clients for whom we provide software solutions. For the three months ended September 30, 2026 and 2025, we earned revenue of $0.8 million from four clients and $0.8 million from five clients, respectively. For the nine months ended September 30, 2026 and 2025, we earned revenue of $2.4 million from four clients and $1.9 million from five clients, respectively. Bain also has an ownership interest in us and a significant interest in some vendors that provide us with software solutions. For the three months ended September 30, 2026 and 2025, we expensed $0.9 million and $0.6 million, respectively, for software services from these vendors in cost of revenue expense. For the nine months ended September 30, 2026 and 2025, we expensed $2.4 million from three vendors and $1.8 million from two vendors, respectively, for software services from these vendors in cost of revenue expense.

Advent has an ownership interest in us and a significant interest in some clients for whom we provide software solutions. For the three months ended September 30, 2026, we earned $0.5 million from two clients. For the nine months ended September 30, 2026, we earned $1.5 million from two clients. Advent also has ownership in us and a significant interest in one vendor that provides us with software solutions. For the three months ended September 30, 2026, we expensed $0.1 million for software services from this vendor in cost of revenue expense. For the nine months ended September 30, 2026, we expensed $0.2 million for software services from this vendor in cost of revenue expense. Advent did not have an ownership interest in us during the three and nine months ended September 30, 2025.

15. Common and Preferred Stock

In connection with our initial public offering ("IPO"), our amended and restated certificate of incorporation became effective on June 10, 2024, which authorizes the issuance of 2,500,000,000 shares of common stock, par value $0.01 per share, and 100,000,000 shares of preferred stock, par value $0.01 per share. The shares of preferred stock have rights and preferences, including voting rights, designated from time to time by the Board of Directors. In connection with the amendment and restatement of our certificate of incorporation effective on the IPO date, the shares of Class A common stock were automatically reclassified as, and became, one share of common stock. There were 193,813,805 and 191,587,193 shares of common stock issued as of September 30, 2026 and December 31, 2025, respectively. There were 192,265,522 and 191,587,193 shares of common stock outstanding as of September 30, 2026 and December 31, 2025, respectively.

Stock Repurchase Plan

On May 19, 2026, we announced that our Board of Directors authorized a stock repurchase plan pursuant to which we may repurchase up to $200 million of our outstanding shares of common stock. Under the plan, we may repurchase shares from time to time through open market purchases, privately negotiated transactions, or by other means, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in accordance with applicable securities laws and other restrictions, including Rule 10b-18 under the Exchange Act. The timing, price, and size of repurchases will depend on a number of factors, including the market price of our common stock, our financial performance and liquidity, general economic and market conditions, and other considerations. The stock repurchase plan does not obligate us to acquire any particular amount of our common stock and may be suspended, modified, or discontinued at any time at our discretion. The repurchase plan will be funded using our working capital and is accounted for under the treasury stock (cost) method. Treasury shares are presented as a reduction to stockholders' equity.

The table below sets forth information regarding repurchase of shares under our stock repurchase plan (in thousands, except number of shares and per share data):

Waystar Holding Corp.
Notes to Unaudited Condensed Consolidated Financial Statements

	Three months ended September 30,	Nine months ended September 30,
	2026	2026
Total number of shares repurchased	889,222	1,548,283
Average price paid per share (1)	$ 23.31	$ 21.58
Amount repurchased (1)	$ 20,728	$ 33,407

(1) Amounts exclude commissions

16. Retirement Plans

We maintain qualified 401(k) plans which cover substantially all employees meeting certain eligibility requirements. Participants may contribute a portion of their compensation to the plans, up to the maximum amount permitted under Section 401(k) of the Internal Revenue Code. Under these plans, we contribute various percentages of employees' salaries to the plans. Total expenses included in operating expenses in the accompanying consolidated statement of operations related to the plans were $1.5 million and $1.3 million for the three months ended September 30, 2026 and 2025, respectively, and $4.9 million and $3.9 million for the nine months ended September 30, 2026 and 2025, respectively.

17. Stock-based Compensation

Equity incentive plans

On October 22, 2019, the Board of Directors approved the Waystar Holding Corp. 2019 Stock Incentive Plan ("2019 Waystar Holding Plan"). Under this plan, we can issue up to 9.9 million options or other equity awards. The granted awards contain service criteria, performance criteria, market conditions, or a combination thereof for vesting and have a 10-year contractual term. Options with a service condition generally vest over 5 years with 20% vesting in equal vesting installments. Options with a performance condition and a market condition vest based upon a change in control, initial public offering, or a sponsor distribution or deemed return if the investors have achieved specified levels of return on investment. In addition, as part of a change in control in 2019, 1.8 million fully vested rollover options remain outstanding.

The Board of Directors approved the Waystar Holding Corp. 2024 Equity Incentive Plan (the "2024 Equity Incentive Plan"), effective as of June 6, 2024, the date of pricing of our IPO. Under this plan, we can issue non-qualified stock options, incentive stock options, stock appreciation rights, restricted shares of our Common Stock, restricted stock units, performance-based stock units, and other equity-based awards tied to the value of our shares. Under this plan, we can issue up to 10 million options and other equity awards, subject to annual increases as outlined under the plan. The number of shares available to be issued automatically increases on the first day of each fiscal year beginning in 2025 by a number of shares equal to the lesser of the positive difference, if any, between 5% of the outstanding common stock on the last day of the immediately preceding fiscal year, minus the plan share reserve on the last day of the immediately preceding fiscal year or such lesser number of shares as may be determined by the Board of Directors. Options with a service condition generally vest over 5 years with 20% vesting in equal vesting installments. The restricted stock units ("RSUs") granted under the 2024 Equity Incentive Plan generally vest over service periods ranging from two to five years, subject to continued employment. Vesting terms vary by award and generally consist of annual or quarterly service-based vesting installments. The performance-based stock units ("PSUs") under the 2024 Equity Incentive Plan that include market-based conditions vest between 0% and 200% based on our total shareholder return ("TSR") relative to a designated peer group as defined in the respective agreement over a four-year performance period. PSUs under the 2024 Equity Incentive Plan that include performance-based conditions vest between 0% and 200% based on the probable outcome of achieving cumulative revenue and Adjusted EBITDA targets over a three-year performance period. As of September 30, 2026, 3.0 million shares were available for future grants under this plan.

The Board of Directors approved the Waystar Holding Corp. 2024 Employee Stock Purchase Plan (the "ESPP"), effective as of June 6, 2024, the date of pricing of our IPO. A total of 3,250,000 shares of common stock are initially reserved for the ESPP. The number of shares available to be issued for the ESPP will automatically increase each fiscal year beginning in 2025 by a number of shares equal to the lesser of the positive difference, if any, between 1% of the outstanding common stock on the last day of the immediately preceding fiscal year and the number of shares of common stock available for the issuance of shares pursuant to the plan on the last day of the immediately preceding fiscal year or such lesser number of

shares as may be determined by the Board of Directors. The number of shares available to be issued for the ESPP will not exceed 27,000,000 as outlined in the plan agreement. Our employees contribute funds via payroll deductions during the offering periods, which are used to buy shares of our common stock at a discount of up to 15% of the purchase price at the purchase date. Offerings to purchase shares are granted twice annually on or about June 30 and December 31. During the three months ended September 30, 2026 and 2025, 69,000 and 37,323 shares of our common stock were issued as part of the ESPP, respectively. During the nine months ended September 30, 2026 and 2025, 120,221 and 37,323 shares of our common stock were issued as part of the ESPP, respectively. For the three months ended September 30, 2026 and 2025, expense of $0.1 million and $0.1 million, respectively, and for the nine months ended September 30, 2026 and 2025, expense of $0.3 million and $0.4 million, respectively, has been recorded, which represents the 15% discount given to the employees under the ESPP.

Stock Options

We utilize the Black-Scholes option pricing model to estimate the fair value of the service condition options under all plans and the Monte Carlo pricing model to estimate the fair value of the performance condition options under the 2019 Waystar Holding Plan. We value both types of options at the grant date using the following assumptions:

- Risk-free interest rate—reflects the average rate on the United States Treasury bond with maturity equal to the expected term of the option;
- Expected dividend yield—as we do not currently pay dividends or expect to pay dividends in the near future, the expected dividend yield is zero;
- Expected term of stock award – under the 2024 Equity Incentive Plan, we utilized the simplified method due to the lack of historical experience for Waystar. The simplified method calculates the expected term as the mid-point between the vesting date and the contractual expiration date of the award. Under the 2019 Waystar Holding Plan, it is based on historical experience that is modified based on expected future changes; and
- Expected volatility in stock price—reflects the historical volatility of comparable public companies over the expected term of the stock option.

No options were granted during the three and nine months ended September 30, 2026. The weighted average grant date fair value of options granted during both the three and nine months ended September 30, 2025 was $18.69. As of September 30, 2026, we had 5.9 million fully vested options with a weighted average exercise price of $16.47 per share, an aggregate intrinsic value of $60.9 million and an average remaining contractual term of 3.7 years. The total fair value of options vested for the three months ended September 30, 2026 and 2025 was $1.8 million and $2.9 million, respectively and $12.8 million and $16.5 million for the nine months ended September 30, 2026 and 2025, respectively.

Information pertaining to option activity under all plans (including rollover options) during the nine months ended September 30, 2026 and 2025 is as follows:

	Number of options	Weighted average exercise price per share	Weighted average remaining contractual life
Outstanding December 31, 2025	13,992,173	$ 18.71	5.1
Granted	—	—	
Exercised	(1,442,608)	14.70	
Forfeited	(2,128,830)	22.37	
Outstanding September 30, 2026	10,420,735	$ 18.52	4.3

Waystar Holding Corp.
Notes to Unaudited Condensed Consolidated Financial Statements

	Number of options	Weighted average exercise price per share	Weighted average remaining contractual life
Outstanding December 31, 2024	16,511,128	$ 17.57	5.8
Granted	132,065	36.94	
Exercised	(2,061,626)	10.14	
Forfeited	(121,202)	29.75	
Outstanding September 30, 2025	14,460,365	$ 18.71	5.2

The following is a summary of the significant assumptions used in estimating the fair value of options granted during the three and nine months ended September 30, 2026 and 2025:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Risk free interest rate	N/A	N/A	N/A	3.95 %
Expected dividend yield	N/A	N/A	N/A	0 %
Expected term of stock award	N/A	N/A	N/A	6.2
Expected volatility in stock price	N/A	N/A	N/A	46.24 %

The aggregate intrinsic value of options exercised (the difference between the fair market value of our stock on the date of exercise and the exercise price) was approximately $10.9 million and $12.8 million for the three months ended September 30, 2026 and 2025, respectively, and $12.9 million and $61.7 million for the nine months ended September 30, 2026 and 2025, respectively.

We expect to incur compensation expense of approximately $17.7 million over a weighted average of 2.2 years for all unvested time-based option awards outstanding on September 30, 2026.

RSUs

The RSUs granted on June 10, 2024 in conjunction with the IPO were valued at the IPO price. Subsequent RSU grants have been valued using our common stock price as of the grant date based on the publicly traded value per NASDAQ, and are expensed on a straight-line basis over the applicable vesting period. All vesting is contingent on continued service.

The following table summarizes RSU activity during the nine months ended September 30, 2026 and 2025.

	Number of shares	Weighted average grant date fair value
Outstanding December 31, 2025	4,220,158	$ 31.65
Granted	6,300,325	22.56
Vested	(663,783)	29.09
Forfeited	(1,773,548)	31.50
Outstanding September 30, 2026	8,083,152	$ 24.81

Waystar Holding Corp.
Notes to Unaudited Condensed Consolidated Financial Statements

	Number of shares	Weighted average grant date fair value
Outstanding December 31, 2024	2,089,241	$ 21.91
Granted	2,323,495	37.34
Vested	(460,362)	21.50
Forfeited	(55,819)	27.40
Outstanding September 30, 2025	3,896,555	$ 31.08

We expect to incur compensation expense of $173.8 million over a weighted average of 2.6 years for all unvested RSUs outstanding on September 30, 2026.

PSUs

We utilize the Monte Carlo pricing model to estimate the fair value of the market-based condition PSUs at the grant date under the 2024 Equity Incentive Plan. The Monte Carlo model incorporates assumptions regarding expected volatility, correlation between performance of our stock price and that of publicly traded peer companies, expected dividend yields and the risk-free interest rate. The Monte Carlo pricing model simulates potential future stock price paths yielding a grant date fair value that reflects the likelihood of varying outcomes. These awards are expensed on a straight-line basis over the applicable vesting period utilizing the fair value at the grant date. There were no market-based condition PSUs granted during the three and nine months ended September 30, 2026.

The following is a summary of the significant assumptions used in estimating the fair value of PSUs granted during the three and nine months ended September 30, 2025.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Risk free interest rate	N/A	N/A	N/A	3.92 %
Expected dividend yield	N/A	N/A	N/A	0%
Expected term of stock award	N/A	N/A	N/A	4.0
Expected volatility in stock price	N/A	N/A	N/A	40.00 %

For PSUs granted with performance-based conditions, they have been valued using our common stock price as of the grant date. The number of shares to be issued ranges from 0% to 200% based on the achievement of certain cumulative revenue and Adjusted EBITDA targets. Expense is recognized over the three-year vesting period based on the probable achievement of these targets at the end of the three-year performance period, as outlined in the agreement. If the targets are not met, no expense is recognized, and any previously recognized expense is reversed.

The following table summarizes PSU activity during the nine months ended September 30, 2026 and 2025.

	Number of shares	Weighted average grant date fair value
Outstanding December 31, 2025	396,197	$ 61.67
Granted	1,696,548	24.65
Vested	—	—
Forfeited	(272,064)	25.56
Outstanding September 30, 2026	1,820,681	$ 32.57

	Number of shares	Weighted average grant date fair value
Outstanding December 31, 2024	—	$ —
Granted	396,197	61.67
Vested	—	—
Forfeited	—	—
Outstanding September 30, 2025	396,197	$ 61.67

We expect to incur compensation expense of $42.5 million over a weighted average of 2.3 years for all unvested PSUs outstanding on September 30, 2026.

Stock-based Compensation

We recorded stock-based compensation expense of $24.4 million and $11.6 million for the three months ended September 30, 2026 and 2025, respectively, and $49.7 million and $29.9 million for the nine months ended September 30, 2026 and 2025, respectively.

Stock-based compensation expense was recorded in the following cost and expense categories in the consolidated statements of operations:

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Cost of revenue	$ 1,072	$ 418	$ 2,101	$ 1,064
General and administrative	18,182	7,218	36,499	18,418
Sales and marketing	2,520	2,392	4,867	6,198
Research and development	2,668	1,569	6,224	4,191
Total	$ 24,442	$ 11,597	$ 49,691	$ 29,871

18. Other Accrued Expenses

Other accrued expenses consist of the following (in thousands):

	September 30, 2026	December 31, 2025
Accrued income taxes	$ 22,849	$ 4,957
Other taxes payable	3,027	2,882
Accrued severance	1,212	920
Retirement plan payable	22	307
Accrued self-insurance claims	2,037	1,160
Accrued interest	392	655
ESPP payable	764	1,721
Other	7,717	10,388
Total	$ 38,020	$ 22,990

Waystar Holding Corp.
Notes to Unaudited Condensed Consolidated Financial Statements

19. Income Per Share

A reconciliation of the numerators and the denominators of the basic and diluted per share computations are as follows (in thousands, except for share and per share data):

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Basic income per share:				
Net income	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Net income attributable to common shares	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Weighted average common stock outstanding	191,938,402	174,352,079	191,825,646	173,388,077
Basic weighted average common stock outstanding	191,938,402	174,352,079	191,825,646	173,388,077
Basic income per share	$ 0.16	$ 0.18	$ 0.60	$ 0.53
Diluted income per share:				
Net income	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Net income attributable to common shares	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Dilutive effect of stock options	3,052,951	6,048,579	3,317,108	6,736,352
Dilutive effect of RSUs	919,065	836,036	599,442	1,040,196
Dilutive effect of ESPP	2,724	3,339	908	1,113
Diluted weighted average common stock outstanding	195,913,142	181,240,033	195,743,104	181,165,738
Diluted income per share	$ 0.16	$ 0.17	$ 0.59	$ 0.51

Because of their anti-dilutive effect, 6,165,439 and 1,652,397 common share equivalents comprised of stock options, RSUs and PSUs have been excluded from the diluted earnings per share calculation for the three months ended September 30, 2026 and 2025, respectively. Because of their anti-dilutive effect, 7,569,167 and 1,305,855 common share equivalents comprised of stock options, RSUs and PSUs have been excluded from the diluted earnings per share calculation for the nine months ended September 30, 2026 and 2025, respectively.

20. Commitments and Contingencies

We may be subject to legal proceedings, claims, asserted or unasserted, and litigation arising in the ordinary course of business. We do not, however, currently expect that the ultimate costs to resolve any pending matter will have a material effect on our consolidated financial position, results of operations, or cash flows.

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

The following discussion and analysis of the financial condition and results of operations of Waystar Holding Corp. ("Waystar", the "Company", "we", "us", and "our") should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes included elsewhere in this Form 10-Q, and the consolidated financial statements and related notes included in the 2025 Form 10-K. In addition to historical information, this discussion and analysis contains forward-looking statements based on current expectations that involve risks, uncertainties, and other factors outside our control, as well as assumptions, such as our plans, objectives, expectations, and intentions. Our actual results may differ materially from those expressed or implied in the forward-looking statements as a result of various factors, including those described under the sections entitled "Cautionary Statement Regarding Forward-Looking Statements" above and "Risk Factors" in the 2025 Form 10-K and our other filings with the SEC.

Overview

Waystar provides healthcare organizations with mission-critical AI-powered software that simplifies healthcare payments for providers across the continuum of care. Our enterprise-grade platform streamlines the complex and disparate processes our healthcare providers must manage to ensure accurate reimbursement and improves the payments experience for providers, patients, and payers. We leverage AI as well as proprietary, advanced algorithms to automate payment-related workflow tasks and drive continuous improvement, which enhances claim and billing accuracy, strengthens data integrity, and reduces labor costs for providers.

Our software is used daily by providers of all types and sizes across the continuum of care, including physician practices, clinics, surgical centers, and laboratories, as well as large hospitals and health systems. We currently serve over 30,000 clients of various sizes, representing approximately 1.5 million distinct providers practicing across a variety of care sites, including 16 of the top 20 U.S. News Best Hospitals. Our business model aligns with our clients' growth; as they serve more patients, claims and transaction volumes increase, driving corresponding growth in our business. In addition, our clients frequently adopt a greater number of our solutions over time and introduce our solutions across new sites of care. In 2025, we facilitated over 8.5 billion healthcare payment transactions, including over $3.0 trillion in gross claims volume spanning approximately 60% of patients and one-in-three hospital discharges in the United States.

Our platform benefits from powerful network effects. Our cloud-based software is driven by a sophisticated, automated, and AI-powered engine to generate and incorporate real-time feedback from millions of network transactions processed through our platform each day. Every transaction we process provides additional data insights across providers, patients, and payers, which are embedded in updates that are deployed efficiently across our platform. This results in cumulative benefits to us over time. As we capture more data from each transaction we process, we leverage those insights to continuously improve the platform through Waystar AltitudeAI, our proprietary AI engine. Waystar AltitudeAI utilizes a multi-model approach that incorporates machine learning, large language models, and generative and agentic AI to automate complex workflows and deliver added value to our clients. In turn, the more value we create for our clients, the more likely it is that they will continue to use our products, allowing us to continue to capture more data that results in tangible improvements to our platform. As a result, our clients benefit from faster and more efficient performance from software that is evolving to meet ever-changing regulatory and payer requirements, enabling accurate and timely reimbursement.

We have demonstrated an ability to drive recurring, predictable, and profitable growth. Over 99% of our revenue is either recurring subscription or based on highly predictable volumes. For the 12 months ended September 30, 2026, our Net Revenue Retention Rate was 107.6%, and we have 1,488 clients as of September 30, 2026 generating over $100,000 over the same 12-month period. For the nine months ended September 30, 2026, we generated revenue of $959.2 million (reflecting a 20.5% increase compared to revenue of $795.7 million for the same period in the prior year), net income of $115.2 million (reflecting a 25.1% increase compared to net income of $92.1 million for the same period in the prior year), and Adjusted EBITDA of $411.4 million (reflecting a 23.6% increase compared to Adjusted EBITDA of $333.0 million for the same period in the prior year).

Secondary Offering

On February 24, 2025, the Institutional Investors closed an underwritten public offering of23,000,000 shares of our common stock (inclusive of the underwriters' option to purchase additional shares) (the "First Secondary Offering"). On May 15, 2025, the Institutional Investors closed another underwritten public offering of 14,375,000 shares of our common stock (inclusive of the underwriters' option to purchase additional shares) (the "Second Secondary Offering").

Additionally, on September 10, 2025, the Institutional Investors closed another underwritten public offering of 18,000,000 shares of our common stock (the "Third Secondary Offering"). We did not sell any shares in these offerings or receive any proceeds from these offerings. Pursuant to the terms of the Amended and Restated Registration Rights Agreement, dated as of June 10, 2024, by and among Waystar, the Institutional Investors, and certain other parties thereto, we paid $1.4 million and $4.6 million in certain expenses on behalf of the selling stockholders related to these offerings for the three and nine months ended September 30, 2025, while the selling stockholders paid all applicable underwriting discounts and commissions.

Iodine Acquisition

On July 23, 2025, we entered into an Agreement and Plan of Merger (the "Merger Agreement") to acquire Iodine through a series of mergers. Iodine is a trusted leader in AI-powered clinical intelligence, enhancing clinical documentation and accuracy, streamlining utilization management, and preventing revenue leakage before billing. This strategic move is expected to bolster our AI leadership, automate manual work, and improve financial performance for providers. The acquisition was completed on October 1, 2025 for a total purchase price of $1.26 billion. The consideration paid was approximately $638.9 million in cash consideration and 16,639,920 shares of common stock having a value of $37.31 per share, and certain adjustments as outlined in the Merger Agreement.

Significant Items Affecting Comparability

We believe that the future growth and profitability of our business, and the comparability of our results from period to period, depend on numerous factors, including the following:

Our Ability to Expand our Relationship with Existing Clients

As our clients grow their businesses and provide more services and see more patients, our volume-based revenues also increase. In addition, our growth in revenues also depends on our ability to sell more products and solutions to existing clients, including through cross-selling as our clients adopt additional Waystar offerings as well as up-selling as our clients leverage our solutions across additional providers and sites of care.

Our Ability to Grow our Client Base

We are focused on continuing to grow our client base, which will depend in part on our ability to continue to maintain our product leadership, invest in our research and development team, and maintain our reputation and brand.

Timing and Number of Acquisitions

Since 2018, we have completed and successfully integrated 10 acquisitions, one of which was Iodine that closed in the fourth quarter of 2025. The historical results of operations of our acquisitions are only included starting from the date of closing of such acquisition. As a result, our consolidated statements of operations for any given period during which an acquisition closed may not be comparable to future periods, which would include the results of operations of such acquisition for the entirety of such future period.

Components of Results of Operations

Revenue

We primarily generate two types of revenue: (i) subscription revenue and (ii) volume-based revenue, which account for 99% of total revenue for all periods presented. We believe we have high visibility into our volume-based and subscription revenue from existing clients. We refer to the solutions our clients use to better process and understand their payment workflows from payers as provider solutions, and we refer to the products that assist healthcare providers in collecting payments from patients as patient payments solutions. We expect provider solutions will continue to generate the substantial majority of our total revenue, although the revenue mix attributable to patient payments solutions is expected to increase slightly over time.

- *Subscription revenue*. Reflects recurring monthly provider count fees and minimum amounts owed. The vast majority of subscription revenue is generated by provider solutions, which constituted approximately 75% of total revenue in each of the three and nine months ended September 30, 2026 and 2025.

- *Volume-based revenue*. Represents recurring fees associated with transaction count or dollar volumes in excess of minimums. Generally, approximately half of our volume-based revenue is generated from provider solutions that are based on transaction count, with the other half from patient payments solutions that are based on either dollar volumes or transaction count.

We also derive revenue from implementation fees for our software, as well as hardware sales to facilitate patient payments. Our implementation fees are billed upfront and the revenue is recognized ratably over the contractual term.

Cost of Revenue (Exclusive of Depreciation and Amortization)

Cost of revenue includes salaries, stock-based compensation, and benefits ("personnel costs") for our team members who are focused on implementation, support, and other client-focused operations, as well as team members focused on enhancing and developing our platform. Cost of revenue also includes costs for third-party technology such as interchange fees and infrastructure related to the operations of our platform, including communicating and processing patient payments, and services to support the delivery of our solutions. Third-party costs for patient payments solutions are approximately 60% of the revenue generated from these solutions, while third-party costs for provider solutions are approximately 6% to 7% of the associated revenue, in each case, for each of the three and nine months ended September 30, 2026 and 2025.

Sales and Marketing

Sales and marketing costs consist primarily of personnel costs, internal sales commissions, channel partner fees, travel, and advertising costs.

General and Administrative

General and administrative expenses consist of personnel costs incurred in our corporate service functions such as finance expenses, legal, human resources, and information technology, as well as other professional service costs.

Research and Development

Research and development costs consist primarily of personnel costs for team members engaged in research and development activities as well as third-party fees. All such costs are expensed as incurred, except for capitalized software development costs.

Depreciation and Amortization

Depreciation and amortization consists of the depreciation of property and equipment and amortization of certain intangible assets, including capitalized software.

Other Expense

Other expense consists primarily of interest expense and related-party interest expense, inclusive of the impact of interest rate swaps and net of interest income.

Income Tax Expense

Income tax expense includes current income tax and income tax credits from deferred taxes. Income tax expense is recognized in profit and loss except to the extent that it relates to items recognized in equity or other comprehensive income, in which case the income tax expense is also recognized in equity or other comprehensive income.

Results of Operations for the Three Months Ended September 30, 2026 and 2025

The following table provides consolidated operating results for the periods indicated and percentage of revenue for each line item:

	Three months ended September 30,					
	2026		2025		Change	
($ in thousands)	($)	(%)	($)	(%)	($)	(%)
Revenue	$ 325,624	100.0 %	$ 268,651	100.0 %	$ 56,973	21.2 %
Operating expenses						
Cost of revenue (exclusive of depreciation and amortization)	99,202	30.5 %	85,136	31.7 %	14,066	16.5 %
Sales and marketing	51,998	16.0 %	45,158	16.8 %	6,840	15.1 %
General and administrative	51,393	15.8 %	32,422	12.1 %	18,971	58.5 %
Research and development	20,299	6.2 %	12,403	4.6 %	7,896	63.7 %
Depreciation and amortization	41,466	12.7 %	33,300	12.4 %	8,166	24.5 %
Total operating expenses	264,358	81.2 %	208,419	77.6 %	55,939	26.8 %
Income from operations	61,266	18.8 %	60,232	22.4 %	1,034	1.7 %
Other expense						
Interest expense, net	(18,182)	(5.6)%	(16,613)	(6.2)%	(1,569)	9.4 %
Related party interest expense	(1,115)	(0.3)%	(902)	(0.3)%	(213)	23.6 %
Income before income taxes	41,969	12.9 %	42,717	15.9 %	(748)	(1.8) %
Income tax expense	10,944	3.4 %	12,069	4.5 %	(1,125)	(9.3%)
Net income	$ 31,025	9.5 %	$ 30,648	11.4 %	$ 377	1.2 %

Revenue

	Three months ended September 30,							
	2026			2025			Change	
($ in thousands)	Solution type		($)	Solution type		($)	($)	(%)
Revenue	Patient	Provider	Total	Patient	Provider	Total		
Subscription revenue	$ 3,454	$ 177,272	$ 180,726	$ 3,515	$ 130,935	$ 134,450	$ 46,276	34.4 %
Volume-based revenue	77,704	65,156	142,860	73,671	58,671	132,342	10,518	7.9 %
Service and other revenue	1,079	959	2,038	964	895	1,859	179	9.6 %
Total Revenue	$ 82,237	$ 243,387	$ 325,624	$ 78,150	$ 190,501	$ 268,651	$ 56,973	21.2 %

Revenue was $325.6 million for the three months ended September 30, 2026 as compared to $268.7 million for the three months ended September 30, 2025, an increase of $57.0 million, or 21.2%, of which $46.3 million was attributed to subscription revenue from existing and acquired clients, almost all of which was generated by provider solutions. Another $10.5 million of the increase was attributed to volume-based revenue primarily related to the expansion of existing client usage, of which $4.0 million was generated by patient payments solutions and $6.5 million by provider solutions.

Cost of Revenue (Exclusive of Depreciation and Amortization)

Cost of revenue (exclusive of depreciation and amortization) was $99.2 million for the three months ended September 30, 2026 as compared to $85.1 million for the three months ended September 30, 2025, an increase of $14.1 million, or 16.5%. The increase was primarily driven by $8.1 million in increased costs stemming from higher transaction volumes and associated third-party costs, including higher platform usage of which approximately $7.4 million was third-party costs associated with provider solutions and $0.7 million from third-party costs associated with patient payments solutions. Additionally, there was $3.5 million of increased personnel costs, net of capitalized expense.

Sales and Marketing

Sales and marketing expense was $52.0 million for the three months ended September 30, 2026 as compared to $45.2 million for the three months ended September 30, 2025, an increase of $6.8 million, or 15.1%. The increase was primarily driven by an increase in channel partner fees and amortization of the internal commission deferred contract costs asset of $3.7 million and increased personnel costs of $2.1 million.

General and Administrative

General and administrative expense was $51.4 million for the three months ended September 30, 2026 as compared to $32.4 million for the three months ended September 30, 2025, an increase of $19.0 million, or 58.5%. The increase was primarily due to an increase in stock-based compensation expense of $11.0 million, as well as increased personnel costs of $3.1 million and increased third party professional fees of $2.9 million.

Research and Development

Research and development expense was $20.3 million for the three months ended September 30, 2026 as compared to $12.4 million for the three months ended September 30, 2025, an increase of $7.9 million, or 63.7%. The increase was primarily due to increased personnel costs, net of capitalized expenses, of $4.8 million, as well as an increase in stock-based compensation expense of $1.1 million.

Depreciation and Amortization

Depreciation and amortization expense was $41.5 million for the three months ended September 30, 2026, as compared to $33.3 million for the three months ended September 30, 2025, an increase of $8.2 million, or 24.5%. The increase was primarily due to additional amortization from new Iodine intangible assets acquired on October 1, 2025.

Interest Expense, net

Total interest expense, net (including related party interest expense) was $19.3 million for the three months ended September 30, 2026 as compared to $17.5 million for the three months ended September 30, 2025, an increase of $1.8 million, or 10.2%. The slight increase was primarily driven by the additional balance borrowed under our First Lien Credit Facility to help fund the Iodine acquisition completed on October 1, 2025, resulting in an increase to the corresponding interest expense. This increase was partially offset by interest earned on our investment securities.

Income Tax Expense

Income tax expense was $10.9 million for the three months ended September 30, 2026, as compared to income tax expense of $12.1 million for the three months ended September 30, 2025, a decrease of $1.1 million.The slight decrease was driven by the impact of certain limitations on the deductibility on stock-based compensation recognized for financial reporting purposes during the three months ended September 30, 2025.

Results of Operations for the Nine Months Ended September 30, 2026 and 2025

The following table provides consolidated operating results for the periods indicated and percentage of revenue for each line item:

	Nine months ended September 30,					
	2026		2025		Change	
($ in thousands)	($)	(%)	($)	(%)	($)	(%)
Revenue	$ 959,172	100.0 %	$ 795,740	100.0 %	$ 163,432	20.5 %
Operating expenses						
Cost of revenue (exclusive of depreciation and amortization)	293,923	30.6 %	255,525	32.1 %	38,398	15.0 %
Sales and marketing	148,207	15.5 %	128,805	16.2 %	19,402	15.1 %
General and administrative	118,495	12.4 %	84,914	10.7 %	33,581	39.5 %
Research and development	56,390	5.9 %	36,103	4.5 %	20,287	56.2 %
Depreciation and amortization	124,384	13.0 %	100,106	12.6 %	24,278	24.3 %
Total operating expenses	741,399	77.3 %	605,453	76.1 %	135,946	22.5 %
Income from operations	217,773	22.7 %	190,287	23.9 %	27,486	14.4 %
Other expense						
Interest expense, net	(56,531)	(5.9)%	(52,195)	(6.6)%	(4,336)	8.3 %
Related party interest expense	(3,059)	(0.3)%	(2,475)	(0.3)%	(584)	23.6 %
Income before income taxes	158,183	16.5 %	135,617	17.0 %	22,566	16.6 %
Income tax expense	43,008	4.5 %	43,516	5.5 %	(508)	(1.2)%
Net income	$ 115,175	12.0 %	$ 92,101	11.6 %	$ 23,074	25.1 %

Revenue

	Nine months ended September 30,							
	2026			2025			Change	
($ in thousands)	Solution type		($)	Solution type		($)	($)	(%)
Revenue	Patient	Provider	Total	Patient	Provider	Total		
Subscription revenue	$ 10,347	$ 518,835	$ 529,182	$ 10,087	$ 380,512	$ 390,599	$ 138,583	35.5 %
Volume-based revenue	240,681	183,789	424,470	227,549	173,002	400,551	23,919	6.0 %
Service and other revenue	2,692	2,828	5,520	2,063	2,527	4,590	930	20.3 %
Total Revenue	$ 253,720	$ 705,452	$ 959,172	$ 239,699	$ 556,041	$ 795,740	$ 163,432	20.5 %

Revenue was $959.2 million for the nine months ended September 30, 2026 as compared to $795.7 million for the nine months ended September 30, 2025, an increase of $163.4 million, or 20.5%, of which $138.6 million was attributed to increased subscription revenue from existing and acquired clients, almost all of which is generated by provider solutions. Another $23.9 million of the increase was attributed to increased volume-based revenue, primarily related to the expansion of existing client usage, of which $10.8 million of the volume-based increase was generated by provider solutions and $13.1 million by patient payments solutions.

Cost of Revenue (Exclusive of Depreciation and Amortization)

Cost of revenue (exclusive of depreciation and amortization) was $293.9 million for the nine months ended September 30, 2026 as compared to $255.5 million for the nine months ended September 30, 2025, an increase of $38.4 million, or 15.0%. The increase was driven by $19.8 million in increased costs stemming from higher transaction volume and associated third-party costs, including higher platform usage, of which approximately $17.7 million was from third-party costs associated with provider solutions and $2.1 million was from third-party costs associated with patient payments solutions. Additionally, there was a $12.3 million increase in personnel costs, net of capitalized expenses.

Sales and Marketing

Sales and marketing expense was $148.2 million for the nine months ended September 30, 2026 as compared to $128.8 million for the nine months ended September 30, 2025, an increase of $19.4 million, or 15.1%. The increase was primarily driven by an increase in channel partner fees and amortization of the internal commission deferred contract costs asset totaling $10.9 million associated with revenue growth, as well as increased personnel costs of $8.0 million.

General and Administrative

General and administrative expense was $118.5 million for the nine months ended September 30, 2026 as compared to $84.9 million for the nine months ended September 30, 2025, an increase of $33.6 million, or 39.5%. The increase was primarily due to an increase in stock-based compensation expense of $18.1 million, as well as increased personnel costs of $6.1 million and increased third party professional fees of $2.0 million. Lastly, impairment expense related to a right-of-use asset and leasehold improvements at an office we plan to exit (see Note 7) drove a $2.0 million increase.

Research and Development

Research and development expense was $56.4 million for the nine months ended September 30, 2026 as compared to $36.1 million for the nine months ended September 30, 2025, an increase of $20.3 million, or 56.2%. The increase was primarily driven by increased personnel costs, net of capitalized expenses, of $12.8 million, as well as increased stock-based compensation expense of $2.0 million. Lastly, there was an increase of software license expense of $2.2 million.

Depreciation and Amortization

Depreciation and amortization expense was $124.4 million for the nine months ended September 30, 2026, as compared to $100.1 million for the nine months ended September 30, 2025, an increase of $24.3 million, or 24.3%. The increase was primarily due to additional amortization from new Iodine intangible assets acquired on October 1, 2025.

Interest Expense, net

Total interest expense, net (including related party interest expense) was $59.6 million for the nine months ended September 30, 2026 as compared to $54.7 million for the nine months ended September 30, 2025, an increase of $4.9 million, or 9.0%. The increase was primarily driven by the additional balance borrowed on our First Lien Credit Facility to help fund the Iodine acquisition completed on October 1, 2025, resulting in an increase to the corresponding interest expense. This increase was partially offset by interest earned on our investment securities.

Income Tax Expense

Income tax expense of $43.0 million for the nine months ended September 30, 2026 was relatively flat compared to income tax expense of $43.5 million for the nine months ended September 30, 2025, a decrease of $0.5 million.

Non-GAAP Financial Measures

We present adjusted EBITDA, adjusted EBITDA margin, non-GAAP net income, and non-GAAP net income per share as supplemental measures of financial performance that are not required by, or presented in accordance with, GAAP. We believe they assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. Management believes these non-GAAP financial measures are useful to investors in highlighting trends in our operating performance, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate, and capital investments. Management uses these non-GAAP financial measures to make budgeting decisions, to establish discretionary annual incentive compensation, and to compare our performance against that of other peer companies using similar measures. Management supplements GAAP results with non-GAAP financial measures to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone provide.

Adjusted EBITDA, adjusted EBITDA margin, non-GAAP net income, and non-GAAP net income per share are not recognized terms under GAAP and should not be considered as an alternative to net income, net income per share, or net income margin as measures of financial performance or cash provided by operating activities as a measure of liquidity, or

any other performance measure derived in accordance with GAAP. Additionally, these measures are not intended to be a measure of free cash flow available for management's discretionary use, as they do not consider certain cash requirements such as interest payments, tax payments, and debt service requirements. The presentations of these measures have limitations as analytical tools and should not be considered in isolation, or as a substitute for analysis of our results as reported under GAAP. Because not all companies use identical calculations, the presentations of these measures may not be comparable to other similarly titled measures of other companies and can differ significantly from company to company. A reconciliation is provided below for our non-GAAP financial measures to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the related GAAP financial measures and the reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business.

Adjusted EBITDA and Adjusted EBITDA Margin

We define adjusted EBITDA as net income before interest expense, net, income tax expense, depreciation and amortization, and as further adjusted for stock-based compensation expense, acquisition, integration and transaction costs, asset and lease impairments, costs related to amended debt agreements, costs related to our IPO and the Secondary Offerings, and costs related to other unusual, non-recurring or otherwise notable items. Adjusted EBITDA margin represents adjusted EBITDA as a percentage of revenue.

The following table presents a reconciliation of net income to adjusted EBITDA and net income margin to adjusted EBITDA margin for the three and nine months ended September 30, 2026 and 2025:

	Three months ended September 30,		Nine months ended September 30,	
($ in thousands)	**2026**	**2025**	**2026**	**2025**
Net income	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Interest expense, net	19,297	17,515	59,590	54,670
Income tax expense	10,944	12,069	43,008	43,516
Depreciation and amortization	41,466	33,300	124,384	100,106
Stock-based compensation expense	24,442	11,597	49,691	29,871
Acquisition, integration and transaction costs	9,629	5,313	13,236	6,197
Asset and lease impairments	—	—	1,990	—
Other (a)	2,499	2,261	4,356	6,540
Adjusted EBITDA	$ 139,302	$ 112,703	$ 411,430	$ 333,001
Revenue	$ 325,624	$ 268,651	$ 959,172	$ 795,740
Net income margin	9.5 %	11.4 %	12.0 %	11.6 %
Adjusted EBITDA margin	42.8 %	42.0 %	42.9 %	41.8 %

(a) For the three and nine months ended September 30, 2026, adjustments related to costs for the cybersecurity incident (see Item 1A below) totaling $1.4 million and $3.0 million, respectively, and executive severance totaling $1.1 million and $1.1 million, respectively. For the three and nine months ended September 30, 2025, adjustments related to secondary offering costs of $1.4 million and $4.6 million, respectively; costs related to amended debt agreements totaling $0.6 million; additional lease costs due to the relocation of our Louisville office totaling $0.2 million and $0.7 million, respectively, and executive severance totaling $0.0 million and $0.6 million, respectively.

Non-GAAP Net Income and Non-GAAP Net Income Per Share

We define non-GAAP net income as GAAP net income excluding the impact of stock-based compensation, acquisition, integration and transaction costs, asset and lease impairments, costs related to our IPO and the Secondary Offerings, costs related to amended debt agreements and amortization of intangibles, and costs related to other unusual, non-recurring or otherwise notable items. The tax effects of the adjustments are calculated using a management estimated annual effective non-GAAP tax rate of 21%, which is based on our statutory federal tax rate and provides consistency across interim reporting periods by eliminating the effects of non-recurring and period specific items. Due to the differences in the tax treatment of items excluded from non-GAAP net income, our estimated tax rate on non-GAAP net income may differ from our GAAP tax rate.

Non-GAAP net income per share is shown on both a basic and diluted basis and is defined as non-GAAP net income divided by the basic or diluted weighted-average shares, respectively.

The following table presents a reconciliation of net income to non-GAAP net income and non-GAAP net income per share for the three and nine months ended September 30, 2026 and 2025:

	Three months ended September 30,		Nine months ended September 30,	
($ in thousands)	**2026**	**2025**	**2026**	**2025**
Net income	$ 31,025	$ 30,648	$ 115,175	$ 92,101
Stock-based compensation	24,442	11,597	49,691	29,871
Acquisition, integration and transaction costs	9,629	5,313	13,236	6,197
Asset and lease impairments	—	—	1,990	—
Other (a)	2,499	2,261	4,356	6,540
Intangible amortization	34,474	27,851	103,421	84,081
Tax effect of adjustments	(14,919)	(9,875)	(36,266)	(26,605)
Non-GAAP net income	$ 87,150	$ 67,795	$ 251,603	$ 192,185
Non-GAAP net income per share:				
Basic	$ 0.45	$ 0.39	$ 1.31	$ 1.11
Diluted	$ 0.44	$ 0.37	$ 1.29	$ 1.06
Weighted-average shares outstanding:				
Basic	191,938,402	174,352,079	191,825,646	173,388,077
Diluted	195,913,142	181,240,033	195,743,104	181,165,738

(a) For the three and nine months ended September 30, 2026, adjustments related to costs for the cybersecurity incident (see Item 1A below) totaling $1.4 million and $3.0 million, respectively, and executive severance totaling $1.1 million and $1.1 million, respectively. For the three and nine months ended September 30, 2025, adjustments related to secondary offering costs of $1.4 million and $4.6 million, respectively; costs related to amended debt agreements totaling $0.6 million; additional lease costs due to the relocation of our Louisville office totaling $0.2 million and $0.7 million, respectively, and executive severance totaling $0.0 million and $0.6 million, respectively.

Key Performance Metrics

Net Revenue Retention Rate

We also regularly monitor and review our Net Revenue Retention Rate.

The following table presents our Net Revenue Retention Rate for September 30, 2026 and 2025, respectively:

	Twelve months ended September 30,	
	2026	**2025**
Net Revenue Retention Rate	107.6 %	113.1 %

Our Net Revenue Retention Rate compares 12 months of client invoices for our solutions at two period end dates. To calculate our Net Revenue Retention Rate, we first accumulate the total amount invoiced during the 12 months ending with the prior period-end, or Prior Period Invoices. We then calculate the total amount invoiced to those same clients for the 12 months ending with the current period-end, or Current Period Invoices. Current Period Invoices are inclusive of upsell, downsell, pricing changes, clients that cancel or choose not to renew, and discontinued solutions with continuing clients. The Net Revenue Retention Rate is then calculated by dividing the Current Period Invoices by the Prior Period Invoices. Our total invoices included in the analysis are greater than 98% of reported revenue. We use Net Revenue Retention Rate to evaluate our ongoing operations and for internal planning and forecasting purposes. Acquired businesses are included in the last-12 month Net Revenue Retention Rate in the ninth quarter after acquisition, which is the earliest point that comparable post-acquisition invoices are available for both the current and prior 12-month period. Included within our Net

Revenue Retention rates for the 12 months ended September 30, 2026 and 2025 is the impact from the heightened win rates above our historically high rates and accelerated implementation timelines related to the cybersecurity incident of one of our competitors in February 2024.

Customer Count with >$100,000 Revenue

We also regularly monitor and review our count of clients who generate more than $100,000 of revenue.

The following table sets forth our count of clients who generate more than $100,000 of revenue for the periods presented:

	Twelve months ended September 30,	
	2026	**2025**
Customer Count with > $100,000 Revenue	1,488	1,306

Our count of clients who generate more than $100,000 of revenue is based on an accumulation of the amounts invoiced to clients over the preceding 12 months. The invoices for acquired clients are included starting in the first full calendar quarter after the date of acquisition.

Liquidity and Capital Resources

Overview

We assess our liquidity in terms of our ability to generate adequate amounts of cash to meet current and future needs. Our expected primary uses on a short-term and long-term basis are for working capital, capital expenditures, debt service requirements, and investments in future growth, including acquisitions. We have historically funded our operations and acquisitions through our cash and cash equivalents, cash flows from operations, and debt financings. We believe that our existing unrestricted cash on hand, expected future cash flows from operations, and additional borrowings will provide sufficient resources to fund our operating requirements, as well as future capital expenditures, share repurchases, debt service requirements, and investments in future growth for at least the next 12 months and beyond the next 12 months. To the extent additional funds are necessary to meet our long-term liquidity needs as we continue to execute our business strategy, we anticipate that they will be obtained through the incurrence of additional indebtedness, additional equity financings, or a combination of these potential sources of funds. In the event that we need access to additional cash, we may not be able to access the credit markets on commercially acceptable terms or at all. Our ability to fund future operating expenses and capital expenditures and our ability to meet future debt service obligations or refinance our indebtedness will depend on our future operating performance, which will be affected by general economic, financial, and other factors beyond our control, including those described under “Risk Factors” in the 2025 Form 10-K.

On September 30, 2026 and December 31, 2025, we had restricted cash of $24.2 million and $15.5 million, respectively, which consists of cash deposited in lockbox accounts owned by us which are contractually required to be disbursed to participating clients on the following day, as well as cash collected on behalf of healthcare providers from patients that have not yet been remitted to providers. These funds payable are not available for our use and liquidity, and are offset on our balance sheet by an aggregated funds payable liability.

Our liquidity is influenced by many factors, including timing of revenue and corresponding cash collections, the amount and timing of investments in strategic initiatives, our investments in property, equipment, and software, share repurchases, as well as other factors described under “Risk Factors” in the 2025 Form 10-K. Depending on the severity and direct impact of these factors on us, we may not be able to secure additional financing on acceptable terms, or at all.

Cash Flows

Cash flows from operating, investing, and financing activities for the nine months ended September 30, 2026 and September 30, 2025, are summarized in the following table:

	Nine months ended September 30,		Change	
($ in thousands)	**2026**	**2025**	**Amount**	**Change**
Net cash provided by operating activities	$ 248,187	$ 243,039	$ 5,148	2.1 %
Net cash used in investing activities	(258,575)	(17,069)	(241,506)	1,414.9 %
Net cash provided by (used in) financing activities	(11,440)	14,805	(26,245)	NM
Net increase/(decrease) in cash and restricted cash	$ (21,828)	$ 240,775	$ (262,603)	NM

Net Cash Provided by Operating Activities

Net cash provided by operating activities was $248.2 million for the nine months ended September 30, 2026 as compared to $243.0 million for the nine months ended September 30, 2025, an increase of $5.1 million. This increase was primarily attributable to higher profitability, including increased non-cash depreciation, amortization and stock-based compensation. The increase was also driven by changes in working capital, which is impacted by factors such as growth in new business, timing of cash receipts from customers, and timing of payments to vendors. These increases were partially offset by a decrease driven by deferred federal tax payments in 2025 as allowed by the IRS.

Net Cash Used in Investing Activities

Net cash used in investing activities was $258.6 million for the nine months ended September 30, 2026 as compared to $17.1 million for the nine months ended September 30, 2025, an increase of cash used of $241.5 million. Net cash used in investing activities increased primarily due to purchases of investment securities exceeding proceeds from sale or maturity of investment securities, as well as more purchases of property and equipment and an increase of capitalized software development costs during the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

Net Cash Provided by (Used In) Financing Activities

Net cash used in financing activities was $11.4 million for the nine months ended September 30, 2026 as compared to $14.8 million cash provided by financing activities for the nine months ended September 30, 2025, a change of $26.2 million. The primary driver of the change was due to common stock repurchased during the nine months ended September 30, 2026 (see Note 15). Also driving the change was the net impact of proceeds from the amendment to our Receivables Facility (see Note 11) and the corresponding paydown on our First Lien Credit Facility (see Note 12). These items were partially offset by an increase in the aggregated funds liability (see Note 2 in our 2025 Form 10-K for details on restricted cash accounting policies).

Indebtedness

Refer to Item 1, Financial Statements, Notes 11 (Accounts Receivable Securitization) and 12 (Debt), for a description of our Receivables Facility and Credit Facilities.

Stock Repurchase Plan

On May 19, 2026, we announced that our Board of Directors authorized a stock repurchase plan pursuant to which we may repurchase up to $200 million of shares of our outstanding common stock. Under the plan, we may repurchase shares from time to time using a variety of methods, which may include open market purchases or other methods, in accordance with applicable securities laws and regulations. The timing, price, and size of repurchases will depend on a number of factors, including the market price of our common stock, our financial performance and liquidity, general economic and market conditions, and other considerations. The stock repurchase plan does not obligate us to acquire any particular amount of common stock and may be suspended, modified or discontinued at any time. The repurchase plan will be funded using our working capital.

Critical Accounting Policies and Estimates

The above discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements. The preparation of financial statements in conformity with GAAP requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue, and expenses, and disclosures of contingent assets and liabilities. Critical accounting policies are those that we consider to be the most important in portraying our financial condition and results of operations and also require the greatest amount of judgment by management. Judgments or uncertainties regarding the application of these policies may result in materially different amounts being reported under different conditions or using different assumptions.

There have been no material changes to our critical accounting policies and estimates from those disclosed in the 2025 Form 10-K.

Recent Accounting Pronouncements

Refer to Item 1, Financial Statements, Note 2 (Summary of Significant Accounting Policies).

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to certain market risks arising from transactions in the normal course of our business. Such risks are principally associated with credit risk and interest rate risk.

Credit Risk

Credit risk involves the possibility that a counterparty will not meet its obligations under a financial instrument or client contract, leading to a financial loss. Concentrations of credit risk with respect to our clients are limited due to our diversified client base.

We routinely assess the financial strength of our clients through a combination of third-party financial reports, credit monitoring, publicly available information, and direct communication with those clients. We establish payment terms with clients to mitigate credit risk and monitor our accounts receivable credit risk exposure. However, while we actively seek to mitigate credit risk, there can be no assurance that in the future we will be able to obtain credit risk insurance at commercially attractive terms or at all.

Interest Rate Risk

Our exposure to interest rate risk is related to our First Lien Credit Facility, which bears interest at SOFR plus 2.00% as of September 30, 2026. A hypothetical 100 basis point increase or decrease in the current effective rate would have had an impact on our interest expense of approximately $11.2 million for the nine months ended September 30, 2026.

In order to limit exposure to risk, we maintain derivative instruments with creditworthy institutions to hedge against changing interest rate fluctuations. We utilize interest rate swap contracts and other non-derivative hedging instruments to manage such risk.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

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

Changes in Internal Control Over Financial Reporting

There were no changes to our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

The information required with respect to this Part II, Item 1 can be found under Item 1, Financial Statements, Note 20 (Commitments and Contingencies), to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

Our business, results of operations, prospects, and financial condition may be materially adversely affected by a number of factors, whether currently known or unknown, including those described in Part I, Item 1A "Risk Factors" of the 2025 Form 10-K, as updated by Part II, Item 1A "Risk Factors" of our Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026. Except as set forth below, there have been no material changes to the risk factors disclosed in the 2025 Form 10-K, as updated.

Risks Related to Information Technology Systems, Cybersecurity, Data Privacy, and Intellectual Property

We and our vendors are subject to attacks of such information technology systems, including cyber-attacks, security breaches, or other incidents impacting the information processed through our platform.

We collect, create, receive, maintain, process, use, transmit, disclose, transfer, alter, and store (collectively, "Process") significant amounts of patients' personal information (including PHI) received in connection with the utilization of our platform and otherwise in connection with the operation of our business, as well as other sensitive, confidential, and proprietary information such as trade secrets, source code and payment data. Attacks on information technology systems are increasing in frequency, levels of persistence, sophistication, and intensity, and they are being conducted by increasingly sophisticated and organized groups and individuals, including state- sponsored organizations, with a wide range of motives and expertise. In addition to extracting personal information and other sensitive or confidential information, such attacks involve the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering, and other means to affect service reliability and threaten the confidentiality, integrity, security, and availability of our information or information technology systems. The prevalent use of mobile devices also increases the risk of data security incidents. Further, like all internet-based solutions, our solutions are vulnerable to software bugs, computer viruses, malware, internet worms, break-ins, phishing attacks, attempts to overload servers with denial-of- service, or other attacks or similar disruptions from unauthorized use of our and third-party computer systems, any of which could lead to system interruptions, delays or shutdowns, loss of critical data, unauthorized acquisition of or access to data, or the compromise of our information technology systems.

We and certain of our third-party providers have experienced cyber-attacks and other incidents, and we expect such attacks and incidents to continue in varying degrees in the future. For example, in early June 2026, we identified the unauthorized acquisition of point-in-time copies of source code, primarily used for testing purposes, from a cloud-based repository hosted by a third-party provider and the unauthorized acquisition of four files of inactive data from a single application, which had been written to cloud-based storage pending its scheduled destruction. The incident was promptly contained and did not involve any access to active production systems or client data being processed by any active Waystar products. The application-related data and, we believe, the subset of source code in the third-party code repository platform used for testing purposes included PHI and personally identifiable information associated with fewer than 1% of Waystar clients. We immediately activated incident response procedures, initiated an investigation, engaged leading external cybersecurity experts, notified law enforcement, and took steps to contain, assess, and remediate the incident. We are also in the process of communicating with the relevant clients and will comply with any applicable legal obligations. The incident did not impact the operation of our software solutions, the ability of clients to access our cloud-based software platform, or any functions of our financial and operating reporting systems. While to date, we have no evidence that the affected information has been misused, the threat actor may use or disclose the information that was subject to unauthorized access and acquisition in a manner that adversely affects our business. We may also discover additional impacts of this or other incidents as part of that investigation. While our response efforts are ongoing, we believe this incident has not had, and is not reasonably likely to have, any material adverse effect on our operations or financial condition, and we expect that a portion of costs incurred relating to containing, investigating and remediating the incident will be reimbursed through insurance recoveries. Despite these expectations, there can be no assurances as to the ultimate impact of this incident, which may result in harm to our reputation and client relationships.

Techniques used to gain unauthorized access to or acquisitions of data and systems, disable or degrade service, or sabotage systems, are constantly evolving (including through the use of AI), and we are unable to anticipate all techniques

or comprehensively avoid unauthorized access, acquisitions of, or other adverse impacts to our data or our systems. AI-enabled tools provide threat actors with greater scale, efficiency and effectiveness than is possible through human action alone. Such tools are used to produce highly customized phishing campaigns through generative AI, polymorphic malware that adapts in real-time to a victim environment during deployment, and automated vulnerability identification and reconnaissance, among other things. We may not discover all such incidents or activity or be able to respond or otherwise address them promptly, in sufficient respects or at all. Any specific interruption or attack, any failure to maintain performance, reliability, security, and availability of our products, or failure to prevent software bugs and other corruptants such as those listed above, to the satisfaction of our clients or their patients, may harm our reputation and our ability to retain existing clients, negatively affect our clients and their patients, and adversely impact our business, results of operations, and financial condition.

In addition, some of our third-party service providers and vendors also Process confidential and sensitive information such as our clients' data on our behalf. These service providers and vendors are subject to similar threats, including cyber-attacks, security incidents, and other malicious internet-based activities, which could also expose us to risk of loss, litigation, potential liability, and/or other costs. We have limited insight into the data privacy or security practices of third-party vendors and providers, including as it relates to our AI algorithms. We have also acquired and may continue to acquire companies that are vulnerable to cyber-attacks and security incidents and breaches, and we may be responsible for any such attacks, incidents, and breaches of these newly acquired companies.

Further, the security systems in place at our employees', vendors', and service providers' offices and homes may be less secure than those used in our offices, and while we have implemented technical, physical, and administrative safeguards to help protect our systems when our employees, vendors, and service providers work from their offices, homes, and other remote locations, we may be subject to increased cybersecurity risk, which could expose us to risks of data or financial loss, and could disrupt our business operations. There is no guarantee that the data security and privacy safeguards we have put in place will ultimately be effective or that we will not encounter risks associated with employees, vendors, and service providers accessing company data and systems remotely.

A substantially adverse impact to the availability, integrity, or confidentiality of our information technology systems or data, or the information technology systems or data of third parties upon which we rely, could require us to expend significant resources to mitigate the breach of security, pay any applicable fines, and address matters related to any such breach, including notifying impacted individuals, the media, or regulators, making public disclosures, and addressing reputational harm.

Additionally, any such event could result in fines, legal claims, or proceedings, including regulatory investigations and class actions, or liability for failure to comply with privacy and information security laws, which could disrupt our operations, damage our reputation, and expose us to claims from clients, individuals, and others, any of which could have a material adverse effect on our business, financial condition, and results of operations.

The costs of mitigating data security risks are significant and are likely to increase in the future. Although we carry cybersecurity insurance, we cannot ensure our limits are sufficient to cover us against all potential losses for damages or fines in an amount exceeding our policy limits, or that applicable insurance will be available to us in the future on economically reasonable terms or at all.

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

The following table presents information with respect to our repurchases of common stock during the three months ended September 30, 2026:

Period	Total Number of Shares Purchased	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions) (1) (2)
July 1 - 31, 2026	435,392	$ 22.47	435,392	$ 177.54
August 1 - 31, 2026	339,049	$ 24.06	339,049	$ 169.38
September 1 - 30, 2026	114,781	$ 24.29	114,781	$ 166.59
Total	889,222	$ 23.31	889,222	$ 166.59

(1) Amounts exclude commissions.

(2) On May 19, 2026, we announced that our Board of Directors authorized a stock repurchase plan pursuant to which we may repurchase up to $200 million of shares of our outstanding common stock. Under the plan, we may repurchase shares from time to time using a variety of methods, which may include open market purchases or other methods, in accordance with applicable securities laws and regulations. The timing, price, and size of repurchases will depend on a number of factors, including the market price of our common stock, our financial performance and liquidity, general economic and market conditions, and other considerations. The stock repurchase plan does not obligate us to acquire any particular amount of common stock and may be suspended, modified or discontinued at any time.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended September 30, 2026, none of our directors or officers adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of Waystar Holding Corp. (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8 filed on June 10, 2024).	
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation of Waystar Holding Corp. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 5, 2025).	
3.3	Amended and Restated Bylaws of Waystar Holding Corp. (incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-8 filed on June 10, 2024).	
10.1	Employment Agreement, dated as of July 24, 2026, between Waystar Holding Corp. and Alpana Wegner (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026, filed on July 29, 2026).	
10.2	Separation and Release Agreement, dated as of July 28, 2026 between Waystar Holding Corp., Waystar, Inc. and Steven M. Oreskovich (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2026, filed on July 29, 2026).	
10.3	Waystar Holding Corp. Non-Employee Director Annual Compensation Policy.	X
31.1	Certification of Chief Executive Officer, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X
31.2	Certification of Chief Financial Officer, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X
32.1 *	Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X
32.2 *	Certification of Chief 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	XBRL Instance Document - the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL 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	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).	X

X Filed Herewith

* This exhibit shall not be deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section. Such exhibit shall not be deemed incorporated into any filing under the Securities Act or the Exchange Act.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by the Company in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

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, in the City of Lehi, Utah, on November 2, 2026.

WAYSTAR HOLDING CORP.

By: /s/ Matthew J. Hawkins

Name: Matthew J. Hawkins

Title: Chief Executive Officer

By: /s/ Alpana Wegner

Name: Alpana Wegner

Title: Chief Financial Officer

Waystar Holding Corp.

Non-Employee Director Compensation Policy

(Adopted September 24, 2025)

Purpose

The purpose of this Non-Employee Director Compensation Policy (this "**Policy**") is to establish the cash and equity compensation for non-employee members of the Board of Directors (the "**Board**") of Waystar Holding Corp. (the "**Company**") in a manner that aligns their interests with those of the Company's shareholders and is competitive with comparable companies.

The cash and equity compensation described in this Policy shall be paid or be made, as applicable, automatically and without further action of the Board, or any committee or subcommittee thereof, to each member of the Board who is not an employee of the Company or any parent or subsidiary of the Company and who is also not employed by EQT AB, Canada Pension Plan Investment Board, Bain Capital, LP, Advent International, L.P. or any of their respective affiliates (each, a "**Non-Employee Director**") who may be eligible to receive such cash or equity compensation, unless such Non-Employee Director declines the receipt of such cash or equity compensation by written notice to the Company.

Effective Date

This Policy shall become effective upon the closing date of the Company's initial public offering (the "**Effective Date**"), and shall remain in effect until it is revised or rescinded by further action of the Board.

Compensation

1. Cash Compensation.

   a. Annual Retainers. Each Non-Employee Director shall receive an annual retainer of $50,000 for service on the Board.

   b. Additional Annual Retainers. In addition to the annual retainer in Section 1(a), each Non-Employee Director serving as Non-Executive Chairman of the Board or as a member or chair, as applicable, of the following committees of the Board shall receive an additional annual retainer for such service as follows:

Non-Executive Chairman of the Board:	$100,000
Audit Committee Chair:	$25,000
Audit Committee Member:	$15,000
Compensation Committee Chair:	$20,000
Compensation Committee Member:	$10,000
Nominating and Corporate Governance Chair:	$15,000
Nominating and Corporate Governance Member:	$5,000

c. Payment of Retainers. The annual retainers described in Section 1(a) and Section 1(b) shall be earned on a quarterly basis based on a calendar quarter and shall be paid by the Company in arrears not later than the fifteenth day following the end of each calendar quarter. In the event a member of the Board does not serve as a Non-Employee Director, or in the applicable positions described in Section 1(b), for an entire calendar quarter, such Non-Employee Director shall receive a prorated portion of the retainer(s) otherwise payable to such Non-Employee Director for such calendar quarter pursuant to Section 1(a) and Section 1(b), as applicable, with such prorated portion determined by multiplying such otherwise payable retainer(s) by a fraction, the numerator of which is the number of days during which the member of the Board serves as a Non-Employee Director or in the applicable positions described in Section 1(b) during the applicable calendar quarter and the denominator of which is the number of days in the applicable calendar quarter.

d. Reimbursement of Expenses. The Company shall reimburse each non-employee member of the Board for all reasonable and documented travel and lodging expenses associated with attendance at Board and committee meetings.

2. Equity Compensation. Non-Employee Directors shall be granted the restricted stock unit awards described below. The awards described below shall be granted under and shall be subject to the terms and provisions of the Company's 2024 Equity Incentive Plan or any other applicable Company equity incentive plan then maintained by the Company (such plan, as may be amended from time to time, the "**Plan**") and shall be granted subject to the execution and delivery of applicable award agreement(s), including any exhibits attached thereto. All applicable terms of the Plan and any award agreement thereunder shall apply to this Policy as if fully set forth herein.

a. Annual Awards. Each Non-Employee Director who (i) serves on the Board as of the date of any annual meeting of the Company's stockholders (an "**Annual Meeting**") after the Effective Time and (ii) will continue to serve as a Non-Employee Director immediately following such Annual Meeting shall be automatically granted, on the date of such Annual Meeting, an equity award consisting of a number of restricted stock units ("**RSUs**") calculated by dividing $200,000 by the average closing price per share of Common Stock over the 30 trading days preceding such grant date, rounded up to the nearest whole share. The awards described in this Section 2(a) shall be referred to as the "**Annual Awards**."

b. Vesting of Awards Granted to Non-Employee Directors. Subject to the Non-Employee Director continuing in service through each applicable vesting date:

(i) Annual Award. Each Annual Award shall vest on the first anniversary of the date of grant, or, if earlier, the date which is the business day immediately preceding the date of the next Annual Meeting following the date of the Annual Meeting on which such Annual Award is granted.

(ii) Termination. No portion of an Annual Award or Initial Award that is unvested at the time of a Non-Employee Director's termination of service on the Board shall become vested thereafter.

(iii) Change in Control. All of the Annual Awards and Initial Awards shall vest in full immediately prior to the occurrence of a Change in Control (as defined in the Plan), to the extent outstanding and unvested at such time.

Compensation Limits

Notwithstanding anything to the contrary in this Policy, all compensation payable under this Policy will be subject to any limits on the maximum amount of Non-Employee Director compensation set forth in the Plan, as in effect from time to time.

Modifications to the Policy

This Policy may be amended, modified or terminated at any time by action by the Board in its sole discretion. The terms and conditions of this Policy shall supersede any prior cash and/or equity compensation arrangements for service as a member of the Board between the Company and any of its Non-Employee Directors and between any subsidiary of the Company and any of its non-employee directors. No Non-Employee Director shall have any rights hereunder, except with respect to equity awards granted pursuant to this Policy following grant thereof.

* * * * *

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Matthew J. Hawkins, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Waystar Holding Corp.;

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

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

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

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

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

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

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

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

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

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

November 2, 2026

By: /s/ Matthew J. Hawkins

Matthew J. Hawkins
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Alpana Wegner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Waystar Holding Corp.;

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

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

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

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

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

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

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

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

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

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

November 2, 2026

By: /s/ Alpana Wegner

Alpana Wegner
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of Waystar Holding Corp. (the "Company") for the quarterly period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew J. Hawkins, Chief Executive Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

November 2, 2026

By: /s/ Matthew J. Hawkins
Matthew J. Hawkins
Chief Executive Officer (Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

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

In connection with the Quarterly Report on Form 10-Q of Waystar Holding Corp. (the "Company") for the quarterly period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Steven M. Oreskovich, Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

November 2, 2026

By: /s/ Alpana Wegner

Alpana Wegner

Chief Financial Officer (Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.