UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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: 001-39536

Taysha Gene Therapies, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**84-3199512**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
3000 Pegasus Park Drive Ste 1430	
Dallas, Texas	**75247**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (214) 612-0000

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 $0.00001 per share	TSHA	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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

As of November 12, 2026, the registrant had 326,045,530 shares of common stock, $0.00001 par value per share, outstanding.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

Taysha Gene Therapies, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)
(Unaudited)

	September 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 422,834	$ 319,767
Restricted cash	—	449
Prepaid expenses and other current assets	3,221	4,431
Total current assets	426,055	324,647
Restricted cash	165	2,315
Property, plant and equipment, net	2,526	6,736
Operating lease right-of-use assets	6,236	9,439
Other non-current assets	48	183
Total assets	**$ 435,030**	**$ 343,320**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 5,592	$ 6,275
Accrued expenses and other current liabilities	17,358	20,277
Total current liabilities	22,950	26,552
Term loan, net	47,331	50,106
Operating lease liability, net of current portion	6,104	18,172
Other non-current liabilities	1,673	1,552
Total liabilities	78,058	96,382
Commitments and contingencies - Note 13		
Stockholders' equity		
Preferred stock, $0.00001 par value per share; 10,000,000 shares authorized and no shares issued and outstanding as of September 30, 2026 and December 31, 2025	—	—
Common stock, $0.00001 par value per share; 700,000,000 shares authorized and 325,883,880 and 285,051,648 issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	3	3
Additional paid-in capital	1,194,098	958,427
Accumulated other comprehensive income (loss)	2,348	(192)
Accumulated deficit	(839,477)	(711,300)
Total stockholders’ equity	356,972	246,938
Total liabilities and stockholders' equity	**$ 435,030**	**$ 343,320**

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

Taysha Gene Therapies, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except share and per share data)
(Unaudited)

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	2026	2025
Revenue	$ —	$ —	$ —	$ 4,288
Operating expenses:				
Research and development	28,766	25,745	101,211	61,451
General and administrative	13,106	8,279	34,929	25,035
Net gain on lease termination	—	—	(3,433)	—
Total operating expenses	41,872	34,024	132,707	86,486
Loss from operations	(41,872)	(34,024)	(132,707)	(82,198)
Other income (expense):				
Change in fair value of warrant liability	—	(292)	—	(463)
Change in fair value of term loan	(1,087)	(1,534)	(4,078)	(4,525)
Interest income	3,903	3,169	8,814	6,354
Interest expense	(4)	(15)	(19)	(51)
Other expense	(68)	(37)	(187)	(261)
Total other income, net	2,744	1,291	4,530	1,054
Net loss	**$ (39,128)**	**$ (32,733)**	**$ (128,177)**	**$ (81,144)**
Net loss per common share, basic and diluted	$ (0.10)	$ (0.09)	$ (0.34)	$ (0.26)
Weighted average common shares outstanding, basic and diluted	406,106,872	353,309,524	380,739,173	307,175,982

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

Taysha Gene Therapies, Inc.
Condensed Consolidated Statements of Comprehensive Loss
(in thousands)
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (39,128)	$ (32,733)	$ (128,177)	$ (81,144)
Other comprehensive income (loss):				
Change in fair value of term loan attributable to instrument specific credit risk	1,579	(444)	2,540	2,888
Comprehensive loss	**$ (37,549)**	**$ (33,177)**	**$ (125,637)**	**$ (78,256)**

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

Taysha Gene Therapies, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share data)
(Unaudited)

For the Three Months Ended September 30, 2026

	Common Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	Total Stockholders'
	Shares	Amount	Capital	Deficit	Income	Equity
Balance as of June 30, 2026	**325,302,280**	**$ 3**	**$ 1,186,843**	**$ (800,349)**	**$ 769**	**$ 387,266**
Stock-based compensation	—	—	6,082	—	—	6,082
Issuance of common stock and pre-funded warrants upon closing of underwritten public offering, net of underwriting discounts and commissions, and other offering costs of $(44)	—	—	(44)	—	—	(44)
Issuance of common stock upon exercise of stock options, net	509,032	—	930	—	—	930
Issuance of common stock under ESPP	72,568	—	287	—	—	287
Gain on instrument-specific credit risk	—	—	—	—	1,579	1,579
Net loss	—	—	—	(39,128)	—	(39,128)
Balance as of September 30, 2026	**325,883,880**	**$ 3**	**$ 1,194,098**	**$ (839,477)**	**$ 2,348**	**$ 356,972**

For the Three Months Ended September 30, 2025

	Common Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	Total Stockholders'
	Shares	Amount	Capital	Deficit	Loss	Equity
Balance as of June 30, 2025	**272,730,060**	**$ 3**	**$ 900,139**	**$ (650,716)**	**$ (699)**	**$ 248,727**
Stock-based compensation	—	—	3,285	—	—	3,285
Issuance of common stock and pre-funded warrants upon closing of underwritten public offering, net of underwriting discounts and commissions, and other offering costs of $(6)	—	—	(6)	—	—	(6)
Issuance of common stock under ESPP	64,825	—	84	—	—	84
Issuance of common stock upon vesting and settlement of restricted stock units, net	1,049,338	—	—	—	—	—
Issuance of common stock upon exercise of stock options, net	71,150		76	—	—	76
Loss on instrument-specific credit risk	—	—	—	—	(444)	(444)
Net loss	—	—	—	(32,733)	—	(32,733)
Balance as of September 30, 2025	**273,915,373**	**$ 3**	**$ 903,578**	**$ (683,449)**	**$ (1,143)**	**$ 218,989**

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

Taysha Gene Therapies, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share data)
(Unaudited)

For the Nine Months Ended September 30, 2026

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2025	**285,051,648**	**$ 3**	**$ 958,427**	**$ (711,300)**	**$ (192)**	**$ 246,938**
Stock-based compensation	—	—	17,439	—	—	17,439
Issuance of common stock and pre-funded warrants upon closing of underwritten public offering, net of underwriting discounts and commissions, and other offering costs of $14,323	37,500,001	—	215,632	—	—	215,632
Issuance of common stock upon vesting and settlement of restricted stock units, net	2,004,332	—	—	—	—	—
Issuance of stock upon exercise of stock options	1,176,913	—	2,137	—	—	2,137
Issuance of common stock under ESPP	150,986	—	463	—	—	463
Gain on instrument-specific credit risk	—	—	—	—	2,540	2,540
Net loss	—	—	—	(128,177)	—	(128,177)
Balance as of September 30, 2026	**325,883,880**	**$ 3**	**$ 1,194,098**	**$ (839,477)**	**$ 2,348**	**$ 356,972**

For the Nine Months Ended September 30, 2025

	Common Stock		Additional Paid-in	Accumulated	Accumulated Other Comprehensive	Total Stockholders'
	Shares	Amount	Capital	Deficit	Loss	Equity
Balance as of December 31, 2024	**204,943,306**	**$ 2**	**$ 677,859**	**$ (602,305)**	**$ (4,031)**	**$ 71,525**
Stock-based compensation	—	—	9,769	—	—	9,769
Issuance of common stock and pre-funded warrants upon closing of underwritten public offering, net of underwriting discounts and commissions, and other offering costs of $14,329	57,777,777	1	215,645	—	—	215,646
Issuance of common stock upon exercise of pre-funded warrants	9,607,145	—	—	—	—	—
Issuance of common stock upon vesting and settlement of restricted stock units, net	1,299,156	—	(51)	—	—	(51)
Issuance of stock upon exercise of stock options	164,838	—	197	—	—	197
Issuance of common stock under ESPP	123,151	—	159	—	—	159
Gain on instrument-specific credit risk	—	—	—	—	2,888	2,888
Net loss	—	—	—	(81,144)	—	(81,144)
Balance as of September 30, 2025	**273,915,373**	**$ 3**	**$ 903,578**	**$ (683,449)**	**$ (1,143)**	**$ 218,989**

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

Taysha Gene Therapies, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	For the Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (128,177)	$ (81,144)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	843	846
Stock-based compensation	17,439	9,769
Non-cash net gain on lease termination	(5,108)	—
Change in fair value of warrant liability	—	463
Non-cash change in fair value of term loan	(235)	627
Debt issuance costs expensed under fair value option	—	147
Non-cash lease expense	796	959
Other	155	264
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	1,175	401
Accounts payable	2,282	1,973
Accrued expenses and other liabilities	(3,387)	3,615
Deferred revenue	—	(4,288)
Net cash used in operating activities	(114,217)	(66,368)
Cash flows from investing activities		
Purchase of research and development license	(3,000)	—
Purchase of property, plant and equipment	(466)	(488)
Other	—	131
Net cash used in investing activities	(3,466)	(357)
Cash flows from financing activities		
Proceeds from issuance of common stock and pre-funded warrants from underwritten public offering, net of underwriting discounts and sales commissions and other offering costs	215,717	215,716
Prepayment of 2023 Trinity term loan	—	(40,612)
Proceeds from 2025 Trinity term loan, net	—	49,853
Payment of shelf registration costs	—	(33)
Proceeds from common stock issuances under ESPP	463	159
Proceeds from stock option exercises	2,137	197
Other	(166)	(247)
Net cash provided by financing activities	218,151	225,033
Net increase in cash, cash equivalents and restricted cash	100,468	158,308
Cash, cash equivalents and restricted cash at the beginning of the period	**322,531**	**141,636**
Cash, cash equivalents and restricted cash at the end of the period	**$ 422,999**	**$ 299,944**
Cash and cash equivalents	422,834	297,344
Restricted cash	165	2,600
Cash, cash equivalents and restricted cash at the end of the period	**$ 422,999**	**$ 299,944**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 4,331	$ 3,949
Supplemental disclosure of noncash investing and financing activities:		
Property, plant and equipment in accounts payable and accrued expenses	171	41
Right-of-use assets obtained in exchange for lease liabilities	159	—
Offering costs not yet paid	—	25
Proceeds allocated to Success Fee liability	—	217

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

Note 1—Organization and Description of Business Operations

Taysha Gene Therapies, Inc. (the "Company" or "Taysha") was originally formed under the laws of the State of Texas on September 20, 2019. Taysha converted to a Delaware corporation on February 13, 2020, which had no impact on the Company's par value or issued and authorized capital structure.

Taysha is a clinical-stage biotechnology company focused on advancing adeno-associated virus ("AAV")-based gene therapies for severe monogenic diseases of the central nervous system.

Sales Agreement

In October 2021, the Company entered into a Sales Agreement (the "Sales Agreement"), with SVB Securities LLC and Wells Fargo Securities, LLC (the "Sales Agents"), pursuant to which the Company may issue and sell, from time to time at its discretion, shares of its common stock having an aggregate offering price of up to $150.0 million. In March 2022, the Company amended the Sales Agreement to, among other things, include Goldman Sachs & Co. LLC as an additional Sales Agent. On December 13, 2024, the Company filed a shelf registration statement on Form S-3 following the expiration of its prior registration statement, in relation to the registration of common stock, preferred stock, debt securities, warrants and units or any combination thereof up to a total aggregate offering price of $300.0 million, including up to $100.0 million of shares of common stock that could be offered and sold pursuant to the Sales Agreement. On May 28, 2025, the Company suspended the at-the-market prospectus.

On November 4, 2025, the Company and Leerink Partners LLC entered into an Amendment to the Sales Agreement pursuant to which the Sales Agreement was terminated solely with respect to Leerink Partners LLC. In addition, on November 4, 2025, the Company and Goldman Sachs & Co. LLC and Wells Fargo Securities, LLC, as sales agents (the "Remaining Sales Agents"), entered into an Amendment to the Sales Agreement (together with the Sales Agreement, the "Amended Sales Agreement"), to provide for an increase in the aggregate offering amount under the Sales Agreement, such that as of November 4, 2025, the Company may offer and sell shares of common stock having an aggregate offering price of up to $212.0 million under the Amended Sales Agreement. The material terms and conditions of the Sales Agreement otherwise remain unchanged. On November 4, 2025, the Company filed a new automatic shelf registration statement on Form S-3ASR, including up to $200.0 million of shares of common stock that could be offered and sold pursuant to the Amended Sales Agreement. In November and December 2025, the Company sold 10,230,186 shares of common stock under the Amended Sales Agreement and received $48.4 million in net proceeds.

Liquidity and Capital Resources

The Company has incurred operating losses since inception and expects to continue to incur significant operating losses for the foreseeable future and may never become profitable. Losses are expected to continue as the Company continues to invest in its research and development activities. As of September 30, 2026, the Company had an accumulated deficit of $839.5 million. The Company expects to continue to incur significant expenses and operating losses for the foreseeable future.

On June 24, 2026, the Company entered into an underwriting agreement (the "June 2026 Underwriting Agreement") with Jefferies LLC and Goldman Sachs & Co., LLC, as representatives of the several underwriters set forth therein (collectively, the "Underwriters"), to issue and sell 32,500,001 shares of the Company's common stock and, in lieu of common stock to certain investors, pre-funded warrants to purchase 833,333 shares of its common stock in an underwritten public offering (the "June 2026 Offering"), pursuant to an automatically effective shelf registration statement on Form S-3ASR and a related prospectus and prospectus supplement. The offering price to the public was $6.00 per share of common stock and $5.999 per pre-funded warrant, which was the price to the public of each share of common stock sold in the June 2026 Offering minus the $0.001 exercise price per pre-funded warrant. The Underwriters purchased the shares and the pre-funded warrants from the Company pursuant to the June 2026 Underwriting Agreement at a price of $5.64 per share and $5.639 per pre-funded warrant, respectively. See Note 10 for additional information. The closing of the June 2026 Offering occurred on June 26, 2026. In addition, the Company granted the Underwriters an option to purchase, for a period of 30 days, up to an additional 5,000,000 shares of common stock, which the Underwriters exercised in full on June 26, 2026. The total net proceeds from the June 2026 Offering were $215.6 million, including the proceeds from the Underwriters' option, after deducting underwriting discounts and commissions and offering expenses.

Future capital requirements will depend on many factors, including the timing and extent of spending on research and development and the market acceptance of the Company's products. The Company will need to obtain additional financing in order to complete clinical studies and launch and commercialize any product candidates for which it receives regulatory approval. There can

be no assurance that such financing will be available or will be on terms acceptable to the Company. As of September 30, 2026, the Company had cash and cash equivalents of $422.8 million, which the Company believes will be sufficient to fund its planned operations for a period of at least twelve months from the date of issuance of these unaudited condensed consolidated financial statements. The Company has based this estimate on assumptions that may prove to be wrong, and its operating plan may change as a result of many factors currently unknown to it. As a result, the Company could deplete its capital resources sooner than it currently expects. The Company expects to finance its future cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances or licensing arrangements. If the Company is unable to obtain funding, the Company would be forced to delay, reduce or eliminate some or all of its research and development programs, preclinical and clinical testing or commercialization efforts, which could adversely affect its business prospects.

Note 2—Summary of Significant Accounting Policies

Basis of Presentation

The unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP") as determined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X and are consistent in all material respects with those included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission ("SEC") on March 19, 2026 (the "2025 Annual Report"). In the opinion of management, the unaudited condensed consolidated financial statements reflect all adjustments, which include only normal recurring adjustments necessary for the fair statement of the balances and results for the periods presented. The condensed consolidated balance sheet as of December 31, 2025 is derived from audited financial statements; however, it does not include all of the information and footnotes required by GAAP for complete financial statements. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes in the Company's 2025 Annual Report.

Principles of Consolidation

The accompanying interim condensed consolidated financial statements include the accounts of Taysha and its wholly owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. The most significant estimates and assumptions in the Company's financial statements relate to estimating manufacturing accruals and accrued or prepaid research and development expenses, the measurement of impairment of long-lived assets, and the valuation of the Trinity Term Loans (as defined below) that are carried at fair value. These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Actual results may differ materially from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

Significant Accounting Policies

There have been no changes in the Company's significant accounting policies as disclosed in Note 2 to the audited consolidated financial statements included in the 2025 Annual Report.

Recently Adopted Accounting Pronouncements

There have been no significant changes in recently adopted accounting pronouncements from those disclosed in the section titled "Financial Statements and Supplementary Data" included in the 2025 Annual Report.

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures*, to improve expense disclosure requirements under ASC 220, *Income Statement - Reporting Comprehensive Income*, through enhancing disclosures about significant segment expenses. The guidance requires entities to provide

additional disclosure about specific expenses by requiring entities to disaggregate, in a tabular presentation, each relevant expense caption on the face of the income statement that includes any of the following natural expenses (1) purchases of inventory, (2) employees' compensation, (3) depreciation, (4) intangible asset amortization, and (5) depreciation, depletion and amortization recognized as part of oil- and gas- producing activities or other types of depletion expenses. The tabular disclosure would also include certain other expenses, when applicable. The ASU also enhances interim segment reporting requirements by aligning interim disclosures with information that must be disclosed annually in accordance with ASC 220. The guidance is effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, applied either prospectively or retrospectively with early adoption permitted. The Company is still evaluating the impact this ASU will have on its disclosures.

Note 3—Fair Value Measurements

The Company's financial instruments that are measured at fair value on a recurring basis consist of money market funds, the Trinity Term Loans and the success fee derivative liabilities.

The following tables present information about the Company's financial assets and liabilities measured at fair value on a recurring basis and indicate the level of the fair value hierarchy used to determine such fair values (in thousands):

	September 30, 2026			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents – money market funds	$ 420,920	$ 420,920	$ —	$ —
Total assets	$ 420,920	$ 420,920	$ —	$ —
Liabilities:				
Trinity Term Loans	$ 47,331	$ —	$ —	$ 47,331
Success Fee Derivative liabilities	1,673	—	—	1,673
Total liabilities	$ 49,004	$ —	$ —	$ 49,004

	December 31, 2025			
	Total	Level 1	Level 2	Level 3
Assets:				
Cash equivalents – money market funds	$ 317,127	$ 317,127	$ —	$ —
Total assets	$ 317,127	$ 317,127	$ —	$ —
Liabilities:				
Trinity Term Loans	$ 50,106	$ —	$ —	$ 50,106
Success Fee Derivative liabilities	1,552	—	—	1,552
Total liabilities	$ 51,658	$ —	$ —	$ 51,658

The Company classifies its money market funds, which are valued based on quoted market prices in an active market with no valuation adjustment, as Level 1 assets within the fair value hierarchy.

The Company's Trinity Term Loans and Success Fee liabilities are classified as Level 3 measurements under the fair value hierarchy as the fair values were determined based on significant inputs not observable in the market. The fair values were determined utilizing a probability-weighted income approach, including variables for the timing of a success event and other probability estimates. See Note 7 for additional information on the Trinity Term Loans and Success Fees (as defined below).

Note 4—Balance Sheet Components

Prepaid expenses and other current assets consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Prepaid research and development	$ 1,845	$ 2,460
Prepaid clinical trial	590	866
Deferred offering costs	110	195
Prepaid insurance	17	108
Other	659	802
Total prepaid expenses and other current assets	$ 3,221	$ 4,431

Property, plant and equipment, net consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Leasehold improvements	$ 2,195	$ 2,152
Laboratory equipment	3,299	3,306
Computer equipment	824	749
Furniture and fixtures	921	921
Construction in progress	421	4,292
	7,660	11,420
Accumulated depreciation	(5,134)	(4,684)
Property, plant and equipment, net	$ 2,526	$ 6,736

Property, plant and equipment, net includes $0.1 million and $0.3 million of assets capitalized as finance leases as of September 30, 2026 and December 31, 2025, respectively.

Depreciation expense was $0.2 million for each of the three months ended September 30, 2026 and 2025. Depreciation expense was $0.8 million for each of the nine months ended September 30, 2026 and 2025.

In June 2026, the Company disposed of construction in progress for leasehold improvements at its manufacturing facility in connection with the termination of its Durham Lease (as defined below). The Company recorded a loss on asset disposal of $4.0 million, which is recorded as a component of the net gain on lease termination in the condensed consolidated statements of operations for the nine months ended September 30, 2026. See Note 5 for additional information on the termination of the Durham Lease.

Accrued expenses and other current liabilities consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Accrued compensation	$ 7,721	$ 9,425
Accrued research and development	3,622	3,591
Accrued clinical trial	3,183	3,290
Lease liabilities, current portion	1,157	1,865
Accrued professional and consulting fees	1,125	1,310
Accrued property, plant and equipment	35	19
Other	515	777
Total accrued expenses and other current liabilities	$ 17,358	$ 20,277

Note 5—Leases

The Company leases certain office and laboratory space.

Dallas Lease

On January 11, 2021, the Company entered into a lease agreement (the "Dallas Lease") with Pegasus Park, LLC, a Delaware limited liability company (the "Dallas Landlord"), pursuant to which the Company leases approximately 15,000 square feet of office space at 3000 Pegasus Park Drive, Dallas, Texas 75247 (the "Office Space").

The Dallas Lease commenced on May 27, 2021, and has a term of ten years. The Company has an option to extend the term of the Dallas Lease for one additional period of five years.

The Dallas Landlord has the right to terminate the Dallas Lease, or the Company's right to possess the Office Space without terminating the Dallas Lease, upon specified events of default, including the Company's failure to pay rent in a timely manner and upon the occurrence of certain events of insolvency with respect to the Company.

Dallas Lease Expansion

On December 14, 2021, the Company amended the Dallas Lease (the "Dallas Lease Amendment") with the Dallas Landlord, pursuant to which the Company leases approximately 18,000 square feet of office space adjacent to the Office Space at 3000 Pegasus Park Drive, Dallas, Texas 75247 (the "Expansion Premises").

The Dallas Lease Amendment commenced on July 1, 2022, and has a term of approximately ten years.

The Company is obligated to pay operating costs and utilities applicable to the Expansion Premises. Total future minimum lease payments under the Dallas Lease Amendment over the initial ten-year term are approximately $6.0 million. The Company is responsible for costs of constructing interior improvements within the Expansion Premises that exceed a $40.00 per rentable square foot construction allowance provided by the Dallas Landlord.

The Company has a right of first refusal with respect to certain additional office space on the 15th floor at 3000 Pegasus Park Drive, Dallas, Texas 75247 before the Dallas Landlord accepts any offer for such space.

Durham Lease

On December 17, 2020, the Company entered into a lease agreement (the "Durham Lease") with Patriot Park Partners II, LLC, a Delaware limited liability company (the "Durham Landlord"), pursuant to which the Company agreed to lease approximately 187,500 square feet of a manufacturing facility located at 5 National Way, Durham, North Carolina (the "Facility"). The Durham Lease commenced on April 1, 2021 and was expected to have a term of approximately fifteen years and six months. The Company had two options to extend the term of the Durham Lease, each for a period of an additional five years.

The Company was not required to provide a security deposit in connection with its entry into the Durham Lease. The Company was responsible for constructing interior improvements within the Facility. The Company was required to place $2.6 million in an escrow account which was to be released when the improvements were substantially complete. In December 2023, the Company entered into an agreement with the landlord whereby the Company agreed to remove specified leasehold improvements which was funded by the escrowed funds. The escrow funds were recorded as restricted cash on the condensed consolidated balance sheets as of December 31, 2025 with $0.5 million recorded in current assets and $2.1 million in noncurrent assets. The Durham Landlord had the right to terminate the Durham Lease upon specified events of default, including the Company's failure to pay rent in a timely manner and upon the occurrence of certain events of insolvency with respect to the Company. On June 12, 2026, the Company entered into a mutual lease termination agreement (the "Termination Agreement") with the Durham Landlord and agreed to pay the Durham Landlord a fee of $0.3 million and vacate the facility. Pursuant to the Termination Agreement, the Company and the Durham Landlord agreed to terminate the escrow agreement and release each other from any further obligations thereunder. The escrowed funds were disbursed in accordance with the Termination Agreement. In connection with the Termination Agreement, the Company agreed to pay a third-party broker commission of $1.3 million upon execution of the Termination Agreement with the Durham Landlord.

The Company recorded the Termination Agreement as a lease termination in accordance with ASC 842, *Leases,* and recognized a net gain of $3.4 million as a component of operating expenses in the condensed consolidated statements of operations for the nine months ended September 30, 2026. The net gain is comprised of an $8.7 million gain on lease termination related to the derecognition of the operating lease right-of-use asset and corresponding lease liability, partially offset by both a loss on asset disposal of $4.0 million related to construction in progress leasehold improvements and third-party broker commission of $1.3 million paid in connection with the Termination Agreement.

Summary of all lease costs recognized under ASC 842

The following table summarizes the lease costs recognized under ASC 842 and other information pertaining to the Company's operating leases for the three and nine months ended September 30, 2026 and 2025 (in thousands):

	Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Operating lease cost	$ 432	$ 665	$ 1,871	$ 2,000
Variable lease cost	63	407	595	1,148
Total lease cost	$ 495	$ 1,072	$ 2,466	$ 3,148

Supplemental information related to the remaining lease term and discount rate is as follows:

	September 30, 2026	December 31, 2025
Weighted average remaining lease term (in years) – Finance leases	0.19	0.89
Weighted average remaining lease term (in years) – Operating leases	4.86	8.75
Weighted average discount rate – Finance leases	10.92%	10.57%
Weighted average discount rate – Operating leases	10.69%	8.61%

As of September 30, 2026, future minimum commitments under ASC 842 under the Company's operating and finance leases were as follows (in thousands):

Year Ending December 31,	Operating	Finance
2026	$ 493	$ 58
2027	1,850	—
2028	1,904	—
2029	1,913	—
2030	1,923	—
Thereafter	1,352	—
Total lease payments	9,435	58
Less: imputed interest	(2,231)	(1)
Total lease liabilities	$ 7,204	$ 57
Lease liabilities, current	1,100	57
Lease liabilities, non-current	6,104	—
Total lease liabilities	$ 7,204	$ 57

Note 6—Astellas Agreements

On October 21, 2022 (the "Effective Date"), the Company entered into the Option Agreement (the "Option Agreement") with Astellas Gene Therapies, Inc. (f/k/a Audentes Therapeutics, Inc. (d/b/a Astellas Gene Therapy))("Astellas"), pursuant to which the Company granted to Astellas an exclusive option to obtain an exclusive, worldwide, royalty and milestone-bearing right and license (A) to research, develop, make, have made, use, sell, offer for sale, have sold, import, export and otherwise exploit, or, collectively, exploit, the product known, as of the Effective Date, as TSHA-120 (the "120 GAN Product"), and any backup products with respect thereto for use in the treatment of Giant Axonal Neuropathy ("GAN") or any other gene therapy product for use in the treatment of GAN that is controlled by Taysha or any of its affiliates or with respect to which the Company or any of its affiliates controls intellectual property rights covering the exploitation thereof (a "GAN Product"), and (B) under any intellectual property rights controlled by Taysha or any of its affiliates with respect to such exploitation (the "GAN Option"). Subject to certain extensions, the GAN Option was exercisable from the Effective Date through a specified period of time following Astellas' receipt of (i) the formal minutes from the Type B end-of-Phase 2 meeting between Taysha and the U.S. Food and Drug Administration ("FDA") in response to the Company's meeting request sent to the FDA on September 19, 2022 for the 120 GAN Product (the "Type B end-of-Phase 2 Meeting"), (ii) all written feedback from the FDA with respect to the Type B end-of-Phase 2 Meeting, and (iii) all briefing documents sent by Taysha to the FDA with respect to the Type B end-of-Phase 2 Meeting. In September 2023, Astellas provided written notice of its decision not to exercise the GAN Option.

Under the Option Agreement, the Company also granted to Astellas an exclusive option to obtain an exclusive, worldwide, royalty and milestone-bearing right and license (A) to exploit any Rett Product (as defined below), and (B) under any intellectual property rights controlled by Taysha or any of its affiliates with respect to such exploitation (the "Rett Option"). Subject to certain extensions, the Rett Option was exercisable from the Effective Date through a specified period of time following Astellas' receipt of (i) certain clinical data from the female pediatric trial and (ii) certain specified data with respect to TSHA-102, such data package, the "Rett Data Package," and such period, the "Rett Option Period," related to (i) the product known, as of the Effective Date, as TSHA-102 and any backup products with respect thereto for use in the treatment of Rett syndrome, and (ii) any other gene therapy product for use in the treatment of Rett syndrome that is controlled by Taysha or any of its affiliates or with respect to which the Company or any of its affiliates controls intellectual property rights covering the exploitation thereof (a "Rett Product"). The Company delivered the Rett Data Package to Astellas in mid-2025. Under the Option Agreement, Astellas was required to decide whether to exercise the Rett Option within 90 days after Astellas' receipt of the Rett Data Package. In October 2025, the Rett Option expired without being exercised. Following the expiration of the Option Agreement, the Company now holds unencumbered rights to the TSHA-102 program.

During the Rett Option Period, which has now expired, the Company agreed to (A) not solicit or encourage any inquiries, offers or proposals for, or that could reasonably be expected to lead to, a Change of Control (as defined in the Option Agreement), or (B) otherwise initiate a process for a potential Change of Control, in each case, without first notifying Astellas and offering Astellas the opportunity to submit an offer or proposal to the Company for a transaction that would result in a Change of Control. All of Astellas' rights with respect to a Change of Control of the Company terminated as a result of the expiration of the Rett Option Period and the Option Agreement in October 2025.

As partial consideration for the rights granted to Astellas under the Option Agreement, Astellas paid the Company an upfront payment of $20.0 million (the "Upfront Payment"). Astellas or any of its affiliates had the right, in its or their discretion and upon written notice to the Company, to offset the amount of the Upfront Payment (in whole or in part, until the full amount of the Upfront Payment has been offset) against (a) any payment(s) owed to Taysha or any of its affiliates (or to any third party on behalf of the Company) under or in connection with any license agreement entered into with respect to any GAN Product or Rett Product, including, any upfront payment, milestone payment or royalties owed to Taysha or any of its affiliates (or to any third party on behalf of the Company) under or in connection with any such license agreement or (b) any amount owed to Taysha or any of its affiliates in connection with a Change of Control transaction with Astellas or any of its affiliates. As further consideration for the rights granted to Astellas under the Option Agreement, the Company and Astellas also entered into the Astellas Securities Purchase Agreement (as defined below).

In October 2025, the Option Agreement expired without Astellas exercising the GAN Option or Rett Option. Pursuant to the expiration of the Option Agreement, the Company regained full and unencumbered global rights to TSHA-102.

Astellas Securities Purchase Agreement

On October 21, 2022, the Company entered into a securities purchase agreement with Astellas (the "Astellas Securities Purchase Agreement"), pursuant to which the Company agreed to issue and sell to Astellas in a private placement (the "Astellas Private Placement"), an aggregate of 7,266,342 shares (the "Astellas Private Placement Shares"), of its common stock, for aggregate gross proceeds of $30.0 million. The Astellas Private Placement closed on October 24, 2022. Pursuant to the Astellas Securities Purchase Agreement, in connection with the Astellas Private Placement, Astellas has the right to designate one individual to attend all meetings of the Board of Directors in a non-voting observer capacity. The Company also granted Astellas certain registration rights with respect to the Astellas Private Placement Shares.

Accounting Treatment

In October 2022, upon closing of the Astellas Private Placement and transferring the 7,266,342 shares to Astellas, the Company recorded the issuance of shares at fair value. Fair value of the shares transferred to Astellas was calculated in accordance with ASC 820, *Fair Value Measurement* by analyzing the Company's stock price for a short period of time prior to and after the transaction date as traded on the NASDAQ. The NASDAQ trading data is considered an active market and a Level 1 measurement under ASC 820. The fair value was determined to be approximately $13.95 million or $1.92 per share. The $16.1 million difference between the $30.0 million paid by Astellas and the fair market value of shares issued was allocated to the transaction price of the Option Agreement.

The Company determined that the Option Agreement falls within the scope of ASC 606, *Revenue from Contracts with Customers* as the development of TSHA-102 for the treatment of Rett Syndrome and TSHA-120 for the treatment of GAN are considered ordinary activities for the Company. In accordance with ASC 606, the Company evaluated the Option Agreement and identified three separate performance obligations: (1) option to obtain licensing right to GAN, (2) option to obtain licensing right to Rett and (3) performance of research and development activities in the Rett development plan. The transaction price is determined to

be $36.1 million which is comprised of the $20.0 million Upfront Payment and the $16.1 million allocated from the Astellas Private Placement.

To determine the standalone selling price ("SSP") of the Rett and GAN options, which the Company concluded to be material rights, the Company utilized the probability-weighted expected return ("PWERM") method. The PWERM method contemplates the probability and timing of an option exercise. At contract inception, the Company estimated that the probability of exercise was 50% for each of the GAN and Rett options. The SSP of the Rett research and development activities was estimated using an expected cost-plus margin approach. The standalone selling prices of the material rights and Rett research and development activities were then used to proportionately allocate the $36.1 million transaction price to the three performance obligations. The $36.1 million transaction price was recorded as deferred revenue on the condensed consolidated balance sheet at the inception of the Astellas Private Placement and Option Agreement.

The following table summarizes the allocation of the transaction price to the three performance obligations at contract inception (amounts in thousands):

	Transaction Price Allocation
Option to obtain license for Rett	$ 5,485
Option to obtain license for GAN	2,317
Rett research and development activities	28,257
Total	$ 36,059

Revenue allocated to the material rights was recognized at a point in time when each option period expired or when a decision was made by Astellas to exercise or not exercise each option. Revenue from the Rett research and development activities was recognized as activities were performed using an input method, according to the costs incurred as related to the total costs expected to be incurred to satisfy the performance obligation. The transfer of control occurred over this time period and was a reliable measure of progress towards satisfying the performance obligation.

The Company recognized revenue of zero and $4.3 million from Rett research and development activities for the three and nine months ended September 30, 2025, respectively. In October 2025, the Rett Option expired without being exercised. Following the expiration of the Option Agreement, the Company now holds unencumbered rights to the TSHA-102 program. The Company recognized revenue of $5.5 million from the Rett Option during the year ended December 31, 2025. As of December 31, 2025 all revenue from the Astellas Transactions (as defined below) was recognized and therefore the Company had no deferred revenue on the condensed consolidated balance sheets.

Note 7 – Term Loans

2025 Loan with Trinity Capital

On August 7, 2025 (the "Trinity Refinance Date"), the Company entered into a Loan and Security Agreement (the "2025 Trinity Term Loan Agreement"), by and among the Company, the lenders party thereto from time to time (the "2025 Trinity Lenders") and Trinity Capital Inc., as administrative agent and collateral agent for the 2025 Trinity Lenders ("Trinity"). The 2025 Trinity Term Loan Agreement provides for (i) on the Trinity Refinance Date, $50.0 million aggregate principal amount of term loans ("Tranche A"), (ii) from the Trinity Refinance Date until March 31, 2028 an additional $25.0 million term loan facility contingent on delivering evidence satisfactory to Trinity that the Company has submitted a biologics license application ("BLA") to the FDA for TSHA-102 in Rett Syndrome ("Tranche B"), (iii) from the Trinity Refinance Date until March 31, 2029, an additional $25.0 million term loan facility contingent on delivering evidence satisfactory to Trinity that the Company has received BLA approval from the FDA for TSHA-102 in Rett Syndrome (collectively, the "2025 Trinity Term Loans"). The Company drew $50.0 million in term loans on the Trinity Refinance Date. The existing 2023 Trinity Term Loan Agreement was terminated and the existing 2023 Trinity Term Loans were repaid concurrently with entry into the 2025 Trinity Term Loan Agreement and the draw of Tranche A.

The interest rate applicable to the 2025 Trinity Term Loans is the greater of (a) the WSJ Prime Rate plus 4.00% or (b) 11.50% per annum. The 2025 Trinity Term Loans are interest only from the Trinity Refinance Date through 48 months from the Trinity Refinance Date, which may be extended to 60 months from the Trinity Refinance Date upon the satisfaction of certain milestones set forth in the 2025 Trinity Term Loan Agreement, after which the Company is required to pay equal monthly installments of principal through August 1, 2030 (the "New Maturity Date"). As of September 30, 2026, $50.0 million was outstanding on the 2025 Trinity Term Loans, recorded as Term Loan, net on the condensed consolidated balance sheet.

Future principal debt payments under the 2025 Trinity Term Loan Agreement as of September 30, 2026 are as follows (in thousands):

Year Ending December 31,		
2026	$	—
2027		—
2028		—
2029		11,969
2030		38,031
Total principal payments	$	50,000

On the Trinity Refinance Date, the Company paid a commitment fee of $0.1 million to Trinity. Upon any future draw of 2025 Trinity Term Loans, the Company is required to pay an additional commitment fee of 1.00% of the aggregate principal amount of such 2025 Trinity Term Loans then funded.

The 2025 Trinity Term Loans may be prepaid in full (i) from the Trinity Refinance Date through August 7, 2026, with payment of a 3.00% prepayment premium, (ii) from August 8, 2026 through August 7, 2027, with payment of a 2.00% prepayment premium, and (iii) from August 8, 2027 through, but excluding, the New Maturity Date, with payment of a 1.00% prepayment premium. Upon repayment in full of the 2025 Trinity Term Loans, the Company will pay to Trinity an end of term payment equal to 5.00% of the original principal amount of the 2025 Trinity Term Loans.

The obligations under the 2025 Trinity Term Loan Agreement are secured by a perfected security interest in all of the Company's assets except for certain customarily excluded property pursuant to the terms of the 2025 Trinity Term Loan Agreement. There are no financial or minimum cash balance covenants and no warrants associated with the 2025 Trinity Term Loan Agreement. The 2025 Trinity Term Loan Agreement contains various covenants that limit the Company's ability to engage in specified types of transactions without the consent of Trinity and the 2025 Trinity Lenders which include, among others, incurring or assuming certain debt; merging, consolidating or acquiring all or substantially all of the capital stock or property of another entity; changing the nature of the Company's business; changing the Company's organizational structure or type; licensing, transferring or disposing of certain assets; granting certain types of liens on the Company's assets; making certain investments; paying cash dividends; and entering into certain transactions with the Company's affiliates, in each case subject to customary exceptions.

The 2025 Trinity Term Loan Agreement contains customary representations and warranties, affirmative and negative covenants and events of default, including payment default, breach of covenants, change of control, and material adverse effects. Upon the occurrence of an event of default, a default interest rate of an additional 5.00% per annum may be applied to the outstanding loan balances, and the 2025 Trinity Lenders may declare all outstanding obligations immediately due and payable and exercise all of their rights and remedies as set forth in the 2025 Trinity Term Loan Agreement and under applicable law.

The Company assessed the terms and features of the 2025 Trinity Term Loans and determined that the 2025 Trinity Term Loan constituted a debt modification under ASC 470-50, *Debt - Modifications and Extinguishments* ("ASC 470"). As such, the 2025 Trinity Term Loans are accounted for as a continuation of the original debt, and no gain or loss on extinguishment was recognized. The Company continues to apply the fair value option under ASC 825, *Financial Instruments* ("ASC 825") which was initially elected at the time of the 2023 Trinity Term Loan Agreement.

Under the fair value option, the 2025 Trinity Term Loans are measured at fair value on a recurring basis, with changes in fair value recognized in other income (expense) in the condensed consolidated statements of operations. The Company has not elected to present interest expense separately from changes in fair value and therefore will not present interest expense associated with the 2025 Trinity Term Loans. Any changes in fair value attributable to instrument-specific credit risk are presented in other comprehensive income or loss, if material. Under the fair value option, debt issuance costs are expensed as incurred. The Company incurred $1.1 million of debt issuance costs, of which $0.1 million were paid to Trinity and $1.0 million were paid to third parties associated with the 2025 Trinity Term Loans.

In connection with the 2025 Trinity Term Loan Agreement, the Company entered into a Success Fee Agreement with Trinity which specifies the terms regarding a fee in the amount of $0.5 million plus 5% of the principal amount of the funded 2025 Trinity Term Loans under Tranche B (the "2025 Success Fee"). The 2025 Success Fee is payable upon the achievement of certain corporate development value-inflection milestones. The 2025 Success Fee survives the termination of the 2025 Trinity Term Loans and expires on the earlier of ten years from the Trinity Refinance Date, or payment in full in cash of the 2025 Success Fee. The Company determined that the 2025 Success Fee represents a freestanding financial instrument and should be accounted for as a derivative liability under ASC 815, *Derivatives and Hedging* ("ASC 815") and recorded a liability within other non-current liabilities on the consolidated balance sheet, at fair value on the Trinity Refinance Date and will be marked-to-market at the end of each reporting

period with gains and losses recognized as a component of other income (expense) in the condensed consolidated statements of operations.

The proceeds from the 2025 Trinity Term Loans were allocated to the 2025 Success Fee and 2025 Trinity Term Loans based on their respective fair values on the Trinity Refinance Date. The fair values were determined utilizing a probability-weighted income approach, including variables for the timing of a success event and other probability estimates.

The Company determined the fair value of the 2025 Trinity Term Loans and the 2025 Success Fee using a probability-weighted income approach and recorded the loan at fair value of $49.8 million and the 2025 Success Fee liability at fair value of $0.2 million in the consolidated balance sheet at issuance. The Company calculated the discounted cash flows of the 2025 Trinity Term Loans using a discount rate of 13.86% and adjusted for the probability of various repayment scenarios. The Company calculated the discounted cash flows of the 2025 Success Fee liability using a discount rate of 13.86% then adjusted for the probability of achievement of certain corporate development value-inflection milestones.

2023 Loan with Trinity Capital

On November 13, 2023 (the "Trinity Closing Date"), the Company entered into a Loan and Security Agreement (the "2023 Trinity Term Loan Agreement"), by and among the Company, the lenders party thereto from time to time (the "Trinity Lenders") and Trinity Capital Inc., as administrative agent and collateral agent for the Trinity Lenders ("Trinity"). The 2023 Trinity Term Loan Agreement provided for, on the Trinity Closing Date, $40.0 million aggregate principal amount of term loans (collectively, the "2023 Trinity Term Loans"). The Company drew the Trinity Term Loans in full on the Trinity Closing Date.

The interest rate applicable to the 2023 Trinity Term Loans was the greater of (a) the Wall Street Journal ("WSJ") Prime Rate plus 4.50% or (b) 12.75% per annum. The 2023 Trinity Term Loans were interest only from the Trinity Closing Date through 36 months from the Trinity Closing Date, which could have been extended to 48 months from the Trinity Closing Date upon the satisfaction of certain milestones set forth in the 2023 Trinity Term Loan Agreement, after which the Company was required to pay equal monthly installments of principal through November 13, 2028 (the "Maturity Date").

The 2023 Trinity Term Loans could have been prepaid in full (i) from the Trinity Closing Date through November 13, 2024, with payment of a 3.00% prepayment premium, (ii) from November 13, 2024 through November 13, 2025, with payment of a 2.00% prepayment premium, and (iii) from November 13, 2025 through, but excluding, the Maturity Date, with payment of a 1.00% prepayment premium. On the Trinity Closing Date, the Company paid to Trinity a commitment fee of 1.00% of the original principal amount of the 2023 Trinity Term Loans. Upon repayment in full of the 2023 Trinity Term Loans, the Company paid to Trinity an end of term payment equal to $0.6 million.

The obligations under the 2023 Trinity Term Loan Agreement were secured by a perfected security interest in all of the Company's assets except for certain customarily excluded property pursuant to the terms of the 2023 Trinity Term Loan Agreement.

The Company assessed the terms and features of the 2023 Trinity Term Loans and determined that the Company was eligible to elect the fair value option under ASC 825. The 2023 Trinity Term Loans contain various embedded features and the election of the fair value option allowed the Company to bypass analysis of potential embedded derivatives and further analysis of bifurcation of any recognized financial liabilities. Under the fair value option, the financial liability is initially measured at its fair value on the issue date and subsequently remeasured at estimated fair value on a recurring basis at each reporting date. Changes in the fair value of the 2023 Trinity Term Loans, which include accrued interest, if any, are recorded as a component of other expense (income) in the condensed consolidated statements of operations. The Company did not elect to present interest expense separately from changes in fair value and therefore did not present interest expense associated with the 2023 Trinity Term Loans. Any changes in fair value caused by instrument-specific credit risk were presented separately in other comprehensive income or loss if material.

In connection with the 2023 Trinity Term Loans, the Company entered into a Success Fee Agreement with Trinity which specifies the terms regarding a fee in the amount of 10% of the principal amount of the funded 2023 Trinity Term Loans (the "2023 Success Fee"). The 2023 Success Fee is payable upon the achievement of certain corporate development value-inflection milestones. The 2023 Success Fee survives the termination of the 2023 Trinity Term Loans and expires on the earlier of ten years, or payment in full in cash of the Success Fee. The 2023 Success Fee remains in effect after the termination of the 2023 Trinity Term Loans upon entry into the 2025 Trinity Term Loan Agreement and the draw of Tranche A.

The Company determined that the 2023 Success Fee represents a freestanding financial instrument and should be accounted for as a derivative liability under ASC 815 and recorded a liability within other non-current liabilities on the consolidated balance sheet, at fair value on the Trinity Closing Date and will be marked-to-market at the end of each reporting period with gains and losses recognized as a component of other income (expense) in the condensed consolidated statements of operations.

Fair Value

The 2025 Trinity Term Loans are accounted for as a continuation of the original debt in accordance with ASC 470, and the Company continues to apply the fair value option under ASC 825, which was initially elected at the time of the 2023 Trinity Term Loan Agreement. The Company remeasured the 2025 Trinity Term Loans, 2025 Success Fee and 2023 Success Fee as of September 30, 2026 using a probability weighted income approach. The Company calculated the discounted cash flows of the 2025 Trinity Term Loans using a discount rate of 18.54% and adjusted for the probability of various repayment scenarios. The Company calculated the discounted cash flows of the 2023 Success Fee and 2025 Success Fee (the "Success Fees"), using a discount rate of 18.54% then adjusted for the probability of achievement of certain corporate development value-inflection milestones. As of September 30, 2026, the Company recorded the Tranche A Loan at a fair value of $47.3 million and the Success Fees at $1.7 million in the consolidated balance sheet.

The following table reconciles the change in fair value of the 2025 Trinity Term Loans during the nine months ended September 30, 2026 (in thousands):

Trinity Term Loans		
Beginning fair value balance as of January 1, 2026	$	50,106
Principal payments		—
Change in fair value reported in statements of operations		(235)
Change in fair value reported in comprehensive loss		(2,540)
Ending fair value balance as of September 30, 2026	$	47,331

The following table reconciles the change in fair value of the Trinity Term Loans during the three months ended September 30, 2026 (in thousands):

Trinity Term Loans		
Beginning fair value balance as of July 1, 2026	$	49,260
Principal payments		—
Change in fair value reported in statements of operations		(350)
Change in fair value reported in comprehensive loss		(1,579)
Ending fair value balance as of September 30, 2026	$	47,331

During the three and nine months ended September 30, 2026, the Company recorded $1.4 million and $4.3 million, respectively, of interest expense within change in fair value of term loans, all of which was paid as of September 30, 2026. During the three and nine months ended September 30, 2025, the Company recorded $1.3 million and $3.9 million, respectively, of interest expense within change in fair value of term loans.

The following table reconciles the change in fair value of the Success Fees liability during the nine months ended September 30, 2026 (in thousands):

Success Fees		
Beginning fair value balance as of January 1, 2026	$	1,552
Change in fair value of Success Fees		121
Ending fair value balance as of September 30, 2026	$	1,673

The following table reconciles the change in fair value of the Success Fees liability during the three months ended September 30, 2026 (in thousands):

Success Fees		
Beginning fair value balance as of July 1, 2026	$	1,641
Change in fair value of Success Fees		32
Ending fair value balance as of September 30, 2026	$	1,673

Note 8—Research, Collaboration and License Agreements

UT Southwestern Agreement

On November 19, 2019, the Company entered into a research, collaboration and license agreement ("UT Southwestern Agreement") with the Board of Regents of the University of Texas System on behalf of The University of Texas Southwestern Medical Center ("UT Southwestern"). Under the UT Southwestern Agreement, UT Southwestern is primarily responsible for preclinical development activities with respect to licensed products for use in certain specified indications (up to IND-enabling studies), and the Company is responsible for all subsequent clinical development and commercialization activities with respect to the licensed products. UT Southwestern will conduct such preclinical activities for a two-year period under mutually agreed upon sponsored research agreements that were entered into beginning in April 2020. During the initial research phase, the Company has the right to expand the scope of specified indications under the UT Southwestern Agreement.

In connection with the UT Southwestern Agreement, the Company obtained an exclusive, worldwide, royalty-free license under certain patent rights of UT Southwestern and a non-exclusive, worldwide, royalty-free license under certain know-how of UT Southwestern, in each case to make, have made, use, sell, offer for sale and import licensed products for use in certain specified indications. Additionally, the Company obtained a non-exclusive, worldwide, royalty-free license under certain patents and know-how of UT Southwestern for use in all human uses, with a right of first refusal to obtain an exclusive license under certain of such patent rights and an option to negotiate an exclusive license under other of such patent rights. The Company is required to use commercially reasonable efforts to develop, obtain regulatory approval for, and commercialize at least one licensed product.

On April 2, 2020, the Company amended the UT Southwestern Agreement to include the addition of another licensed product and certain indications, and a right of first refusal to the Company over certain patient dosing patents. No additional consideration was transferred in connection with this amendment. In March 2022, the Company and UT Southwestern mutually agreed to revise the payment schedules and current performance expectations of the current sponsored research agreements under the UT Southwestern Agreement and defer payments by fifteen months. In December 2023, the Company and UT Southwestern mutually agreed to terminate specific sponsored research agreements.

The UT Southwestern Agreement expires on a country-by-country and licensed product-by-licensed product basis upon the expiration of the last valid claim of a licensed patent in such country for such licensed product. After the initial research term, the Company may terminate the agreement, on an indication-by-indication and licensed product-by-licensed product basis, at any time upon specified written notice to UT Southwestern. Either party may terminate the agreement upon an uncured material breach of the agreement or insolvency of the other party. In December 2023 and throughout 2024 and 2025, the Company transferred rights to specific indications back to UT Southwestern.

In November 2019, as partial consideration for the license rights granted under the UT Southwestern Agreement, the Company issued 2,179,000 shares of its common stock, or 20% of its then outstanding fully-diluted common stock, to UT Southwestern. The Company does not have any future milestone or royalty obligations to UT Southwestern under the UT Southwestern Agreement other than costs related to maintenance of patents.

Abeona Rett Agreement

On October 29, 2020, the Company entered into a license agreement (the "Abeona Rett Agreement") with Abeona Therapeutics Inc. ("Abeona") pursuant to which the Company obtained an exclusive, worldwide, royalty-bearing license, with the right to grant sublicenses under certain patents, know-how and materials originally developed by the University of North Carolina at Chapel Hill, the University of Edinburgh and Abeona to research, develop, manufacture, have manufactured, use, and commercialize licensed products for gene therapy and the use of related transgenes for Rett syndrome.

Subject to certain obligations of Abeona, the Company is required to use commercially reasonable efforts to develop at least one licensed product and commercialize at least one licensed product in the United States.

In connection with the Abeona Rett Agreement, the Company paid Abeona a one-time upfront license fee of $3.0 million which was recorded in research and development expenses in the consolidated statements of operations for the year ended December 31, 2020 since the acquired license does not have an alternative future use. The Company is obligated to pay Abeona up to $26.5 million in regulatory-related milestones and up to $30.0 million in sales-related milestones per licensed Rett product and high single-digit royalties on net sales of licensed Rett products. Royalties are payable on a licensed product-by-licensed product and country-by-country basis until the latest of the expiration or revocation or complete rejection of the last licensed patent covering such licensed product in the country where the licensed product is sold, the loss of market exclusivity in such country where the product is sold, or, if no licensed product exists in such country and no market exclusivity exists in such country, ten years from first commercial sale of such licensed product in such country.

The Abeona Rett Agreement expires on a country-by-country and licensed product-by-licensed product basis upon the expiration of the last royalty term of a licensed product. Either party may terminate the agreement upon an uncured material breach of the agreement or insolvency of the other party. The Company may terminate the agreement for convenience upon specified prior written notice to Abeona.

In March 2022, the Company's clinical trial application, ("CTA") filing for TSHA-102 for the treatment of Rett Syndrome was approved by Health Canada and therefore triggered a regulatory milestone payment in connection with this agreement. The Company recorded $1.0 million within research and development expenses and classified the payment as an investing cash outflow in the consolidated statements of cash flows. In May 2023, the Company dosed the first patient with TSHA-102 in the Phase 1/2 REVEAL trial evaluating the safety and preliminary efficacy of TSHA-102 in adult patients with Rett syndrome and therefore triggered a milestone payment in connection with the Abeona Rett Agreement. The Company recorded $3.5 million within research and development expenses in the consolidated statements of operations for the year ended December 31, 2023. In December 2025, the Company dosed the first patient with TSHA-102 in the Phase 1/2 Part B REVEAL pivotal trial and therefore triggered a milestone payment in connection with the Abeona Rett Agreement. The Company recorded $3.0 million within research and development expenses in the consolidated statements of operations for the year ended December 31, 2025. This milestone fee was paid in January 2026 and was recorded as an investing cash outflow in the condensed consolidated statement of cash flows for the nine months ended September 30, 2026. No additional milestone payments were made or triggered in connection with this agreement during the nine months ended September 30, 2026.

Note 9—Stock-Based Compensation

On July 1, 2020, the Company's board of directors approved the 2020 Equity Incentive Plan ("Previous Plan") which permitted the granting of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock awards ("RSAs"), restricted stock units ("RSUs") and other stock-based awards to employees, directors, officers and consultants. As of September 16, 2020, the approval date of the New Plan (as defined below), no additional awards will be granted under the Previous Plan. The terms of the Previous Plan will continue to govern the terms of outstanding equity awards that were granted prior to approval of the New Plan.

On September 16, 2020, the Company's stockholders approved the 2020 Stock Incentive Plan ("New Plan"), which became effective upon the execution of the underwriting agreement in connection with the initial public offering ("IPO"). The number of shares of common stock reserved for issuance under the New Plan automatically increases on January 1 of each year, for a period of ten years, from January 1, 2021, continuing through January 1, 2030, by 5% of the total number of shares of common stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares as may be determined by the Company's board of directors (the "New Plan Evergreen Provision"). Pursuant to this provision, on January 1, 2026, the Company increased the number of shares of common stock reserved for issuance under the New Plan by 14,252,582 shares.

Furthermore, on September 16, 2020, the Company's stockholders approved the Employee Stock Purchase Plan ("ESPP"), which became effective upon the execution of the underwriting agreement in connection with the IPO. The maximum number of shares of common stock that may be issued under the ESPP will not exceed 362,000 shares of common stock, plus the number of shares of common stock that are automatically added on January 1st of each year for a period of up to ten years, commencing on the first January 1 following the IPO and ending on (and including) January 1, 2030, in an amount equal to the lesser of (i) one percent (1.0%) of the total number of shares of capital stock outstanding on December 31st of the preceding calendar year, and (ii) 724,000 shares of common stock. Pursuant to this provision, on January 1, 2026, the Company increased the number of shares of common stock reserved for issuance under the ESPP by 724,000. The Company has issued an aggregate of 509,500 shares of common stock under the ESPP as of September 30, 2026.

On December 15, 2023, the Company's board of directors adopted the Taysha Gene Therapies, Inc. 2023 Inducement Plan (the "Inducement Plan"). The Inducement Plan was adopted without stockholder approval pursuant to Nasdaq Listing Rule 5635(c)(4). The Board reserved 4,000,000 shares of the Company's common stock for issuance under the Inducement Plan. On December 12, 2024, the Company reserved an additional 2,000,000 shares of the Company's common stock for issuance under the Inducement Plan. On November 14, 2025, the Company reserved an additional 3,000,000 shares of the Company's common stock for issuance under the Inducement Plan.

The only persons eligible to receive grants of Inducement Awards (as defined below) under the Inducement Plan are individuals who satisfy the standards for inducement grants under Nasdaq Listing Rule 5635(c)(4). The Inducement Plan will be administered by the Board and the Company's Compensation Committee. Inducement Awards may only be granted by: (i) the Compensation Committee, provided such committee is comprised solely of "independent directors" (as defined by Nasdaq Listing Rule 5605(a)(2)) or (ii) a majority of the Company's "independent directors." An "Inducement Award" means any right to receive the Company's common stock, cash or other property granted under the Inducement Plan (including nonstatutory stock options, restricted

stock awards, restricted stock unit awards, stock appreciation rights, performance stock awards, performance cash awards or other stock-based awards).

The number of shares available for grant under the Company's incentive plans was as follows:

	New Plan	Inducement Plan	Total
Available for grant net of reserve - January 1, 2026	(3,915,288)	3,142,050	(773,238)
Plan adjustments and amendments	14,252,582	—	14,252,582
Grants	(9,305,349)	(3,046,830)	(12,352,179)
Forfeitures	1,222,286	737,888	1,960,174
Available for grant - September 30, 2026	2,254,231	833,108	3,087,339

Stock Options

For the three months ended September 30, 2026, a total of 184,800 shares of common stock under the Inducement Plan were awarded with a weighted-average grant date fair value per share of $4.31. For the nine months ended September 30, 2026, a total of 3,586,744 shares of common stock under the New Plan and the Inducement Plan were awarded with a weighted-average grant date fair value per share of $3.87. The stock options vest over one to four years and have a ten-year contractual term.

The following weighted-average assumptions were used to estimate the fair value of time-based vesting stock options that were 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	4.54%	3.88%	3.98%	4.32%
Expected dividend yield	—	—	—	—
Expected term (in years)	6.0	6.1	6.0	6.0
Expected volatility	87%	90%	90%	89%

The following table summarizes time-based vesting stock option activity during the nine months ended September 30, 2026:

	Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at January 1, 2026	24,569,261	$ 2.90	8.3	$ 81,677
Options granted	3,586,744	5.08		
Options exercised	(1,044,190)	1.95		
Options cancelled or forfeited	(1,154,822)	3.00		
Options expired	(70,000)	26.17		
Outstanding at September 30, 2026	25,886,993	$ 3.17	7.7	$ 61,987
Options exercisable at September 30, 2026	13,764,895	$ 3.41	7.0	$ 36,965

The aggregate intrinsic value in the above table is calculated as the difference between the fair value of the Company's common stock at the respective reporting date and the exercise price of the stock options. As of September 30, 2026, the total unrecognized compensation related to unvested time-based vesting stock option awards granted was $23.8 million, which the Company expects to recognize over a weighted-average period of approximately 2.6 years.

Performance Stock Options

In February 2023, the Company issued options to purchase 70,235 shares of common stock to employees under the New Plan that contain performance-based vesting conditions, subject to continued employment through each anniversary and achievement of the performance conditions. The grant date fair value of these awards was not material. During the nine months ended September 30, 2026, 9,000 performance-based stock options were exercised. As of September 30, 2026, 48,281 of the shares subject to the performance-based options were vested and outstanding.

In May 2023, the Company issued options to purchase 2,166,653 shares of common stock to employees under the New Plan that contain both service and performance-based vesting conditions (the "Original Options"), with a weighted average grant date fair value per share of $0.50. These Original Options were expected to vest over a 3.6 year term if a combination of clinical, regulatory and financing performance conditions were achieved. No compensation expense was recognized in 2023 related to the Original Options as achievement of the performance conditions was not considered probable. The following weighted-average assumptions were used to estimate the fair value of the options granted in February 2023 and the Original Options that were granted in May 2023:

Risk-free interest rate	4.02%
Expected dividend yield	—
Expected term (in years)	6.0
Expected volatility	81%

In December 2023, the Company modified all of the Original Options to amend the clinical and regulatory performance conditions and decreased the number of options granted to 1,516,655 (the "Modified Options"). The Company accounted for the changes in award terms as a modification in accordance with ASC 718, *Compensation - Stock Compensation*. Total compensation cost is equal to the modification date fair value. The Modified Options have a grant date fair value per share of $1.28. The following assumptions were used to estimate the fair value of the Modified Options:

Risk-free interest rate	3.90%
Expected dividend yield	—
Expected term (in years)	5.8
Expected volatility	88%

The Modified Options will vest over 3.0 years. The Company recognized stock-based compensation expense of less than $0.1 million and $0.2 million for the three and nine months ended September 30, 2026, respectively, related to the Modified Options. As of September 30, 2026, the total unrecognized compensation expense related to the Modified Options was $0.1 million, which the Company expects to recognize over a weighted average period of approximately 0.5 years using the accelerated attribution method. During the nine months ended September 30, 2026, 123,723 of the Modified Options were exercised and 12,402 were forfeited. As of September 30, 2026, 1,256,813 of the Modified Options were outstanding, of which 763,661 were vested.

Restricted Stock Units

For the three months ended September 30, 2026, the Company issued 458,000 RSUs to participants under the Inducement Plan. For the nine months ended September 30, 2026, the Company issued 8,091,035 RSUs to participants under the New Plan and the Inducement Plan. The RSUs are subject to a service-based vesting condition. The service-based RSUs vest in equal annual installments over one to four years. The Company at any time may accelerate the vesting of the RSUs. Such shares are not accounted for as outstanding until they vest.

The Company adopted a mandatory sell-to-cover policy for tax withholdings on RSUs, in which shares with a market value equivalent to the tax withholding obligation are sold on behalf of the holder of the RSUs upon vesting and settlement to cover the tax withholding liability and the cash proceeds from such sales are remitted by the Company to taxing authorities.

The Company's RSU activity for the nine months ended September 30, 2026 was as follows:

	Number of Shares	Weighted Average Grant Date Fair Value per Share
Nonvested at January 1, 2026	6,311,178	$ 1.78
Restricted units granted	8,091,035	5.02
Vested	(2,004,332)	1.88
Cancelled or forfeited	(572,950)	3.48
Nonvested at September 30, 2026	11,824,931	$ 3.92

As of September 30, 2026, the total unrecognized compensation cost related to the unvested RSUs was $38.0 million, which is expected to be amortized on a straight-line basis over a weighted-average period of approximately 3.2 years.

Performance-based Restricted Stock Units

In August 2025, the Company issued 5,765,000 performance-based restricted stock units ("PSUs") to employees under the New Plan that are eligible to vest upon the achievement of certain clinical and regulatory performance conditions. The grant date fair value of the PSUs was $17.3 million, which is expected to be recognized at a point in time when achievement of the underlying performance conditions is considered probable, using management's best estimates, which consider the inherent risk and uncertainty regarding the future outcomes of the performance conditions. During the three and nine months ended September 30, 2026, the Company issued 674,400 additional PSUs to employees with a grant date fair value of $3.5 million. During the nine months ended September 30, 2026, no compensation expense was recorded related to the PSUs as achievement of the performance conditions was not considered probable. During the nine months ended September 30, 2026, 150,000 PSUs were forfeited. As of September 30, 2026, 6,289,400 of the PSUs were unvested and outstanding.

Employee Stock Purchase Plan

In February 2022, the Company's board of directors authorized the first offering under the ESPP. Under the ESPP, eligible employees may purchase shares of Taysha common stock through payroll deductions at a price equal to 85% of the lower of the fair market values of the stock as of the beginning or the end of six-month offering periods. An employee's payroll deductions under the ESPP are limited to 15% of the employee's compensation and employees may not purchase more than 1,800 shares of Taysha common stock during any offering period. During each of the three and nine months ended September 30, 2026 and 2025, stock-based compensation expense related to the ESPP was not material.

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Research and development expense	$ 2,810	$ 1,601	$ 8,599	$ 4,483
General and administrative expense	3,272	1,684	8,840	5,286
Total	$ 6,082	$ 3,285	$ 17,439	$ 9,769

Note 10—Warrants

Pre-Funded Warrants

Pre-Funded Warrants Issued in June 2026

On June 24, 2026, the Company entered into the June 2026 Underwriting Agreement with the Underwriters to issue and sell 32,500,001 shares of common stock, and, in lieu of common stock to certain investors, pre-funded warrants to purchase 833,333 shares of common stock (the "June 2026 Pre-Funded Warrants") in the June 2026 Offering. The offering price to the public was $6.00 per share of common stock and $5.999 per June 2026 Pre-Funded Warrant, which was the price to the public of each share of common stock sold in the June 2026 Offering, minus the $0.001 exercise price per June 2026 Pre-Funded Warrant. The Underwriters agreed to purchase the shares and the June 2026 Pre-Funded Warrants from the Company pursuant to the June 2026 Underwriting Agreement at a price of $5.64 per share and $5.639 per June 2026 Pre-Funded Warrant, respectively. The closing of the June 2026 Offering occurred on June 26, 2026; no additional June 2026 Pre-Funded Warrants were sold upon the exercise of the Underwriters' option in June 2026.

Pre-Funded Warrants Issued in May 2025

On May 28, 2025, the Company entered into an underwriting agreement (the "May 2025 Underwriting Agreement") with Jefferies LLC, BofA Securities, Inc., Piper Sandler & Co. and Barclays Capital Inc. (the "May 2025 Underwriters"), to issue and sell 46,868,687 shares of common stock, and, in lieu of common stock to certain investors, pre-funded warrants to purchase 25,858,586 shares of common stock (the "May 2025 Pre-Funded Warrants") in an underwritten public offering (the "May 2025 Offering"). The offering price to the public was $2.75 per share of common stock and $2.749 per May 2025 Pre-Funded Warrant, which was the price to the public of each share of common stock sold in the May 2025 Offering, minus the $0.001 exercise price per May 2025 Pre-Funded Warrant. The May 2025 Underwriters agreed to purchase the shares and the May 2025 Pre-Funded Warrants from the Company pursuant to the May 2025 Underwriting Agreement at a price of $2.585 per share and $2.584 per May 2025 Pre-Funded Warrant, respectively. The initial closing of the May 2025 Offering occurred on May 30, 2025; no additional May 2025 Pre-Funded Warrants were sold upon the exercise of the May 2025 Underwriters' option in June 2025.

Pre-Funded Warrants Issued in June 2024

On June 26, 2024, the Company entered into an underwriting agreement (the "June 2024 Underwriting Agreement") with Jefferies LLC and Goldman Sachs & Co. LLC, as representatives of the several underwriters set forth therein (the "June 2024 Underwriters"), to issue and sell 14,361,113 shares of common stock, and, in lieu of common stock to certain investors, pre-funded warrants to purchase 18,972,221 shares of common stock (the "June 2024 Pre-Funded Warrants") in an underwritten public offering (the "June 2024 Offering"). The offering price to the public was $2.25 per share of common stock and $2.249 per June 2024 Pre-Funded Warrant, which was the price to the public of each share of common stock sold in the June 2024 Offering, minus the $0.001 exercise price per June 2024 Pre-Funded Warrant. The June 2024 Underwriters agreed to purchase the shares and the June 2024 Pre-Funded Warrants from the Company pursuant to the June 2024 Underwriting Agreement at a price of $2.115 per share and $2.114 per June 2024 Pre-Funded Warrant, respectively. The initial closing of the June 2024 Offering occurred on June 27, 2024; no additional June 2024 Pre-Funded Warrants were sold upon the exercise of the Underwriters' option in July 2024.

Pre-Funded Warrants Issued in August 2023

On August 14, 2023, the Company entered into a Securities Purchase Agreement (the "August 2023 Purchase Agreement") with certain institutional and other accredited investors (the "Purchasers"), pursuant to which the Company agreed to sell and issue to the Purchasers in a private placement transaction (the "August 2023 Private Placement") (i) 122,412,376 shares (the "PIPE Shares") of the Company's common stock, and (ii) with respect to certain Purchasers, pre-funded warrants to purchase 44,250,978 shares of the Company's common stock (the "2023 Pre-Funded Warrants") in lieu of shares of the Company's common stock. The purchase price per share of common stock was $0.90 per share (the "PIPE Purchase Price"), and the purchase price for the 2023 Pre-Funded Warrants was the PIPE Purchase Price minus $0.001 per 2023 Pre-Funded Warrant. The closing of the August 2023 Private Placement occurred on August 16, 2023 (the "PIPE Closing"). The total gross proceeds to the Company at the PIPE Closing were $150.0 million, and after deducting placement agent commissions and offering expenses payable by the Company, net proceeds were $140.3 million.

In April 2025, 9,615,000 of the 2023 Pre-Funded Warrants were exercised on a cashless basis in exchange for 9,607,145 shares of common stock.

Each series of pre-funded warrants described above has an initial exercise price per share of $0.001, subject to certain adjustments. The pre-funded warrants do not expire and may be exercised at any time until exercised in full, except that a holder will not be entitled to exercise any portion of any pre-funded warrant if, upon giving effect to such exercise, (i) the aggregate number of shares of the Company's common stock beneficially owned by the holder (together with its affiliates) would exceed 4.99% or 9.99%, as applicable, of the number of shares of the Company's common stock outstanding immediately prior to or after giving effect to the exercise, or (ii) the combined voting power of the Company's securities beneficially owned by the holder (together with its affiliates) would exceed 4.99% or 9.99%, as applicable, of the combined voting power of all of the Company's securities then outstanding, as such percentage ownership is determined in accordance with the terms of the applicable pre-funded warrants. A holder may increase or decrease such percentage to another percentage not in excess of 19.99% upon at least 61 days' prior notice to the Company.

The Company concluded that each series of pre-funded warrants meets the criteria for equity classification at issuance and was recorded as a component of stockholders' equity within additional paid-in capital. The pre-funded warrants are equity classified because they (i) are freestanding financial instruments that are legally detachable and separately exercisable from the equity instruments, (ii) are immediately exercisable, (iii) do not embody an obligation for the Company to repurchase its shares, (iv) permit the holders to receive a fixed number of shares of common stock upon exercise, (v) are indexed to the Company's common stock and (vi) meet the equity classification criteria. In addition, such pre-funded warrants do not provide any guarantee of value or return.

SSI Warrants

In April 2023, the Company entered into a securities purchase agreement (the "SSI Securities Purchase Agreement"), with two affiliates of SSI Strategy Holdings LLC ("SSI"), named therein (the "SSI Investors") pursuant to which the Company agreed to issue and sell to the SSI Investors in a private placement (the "SSI Private Placement"), 705,218 shares of its common stock (the "SSI Shares") and warrants (the "SSI Warrants") to purchase an aggregate of 525,000 shares of the Company's common stock (the "Warrant Shares"). SSI provides certain consulting services to the Company. Each SSI Warrant has an exercise price of $0.7090 per Warrant Share, which was the closing price of the Company's common stock on the Nasdaq Global Market on April 4, 2023 and expires ten years after issuance. The SSI Warrants issued in the SSI Private Placement provide that the holder of the SSI Warrants will not have the right to exercise any portion of its SSI Warrants until the achievement of certain clinical and regulatory milestones related to the Company's clinical programs. The SSI Private Placement closed on April 5, 2023. Gross proceeds of the SSI Private Placement were $0.5 million.

The Company concluded that the SSI Warrants did not meet the criteria for equity classification under the guidance of ASC 815 due to settlement provisions that permitted the holder to receive a variable number of shares in the event of a specified fundamental transaction as well as provisions that permitted the holder to participate in dividends. As the SSI Warrants did not meet the criteria for equity classification, the Company recorded the warrants as liabilities at their fair value. This liability was subject to remeasurement at each balance sheet date until the warrants were exercised and any change in fair value was recognized in the Company's condensed consolidated statements of operations.

In December 2025, all 316,667 of the SSI Warrants were exercised and the Company received proceeds of $0.2 million. After the SSI Warrants were exercised, the Company reclassified the warrant liability to additional paid-in capital as a component of stockholders' equity. There were no outstanding liability classified warrants as of September 30, 2026 and December 31, 2025.

Note 11—Net Loss Per Common Share

Basic net loss per common share is computed by dividing net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period. Since the Company had a net loss in all periods presented, basic and diluted net loss per common share are the same.

In accordance with ASC 260, *Earnings Per Share*, shares issuable for little to no cash consideration should be included in the number of outstanding shares used to calculate basic loss per share as long as all conditions necessary for exercise are met. The 2023 Pre-Funded Warrants, the June 2024 Pre-Funded Warrants, the May 2025 Pre-Funded Warrants and the June 2026 Pre-Funded Warrants are therefore included as outstanding shares as of September 30, 2026 and 2025 for the applicable periods from their respective issuance dates to calculate the weighted average number of shares outstanding to calculate basic loss per share.

The following table represents the calculation of basic and diluted net loss per common share for the three and nine months ended September 30, 2026 and 2025, respectively (in thousands, except share and per share data):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (39,128)	$ (32,733)	$ (128,177)	$ (81,144)
Weighted-average shares of common stock outstanding used to compute net loss per common share, basic and diluted	406,106,872	353,309,524	380,739,173	307,175,982
Net loss per common share, basic and diluted	$ (0.10)	$ (0.09)	$ (0.34)	$ (0.26)

The following common stock equivalents outstanding as of September 30, 2026 and 2025, respectively, were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented because including them would have been anti-dilutive:

	September 30, 2026	September 30, 2025
Unvested RSUs	11,824,931	6,271,178
Stock options	27,192,087	25,107,302
SSI Warrants	—	316,667
Total	39,017,018	31,695,147

Note 12—Income Taxes

Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are provided if based upon the weight of available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized. The Company has evaluated the positive and negative evidence bearing upon the realizability of its deferred tax assets. There is no provision for income taxes because the Company has incurred operating losses and capitalized certain items for income tax purposes since its inception and maintains a full valuation allowance against its net deferred tax assets. The reported amount of income tax expense for the period differs from the amount that would result from applying the federal statutory tax rate to net loss before taxes primarily because of the change in valuation allowance.

As of September 30, 2026, there were no material changes to either the nature or the amounts of the uncertain tax positions previously determined for the year ended December 31, 2025.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the United States. The OBBBA includes significant changes, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to certain aspects of the international tax framework and the restoration of favorable tax treatment for certain business expense provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The OBBBA did not have a material impact on the Company's consolidated financial statements.

Note 13—Commitments and Contingencies

Litigation

From time to time, the Company may be subject to various legal proceedings and claims that arise in the ordinary course of its business activities. The Company records a liability when a particular contingency is probable and estimable.

In January 2024 and April 2024, the Company was named as a nominal defendant in two putative stockholder derivative actions filed by stockholders of the Company in the Court of Chancery of the State of Delaware. The lawsuits have since been consolidated and a lead plaintiff has been appointed. In October 2024, the lead plaintiff filed an amended complaint asserting claims relating to the Company's August 2023 Private Placement against (i) certain of the Company's current and former directors and officers for breach of fiduciary duty and unjust enrichment; and (ii) certain participants in the Company's August 2023 Private Placement for aiding and abetting breach of fiduciary duty and unjust enrichment. The amended complaint seeks an unspecified award of damages in the Company's favor, plus pre-judgment and post-judgment interest, and an award to the plaintiffs for the costs and disbursement of the action, including fees for their attorneys and experts. The board of directors of the Company formed a special litigation committee to investigate the claims and allegations in the amended complaint. On March 3, 2026, the special litigation committee moved to terminate the action, stating its conclusion that dismissal is in the best interest of the Company and its stockholders. On April 1, 2026, the lead plaintiff filed a response stating that he does not oppose the motion to terminate the action.

The parties were heard by the Court in a September 16, 2026 teleconference in which the Court directed the Company to submit public notice in a filing with the U.S. Securities and Exchange Commission, (the "SEC") that notifies stockholders that the Court has directed that if no stockholder files a written objection on the docket within 30 days from the date of the SEC filing, the Court intends to grant the motion to terminate.

If no stockholder files a written objection on the docket in the consolidated action (In re Taysha Gene Therapies, Inc. Stockholder Litigation, C.A. No. 2024-0073-BWD) within 30 days of this notice, the Court has indicated that it intends to grant the unopposed motion to terminate.

In connection with an investigation captioned In the Matter of Taysha Gene Therapies, Inc. (D-04192), Taysha and certain of its officers and directors received subpoenas in late 2024 from the SEC for materials relating to Taysha's August 2023 PIPE and certain public offerings. Production of materials in response to the subpoenas was completed in April 2025. The SEC investigation was neither a determination that the Company or any individuals had violated any law nor a charge of any wrongdoing. In June 2026, the SEC notified the Company and each of the named officers and directors that it was terminating the investigation and did not intend to recommend any enforcement actions.

Commitments

In the normal course of business, the Company enters into contracts that contain a variety of indemnifications with its directors, officers, employees, licensors, suppliers and service providers. The Company's maximum exposure under these arrangements is unknown at September 30, 2026. The Company does not anticipate recognizing any significant losses relating to these arrangements.

Note 14 – Retirement Plan

In July 2021, the Company adopted a 401(k) retirement savings plan that provides retirement benefits to all full-time employees. Eligible employees may contribute a percentage of their annual compensation, subject to Internal Revenue Service limitations. The Company contributed $0.2 million and $0.1 million to the 401(k) retirement savings plan for the three months ended

September 30, 2026 and 2025, respectively. The Company contributed $0.6 million and $0.4 million to the 401(k) retirement savings plan for the nine months ended September 30, 2026 and 2025, respectively.

Note 15 – Segment Information

The Company's Chief Executive Officer ("CEO") is the Chief Operating Decision Maker ("CODM"). The CODM allocates resources and makes operating decisions based on financial information presented on a consolidated basis. The CODM does not evaluate profitability below the level of the consolidated company. Accordingly, the Company has determined that it has a single reportable segment and operating segment structure. The Company views its operations and manages its business as a single operating segment, the gene therapy segment, which is the business of developing AAV-based gene therapies for the treatment of severe monogenic diseases of the central nervous system.

The gene therapy segment derived revenue solely from the Astellas Transactions (see Note 6). The accounting policies of the gene therapy segment are the same as those described in the summary of significant accounting policies.

The CODM reviews significant segment expenses including direct program expenses and compensation expenses as part of the assessment of segment profit and loss. The measure of segment assets is reported on the balance sheet as total consolidated assets.

The following table presents significant segment expenses for the three and nine months ended September 30, 2026 and 2025 (in thousands):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ —	$ —	$ —	$ 4,288
Less:				
Research and development program expense				
Program expense	12,450	14,366	52,778	26,737
Consultants and contractors expense	5,290	2,913	14,536	9,385
Compensation expense	17,338	11,111	49,105	33,231
Other segment expense[(a)]	4,050	4,343	11,758	16,079
Consolidated net loss	**$ (39,128)**	**$ (32,733)**	**$ (128,177)**	**$ (81,144)**

(a) Other segment expense included in consolidated net loss includes interest income, depreciation, insurance, travel, software and subscription services, legal, professional and consulting expense, commercial readiness expense, rent and facilities expense, other general and administrative expense, net gain on lease termination, change in fair value of term loan, change in fair value of warrant liability and other expense.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes included in this Quarterly Report on Form 10-Q and the audited financial statements and notes thereto as of and for the year ended December 31, 2025 and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, included in our Annual Report on Form 10-K for the year ended December 31, 2025, or Annual Report, filed with the Securities and Exchange Commission, or the SEC, on March 19, 2026. Unless the context requires otherwise, references in this Quarterly Report on Form 10-Q to "we," "us," and "our" refer to Taysha Gene Therapies, Inc. together with its consolidated subsidiaries.

Forward-Looking Statements

The information in this discussion contains forward-looking statements and information within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, which are subject to the "safe harbor" created by those sections. These forward-looking statements include, but are not limited to, statements concerning our strategy, future operations, future financial position, future revenues, projected costs, prospects and plans and objectives of management. The words "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "will," "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements that we make. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those in the forward-looking statements, including, without limitation, the risks set forth in Part I, Item 1A, "Risk Factors" in our Annual Report. The forward-looking statements are applicable only as of the date on which they are made, and we do not assume any obligation to update any forward-looking statements.

Note Regarding Trademarks

All brand names or trademarks appearing in this report are the property of their respective holders. Unless the context requires otherwise, references in this report to the "Company," "we," "us," and "our" refer to Taysha Gene Therapies, Inc.

Overview

We are a clinical-stage biotechnology company focused on advancing AAV-based gene therapies for the treatment of severe monogenic diseases of the central nervous system, or CNS. Our lead clinical program TSHA-102 is in development for the treatment of Rett syndrome, a rare neurodevelopmental disorder with no approved disease-modifying therapies that address the genetic root cause of the disease. With a singular focus on developing transformative medicines, we aim to address severe unmet medical needs and dramatically improve the lives of patients and their caregivers. Our management team has proven experience in gene therapy development and commercialization. We leverage this experience, our manufacturing process and a clinically and commercially proven AAV serotype 9, or AAV9, capsid in an effort to rapidly translate treatments from bench to bedside.

We are evaluating TSHA-102 for the treatment of females with Rett syndrome in our REVEAL and ASPIRE clinical trials.

The REVEAL Phase 1/2 Adolescent and Adult Trial, also known as Part A, is a first-in-human, open-label, randomized, dose-escalation and dose-expansion study evaluating the safety and preliminary efficacy of TSHA-102 as a single lumbar intrathecal administration in adolescent and adult females aged 12 years and older with Rett syndrome due to loss-of-function mutation in the methyl-CpG binding protein 2, or MECP2, gene. The trial is taking place in Canada and the United States. A total of six patients aged 15 to 21 years were treated with TSHA-102 in this study, and enrollment for this trial is complete. Part A also includes the REVEAL Phase 1/2 Pediatric Trial, which is a first-in-human, open-label, randomized, dose-escalation and dose-expansion study evaluating the safety and preliminary efficacy of TSHA-102 as a single lumbar intrathecal administration in pediatric females aged 5 to 8 years with Rett syndrome due to loss-of-function mutation in the MECP2 gene. The trial is taking place in the United States and Canada. A total of six patients aged 6 to 8 years were treated with TSHA-102 in this study, and enrollment for this trial is also complete.

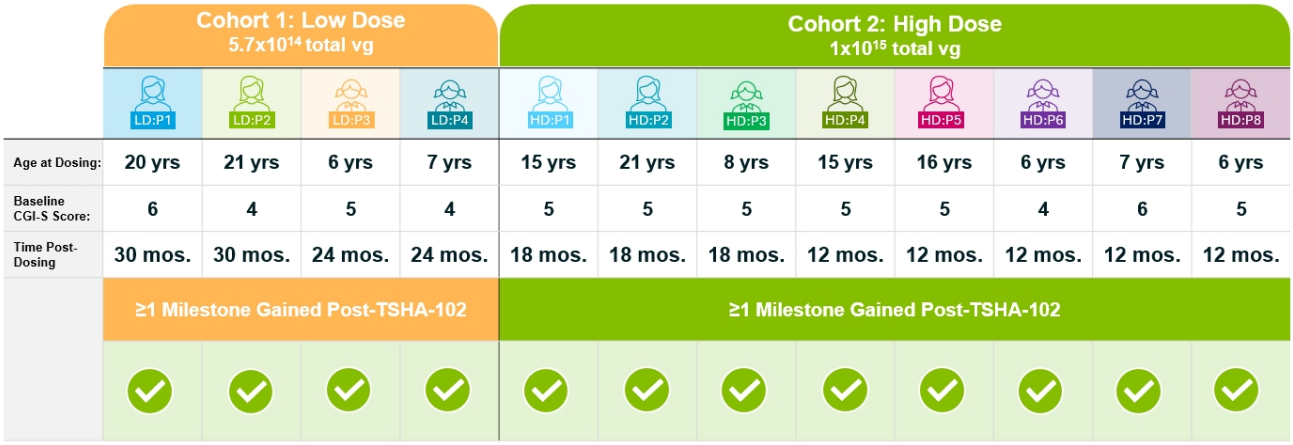
We have completed dosing of the 12 patients aged 6 to 21 years in Part A of both REVEAL trials, which includes eight patients in cohort two (high dose, $1x10^{15}$ total vector genomes, or vg) and four patients in cohort one (low dose, $5.7x10^{14}$ total vg).

Longer-Term Results from Part A of REVEAL Trials as of May 2026 Data Cutoff

Developmental milestones are defined as a functional gain of one or more of the 28 milestones defined in the natural history study. This is the primary evidence of efficacy that will support our planned BLA submission and the FDA's review of efficacy in the REVEAL pivotal trial. In the REVEAL Part A trial, developmental milestones were assessed by multiple independent raters through video-evidenced evaluation.

The 12 patients treated in REVEAL Part A ranged from 6 to 21 years of age at dosing, with post-treatment follow-up spanning 12 to 30 months. We enrolled patients across a broad spectrum of disease severity, as assessed by the Clinical Global Impression-Severity, or CGI-S, scale, a 7-point, clinician-rated assessment of illness severity ranging from 1 (normal/not at all ill) to 7 (among the most extremely ill). Baseline scores ranged from 4 to 6, reflecting moderately to severely ill patients.

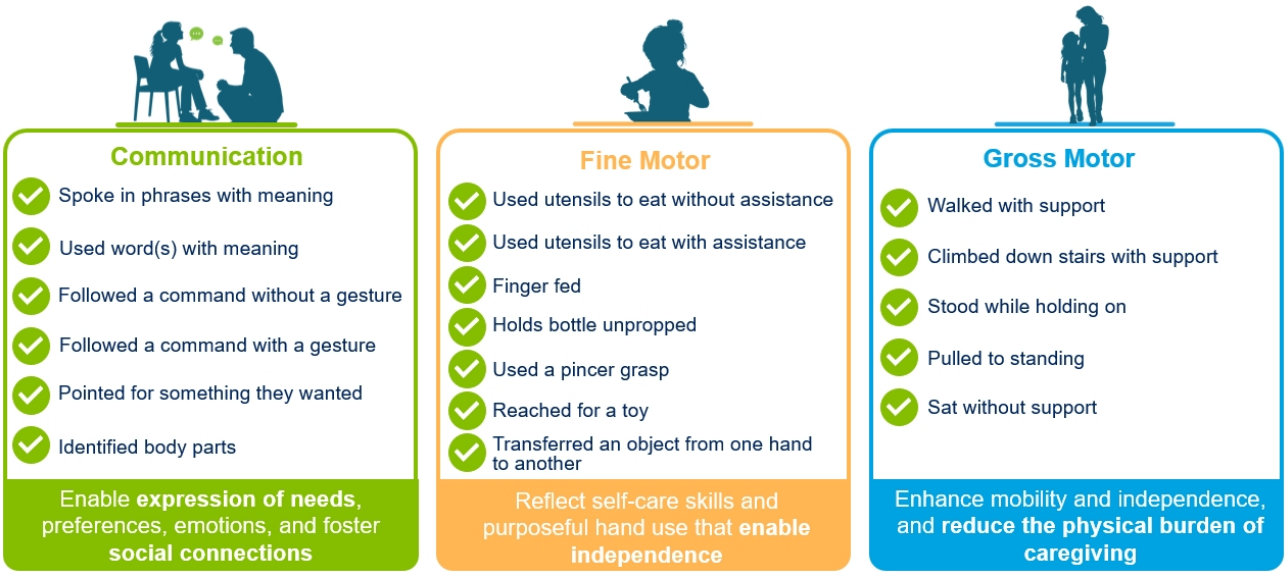
As of the May 2026 data cutoff, 100% of the 12 patients in REVEAL Part A gained or regained ≥ one developmental milestone across the core functional domains of fine motor, gross motor and communication post-treatment with TSHA-102. These results were seen despite the broad range in age and disease severity, as depicted below:



Based on May 2026 data cutoff (N=12). Developmental milestone gains and regains were assessed by multiple independent central raters through video evidence.

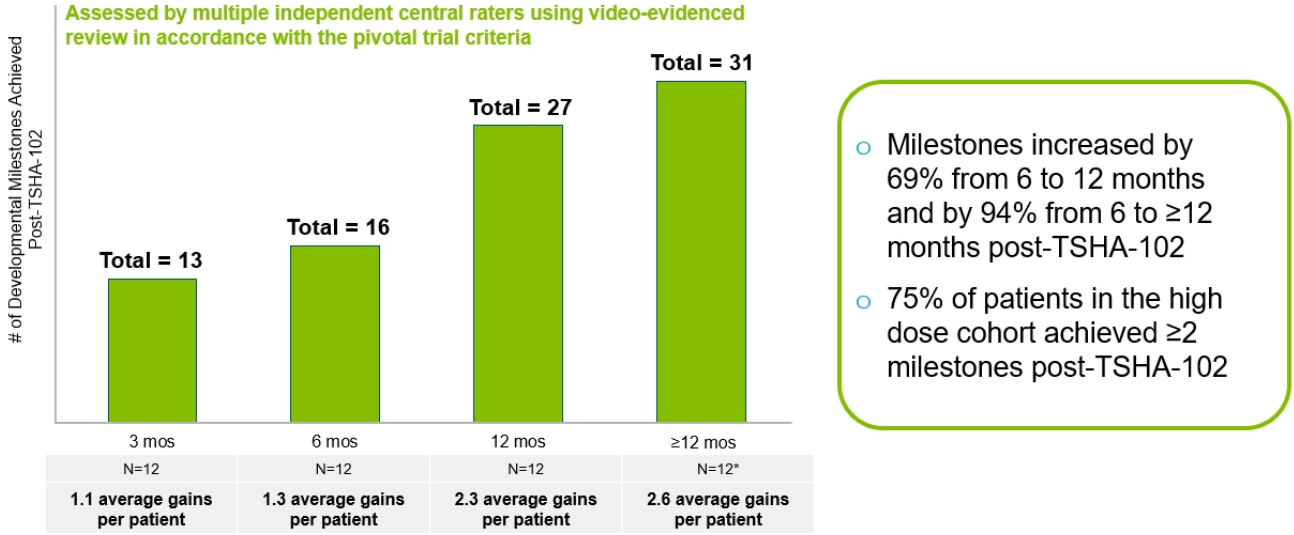
A total of 31 developmental milestones were achieved across the 12 patients post-treatment, spanning the core functional domains of Rett syndrome of communication, fine motor, and gross motor function. These achievements represent the breadth of

response demonstrated and reflect meaningful improvements in daily living that are important to caregivers, families, and clinicians. The milestones achieved are depicted below:



Based on May 2026 data cutoff (N=12). Developmental milestone gains and regains were assessed by multiple independent central raters through video evidence.

Many patients achieved milestones as early as 3 months post-TSHA-102. These gains were persistent, and patients continued to accumulate additional milestones over time across all three core disease domains. The total number of developmental milestones achieved across the patients increased from 16 at 6 months to 27 at 12 months, representing a 69% increase, and to 31 at ≥12 months, representing a 94% increase. The majority of patients achieved multiple developmental milestones, with 75% of high-dose patients achieving two developmental milestones or more post-TSHA-102.

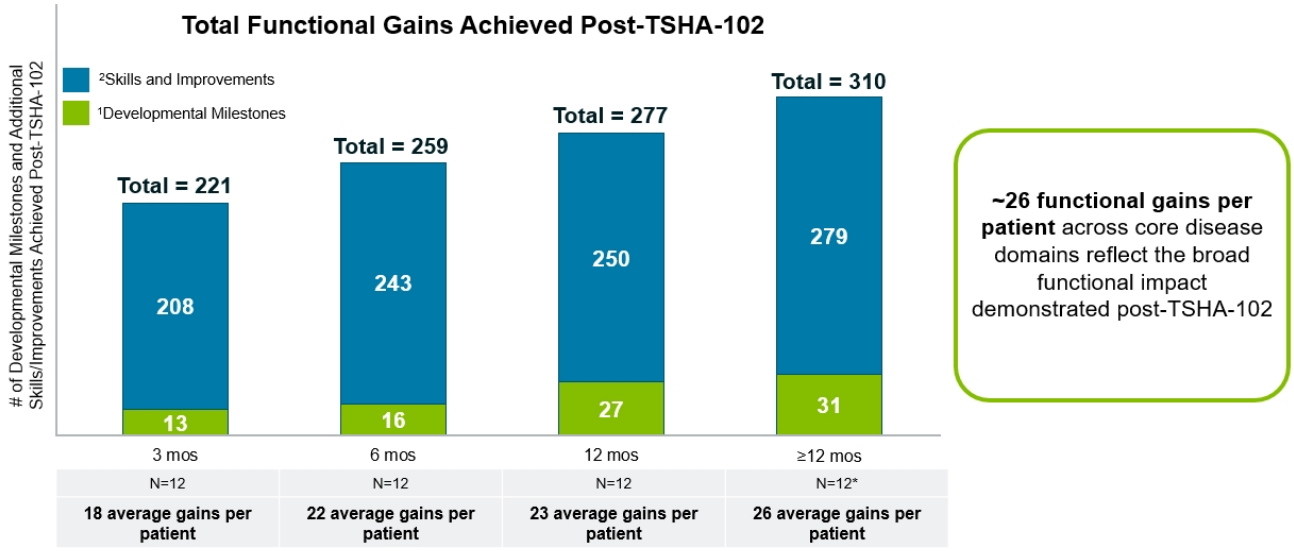


Based on May 2026 data cutoff (N=12). Developmental milestone gains and regains were assessed by multiple independent central raters through video evidence.
*N=7 patients with data >12 months post TSHA-102 and N=5 patients with 12-month data.

We also observed clinically meaningful skill gains and improvements in core disease characteristics beyond the 28 natural history-defined developmental milestones, which were assessed through rigorous video-evidenced evaluation and validated scales.

Together, the developmental milestones and additional skills and improvements reflect the totality of functional gains seen post-TSHA-102 that impact activities of daily living. At ≥12 months post-TSHA-102, a total of 310 functional gains were observed, translating to an average of 26 per patient. We believe these durable, multi-domain functional gains that accumulated over time reflect the broad functional impact of TSHA-102.

A summary of the total functional gains seen post-TSHA-102 is depicted in the chart below:

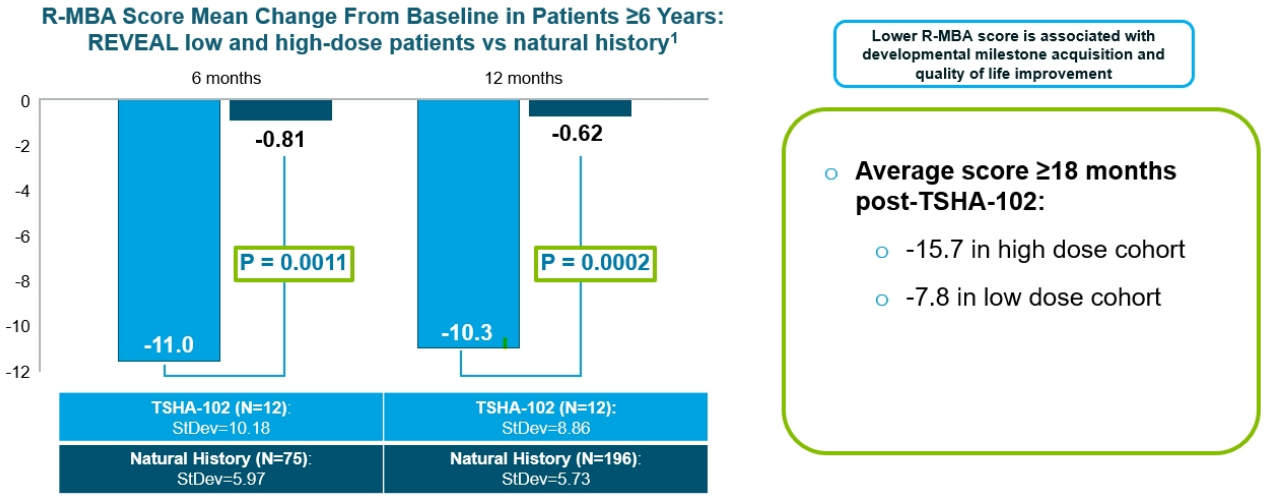


Based on May 2026 data cutoff (N=12).
[1]Gain/regain of ≥1 of the 28 natural history-defined developmental milestones from the REVEAL pivotal trial primary endpoint.
[2]Skill gains/improvements derived from the adapted Mullen Scales of Early Learning MSEL-A, R-MBA and Observer-Reported Communication Ability (ORCA): N=8 patients with ORCA data, N=7 with MSEL-A data, and N=12 with R-MBA data.
*N=7 patients with data >12 months post-TSHA-102, N=5 patients with 12-month data.

Improvements were also observed across multiple clinician-assessed outcome measures, including Revised Motor Behavior Assessment, or R-MBA, Clinician Global Impression – Improvement, or CGI-I, and CGI-S, all of which corroborated the functional gains demonstrated post-TSHA-102.

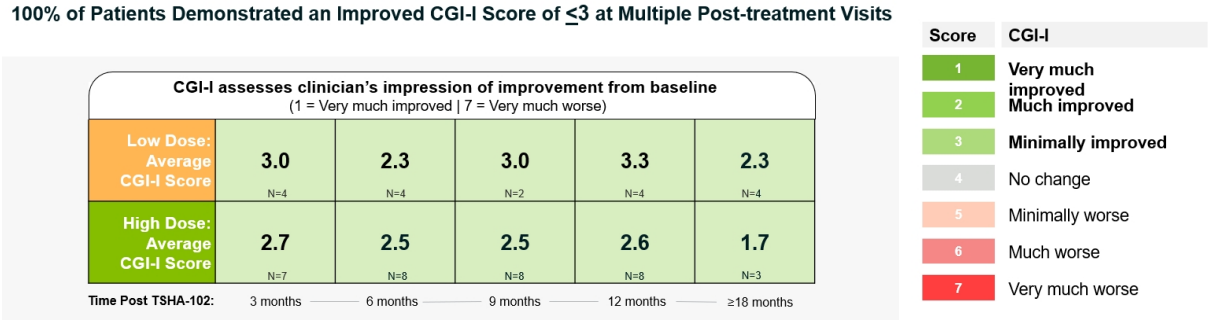
R-MBA demonstrated a consistent and robust treatment effect across all 12 patients at both 6- and 12-months post-TSHA-102. Mean change from baseline showed statistically significant improvement at both time points compared to natural history data, as depicted in the graph below, which suggests a reversal of the expected disease trajectory. The treatment effect demonstrated greater statistical separation from natural history at 12 months than at 6 months, as reflected by a lower p-value. Beyond 12 months, the treatment effect continued to increase, with a clear dose-dependent separation. At ≥18 months, high-dose patients achieved a mean

improvement of 15.7 points compared to 7.8 points in the low-dose cohort. We believe these results support the therapeutic potential of TSHA-102.



Based on May 2026 data cutoff (N=12 at 6 and 12 months, N=7 at ≥18 months post-TSHA-102). Statistical analyses are based on May 2026 data cutoff (N=12).
[1]R-MBA assessed in the Rett syndrome natural history study at ~6 and ~12 months; Motor Behavior Assessment natural history data converted to R-MBA; mean scores reported were calculated from baseline to 6 and 12 months: Accessed from International Rett Syndrome Foundation (IRSF). ClinicalTrials.gov: NCT02738281: a prospective cohort of individuals with a pathologic mutation in the MECP2 gene, commonly associated with Rett syndrome.

TSHA-102 showed early, sustained global improvement in CGI-I, with dose-dependent effects that deepened over time, as summarized in the table below. 100% of the patients demonstrated an improved CGI-I score of 3 or less at multiple post-treatment assessments. Mean CGI-I scores in the high dose cohort were less than 3 at all assessments and improved over time, reaching 1.7 in the high-dose cohort at 18 months post-treatment.



Based on May 2026 data cutoff (N=12). CGI-I average scores based on latest assessment for each patient.

TSHA-102 demonstrated robust, clinically meaningful responses at both 6 and at 12 months and beyond across multiple key outcome measures. Importantly, we observed an 83% response rate at 6 months and a 100% response rate at 12 months, exceeding the FDA-aligned minimum threshold for the pivotal trial (33% response rate), which further bolsters our confidence in our pivotal trial 6-month interim analysis, in addition to total functional gains observed, R-MBA, CGI-I, and CGI-S data all demonstrating significant and consistent response at 6 months, 12 months and beyond. In addition, our assessment of comparability between the PPQ commercial product and clinical trial material, conducted under the FDA-aligned strategy, supports the potential inclusion of

REVEAL Part A data in the planned BLA submission, We believe this alignment further supports the possibility of a BLA submission based on the pivotal trial interim analysis. The responses for both the high and low dose cohorts of Part A are summarized below:

Endpoint		6 Months Post-TSHA-102 *n=12*	12 Months Post-TSHA-102 *n=12*	≥18 Months Post TSHA-102 *n=7*
Functional Gains	% of Patients Gained/Regained ≥1 Developmental Milestone	83%	100%	100%
	Average Functional Gains Per Patient	22 gains per patient	23 gains per patient	26 gains per patient
R-MBA[1]	Statistically Significant Mean Score Improvement vs Natural History	-11.0 P = 0.0011	-10.3 P = 0.0002	-11.0 P = 0.0046
CGI-I	% of Patients with CGI-I Score ≤3 at Multiple Post-treatment Assessments	100%	100%	100%
CGI-S[2]	% of Patients with CGI-S Total Score Improvement	25%	25%	57%

FDA alignment on product comparability enables REVEAL Part A data to be included in the BLA, which further supports the potential for a BLA submission based on the pivotal trial interim analysis

Based on May 2026 data cutoff (N=12).
[1]R-MBA mean score change post-TSHA-102 is relative to baseline; lower score=improvement from baseline.
[2]CGI-S=Clinical Global Impression-Severity: a clinician-assessed scale ranging from 1 to 7, assessing severity of illness.

As of November 2026, TSHA-102 was generally well tolerated with no severe treatment-related serious adverse events, or SAEs, or dose limiting toxicities, or DLTs, in all patients treated in the REVEAL Phase 1/2, REVEAL pivotal and ASPIRE trials (n=33). In July 2026, one patient in the REVEAL pivotal trial experienced a single, moderate Grade 2 technical classification of a treatment-related event of peripheral sensory neuropathy, an expected AAV-associated risk, approximately six weeks post-TSHA-102. In accordance with the treating institution's protocol, the patient was admitted overnight for management and observation, thus, resulting in the technical classification of the Grade 2 event as an SAE. The patient was discharged the following day, and importantly, rapidly demonstrated substantial recovery. The patient has demonstrated continued meaningful improvement over the last three months and is almost back to baseline.

REVEAL Pivotal Trial

The TSHA-102 clinical development program is designed to support the potential future approval of TSHA-102 for a broad population of patients aged 2 years and older with Rett syndrome through an efficient and rigorously designed pathway. In close collaboration with the FDA we designed the TSHA-102 pivotal program so that efficacy data from the REVEAL pivotal trial in patients aged 6 to <22 years who have reached developmental plateau can be used to represent patients aged 2 to <6 years, while safety data in younger children are generated through the separate ASPIRE trial to support the potential for a broad label for TSHA-102.

The REVEAL pivotal trial, also known as Part B, is a single-arm, open-label study evaluating the efficacy and safety of high dose TSHA-102 as a single lumbar intrathecal administration in females aged 6 to <22 years with Rett syndrome due to MECP2 loss-of-function mutation, with each patient serving as their own control. The trial is taking place in the United States. The study enrolled females in the developmental plateau population of Rett syndrome; these patients have an exceedingly low likelihood (0% to <6.7%) of gaining new or regaining developmental milestones that were lost after a defined number of years, based on our analysis of the National Institutes of Health, or NIH, -funded International Rett Syndrome Foundation's natural history study data. The primary endpoint will assess response rate, defined as the percentage of patients who gain or regain at least one developmental milestone from a list of 28 natural-history defined milestones across the core functional domains of communication, fine motor and gross motor, following administration of TSHA-102. The response rate of 33% is the minimum threshold for success sufficient to reject the natural history established null hypothesis of 6.7%.

We have completed dosing of the 17 patients aged 6 to <22 years in the overenrolled REVEAL pivotal trial, and enrollment for this trial is complete with a well-balanced age distribution across all pediatric, adolescent and adult patients dosed.

Standardized milestone assessments will be administered and captured on video at pre- and post-treatment timepoints, with determination of milestone gain/regain upon video-evidence review by independent, blinded central raters based on prespecified definitions of achievement for each milestone. The interim analysis to support the planned and FDA-aligned BLA submission is expected to occur after all 17 patients complete six months of post-treatment follow-up. Subsequently, we plan to discuss data from the 6-month interim analysis and next steps toward the BLA submission pathway with the FDA, with topline data and regulatory feedback anticipated in the first half of 2027.

We also obtained written alignment from the FDA on an extrapolation approach in a separate safety-focused study, which we refer to as the ASPIRE trial, and the data for inclusion in the planned BLA submission to enable potential broad labeling of TSHA-102 for patients aged ≥2 years with Rett syndrome. We have completed dosing of four patients aged 2 to <4 years with Rett syndrome in the overenrolled ASPIRE trial to evaluate the safety and preliminary efficacy of a single intrathecal administration of high dose TSHA-102 ($1x10^{15}$ total vg), scaled to account for the lower brain volume in 2 to <4-year-olds. A minimum of three months of ASPIRE safety data will be included in the planned BLA submission, while efficacy in the 2 to <6-year-old population will be extrapolated from data collected in the REVEAL pivotal trial.

We reached written alignment with the FDA on Chemistry, Manufacturing and Controls, or CMC, requirements to support a planned BLA submission for TSHA-102 following a Type C meeting. We further aligned with the FDA on our proposed comparability approach between TSHA-102 material derived from the clinical and final commercial manufacturing processes. The FDA agreed that this approach may potentially support pooling data from the REVEAL Phase 1/2 trials with data from the ongoing REVEAL pivotal and ASPIRE trials for the planned BLA submission. The FDA also endorsed our proposed Process Performance Qualification, or PPQ, campaign strategy to support process validation for the BLA submission, including the stability data package, the potency assay strategy, and the execution of BLA-enabling PPQ lots using the commercial manufacturing process. We initiated our PPQ campaign in the second quarter of 2026 and completed the campaign in the fourth quarter of 2026. Initiating the PPQ campaign ensures our CMC activities remain aligned with our clinical development timelines for the planned BLA submission. The PPQ campaign included the successful production of commercial-scale drug product batches required to validate the final commercial manufacturing process in support of a potential BLA submission and future commercialization of TSHA-102. All process parameters and analytical results met predefined PPQ acceptance criteria and FDA-aligned comparability requirements, demonstrating that the final commercial process produces product comparable to the clinical material used in the REVEAL and ASPIRE trials. These results support the potential inclusion of REVEAL Part A data in the planned BLA submission, and we believe that the 6- and ≥12-month Part A results further support the potential for BLA submission based on the pivotal trial interim analysis. The final TSHA-102 commercial manufacturing process consistently achieves a single-digit empty capsid percentage, an important indicator of product quality that contributes to patient safety, while demonstrating the consistency and scalability required to support anticipated commercial demand. We plan to discuss this CMC data with the FDA at a meeting expected to be held in the fourth quarter of 2026 in an effort to further strengthen the CMC package for our planned BLA submission.

We have expanded our strategic manufacturing partnership with Catalent, Inc., or Catalent, for commercial supply of TSHA-102. We executed a commercial supply agreement for Catalent to manufacture TSHA-102. Under the terms of this expanded agreement, Catalent will be our primary commercial manufacturing partner for TSHA-102. Catalent will provide Good Manufacturing Practices, or GMP, manufacturing and commercial supply of TSHA-102 at its FDA-licensed commercial gene therapy facility in Harmans, Maryland following potential FDA approval. The agreement establishes a long-term commercial supply framework intended to support commercial launch and future demand. Catalent will leverage its experience across more than 90 gene therapy programs, including multiple commercial products at this facility.

We have received orphan drug designation and rare pediatric disease designation from the FDA and orphan drug designation from the European Commission for TSHA-102 for the treatment of Rett syndrome. We also received Fast Track Designation from the FDA for TSHA-102 for the treatment of Rett syndrome. In February 2024, we received Innovative Licensing and Access Pathway, or ILAP, designation for TSHA-102 from the U.K. Medicines and Healthcare Products Regulatory Agency. The ILAP aims to facilitate patient access to novel treatments by accelerating time to market through opportunities for enhanced engagements with U.K. regulatory authorities and other stakeholders.

In April 2024, the FDA granted Regenerative Medicine Advanced Therapy, or RMAT, designation for TSHA-102 in Rett syndrome following the FDA's review of available safety and efficacy data from the first three patients with Rett syndrome dosed with the low dose of TSHA-102 in Part A of the REVEAL Phase 1/2 Adolescent and Adult trial and the REVEAL Phase 1/2 Pediatric trial. In September 2025, the FDA granted Breakthrough Therapy designation to TSHA-102 following the FDA's review of positive clinical evidence across the 12 patients treated with TSHA-102 in Part A of the REVEAL Phase 1/2 trials. The FDA grants Breakthrough Therapy designation to expedite the development and regulatory review of an investigational therapy intended to treat a serious condition. A drug is eligible for this designation if it demonstrates preliminary clinical evidence of substantial improvement over available treatments in one or more clinically significant endpoints.

Our Pipeline

We are focused on discovering, developing and commercializing gene therapies for the treatment of monogenic diseases of the CNS, in both rare and large patient populations. Our primary focus is advancing our lead TSHA-102 clinical program in Rett syndrome, while our pipeline of CNS programs offers the potential for additional development opportunities in the future. We expect to nominate an additional gene therapy development candidate targeting a CNS disorder with high unmet medical need and significant commercial opportunity and commence pre-clinical development activities in the first half of 2027. The stage of development of our Rett syndrome program, including the progress in our ongoing clinical trials, is represented in the table below:



We have a limited operating history. Since our inception, our operations have focused on organizing and staffing our company, business planning, raising capital and entering into collaboration agreements for conducting preclinical and clinical development activities for our product candidates. Our lead product candidate is still in the clinical stage. We do not have any product candidates approved for sale and have not generated any revenue from product sales. Through September 30, 2026, we have funded our operations by raising an aggregate $1.19 billion in gross proceeds primarily through: (i) the sale of equity from our IPO and subsequent public and private offerings of common stock; (ii) pre-IPO private placements of our convertible preferred stock; (iii) our 2023 Trinity Term Loan Agreement (as defined below) and subsequently the 2025 Trinity Term Loan Agreement (as defined below); and (iv) the option agreement dated October 21, 2022, with Audentes Therapeutics, Inc. (d/b/a Astellas Gene Therapy) and the securities purchase agreement dated October 21, 2022 with Astellas, or the Astellas Transactions.

On November 13, 2023, or the 2023 Trinity Closing Date, we entered into a Loan and Security Agreement, or the 2023 Trinity Term Loan Agreement, by and among us, the lenders party thereto from time to time, or the Trinity Lenders, and Trinity Capital Inc., as administrative agent and collateral agent for the Trinity Lenders, or Trinity. The 2023 Trinity Term Loan Agreement provided for, on the 2023 Trinity Closing Date, $40.0 million aggregate principal amount of term loans, or, collectively, the 2023 Trinity Term Loans. We drew the 2023 Trinity Term Loans in full on the 2023 Trinity Closing Date. On August 7, 2025, we entered into the 2025 Trinity Term Loan Agreement (as defined below) with the 2025 Trinity Lenders (as defined below). We drew $50.0 million in term loans on the Trinity Refinance Date (as defined below). The existing 2023 Trinity Term Loan Agreement with the Trinity Lenders was terminated and the existing 2023 Trinity Term Loans were repaid in full concurrently with entry into the 2025 Trinity Term Loans (as defined below).

Since our inception, we have incurred significant operating losses. Our net losses were $128.2 million for the nine months ended September 30, 2026. As of September 30, 2026, we had an accumulated deficit of $839.5 million. We expect to continue to incur significant expenses and operating losses for the foreseeable future. We anticipate that our expenses will increase significantly in connection with our ongoing activities, as we:

- continue to advance the clinical development of our product candidates and, if we determine to do so in the future, reprioritize the advancement of our preclinical and discovery programs;
- conduct our ongoing clinical trials of TSHA-102 and any other current and future product candidates that we advance;
- seek regulatory approval for any product candidates that successfully complete clinical trials;
- continue to develop our gene therapy product candidate pipeline;
- scale up our clinical and regulatory capabilities;
- work with contract manufacturing organizations, or CMOs, for the manufacture of current Good Manufacturing Practice, or cGMP, material for clinical trials or potential commercial sales;
- establish a commercialization infrastructure and scale up internal and external manufacturing and distribution capabilities to commercialize any product candidates for which we may obtain regulatory approval;
- adapt our regulatory compliance efforts to incorporate requirements applicable to marketed products;
- maintain, expand and protect our intellectual property portfolio;

- hire additional clinical, manufacturing quality control, regulatory, manufacturing and scientific and administrative personnel;
- add operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts; and
- incur additional legal, accounting and other expenses in operating as a public company.

License Agreements

Research, Collaboration and License Agreement with The University of Texas Southwestern Medical Center

In November 2019, we entered into the UT Southwestern Agreement with The Board of Regents of the University of Texas System on behalf of UT Southwestern, as amended in April 2020.

In connection with the UT Southwestern Agreement, we obtained an exclusive, worldwide, royalty-free license under certain patent rights of UT Southwestern and a non-exclusive, worldwide, royalty-free license under certain know-how of UT Southwestern, in each case to make, have made, use, sell, offer for sale and import licensed products for use in certain specified indications. Additionally, we obtained a right of first refusal to negotiate for an exclusive license under certain additional patent rights and know-how of UT Southwestern. We are required to use commercially reasonable efforts to develop, obtain regulatory approval for, and commercialize at least one licensed product.

In connection with the UT Southwestern Agreement, we issued to UT Southwestern 2,179,000 shares of our common stock. We do not have any future milestone or royalty obligations to UT Southwestern under the UT Southwestern Agreement, other than costs related to the maintenance of patents.

The UT Southwestern Agreement expires on a country-by-country and licensed product-by-licensed product basis upon the expiration of the last valid claim of a licensed patent in such country for such licensed product. After the initial research term, we may terminate the agreement, on an indication-by-indication and licensed product-by-licensed product basis, at any time upon specified written notice to UT Southwestern. Either party may terminate the agreement upon an uncured material breach of the agreement or insolvency of the other party. In December 2023 and throughout 2024 and 2025, we transferred rights to specific indications back to UT Southwestern.

License Agreement with Abeona (Rett Syndrome)

In October 2020, we entered into a license agreement, or the Abeona Rett Agreement, with Abeona pursuant to which we obtained an exclusive, worldwide, royalty-bearing license, with the right to grant sublicenses under certain patents, know-how and materials originally developed by the University of North Carolina at Chapel Hill, the University of Edinburgh and Abeona to research, develop, manufacture, have manufactured, use, and commercialize licensed products for gene therapy and the use of related transgenes for Rett syndrome.

Subject to certain obligations of Abeona, we are required to use commercially reasonable efforts to develop at least one licensed product and commercialize at least one licensed product in the United States.

In connection with the Abeona Rett Agreement, we paid Abeona a one-time upfront license fee of $3.0 million during fiscal year 2020. We are obligated to pay Abeona up to $26.5 million in regulatory-related milestones and up to $30.0 million in sales-related milestones per licensed product and high single-digit royalties on net sales of licensed products. Royalties are payable on a licensed product-by-licensed product and country-by-country basis until the latest of the expiration or revocation or complete rejection of the last licensed patent covering such licensed product in the country where the licensed product is sold, the loss of market exclusivity in such country where the product is sold, or, if no licensed product exists in such country and no market exclusivity exists in such country, ten years from first commercial sale of such licensed product in such country.

In March 2022, our clinical trial application filing for TSHA-102 for the treatment of Rett Syndrome was approved by Health Canada and therefore triggered a regulatory milestone payment in connection with the Abeona Rett Agreement. We recorded a $1.0 million charge within research and development expenses in the consolidated statements of operations for the year ended December 31, 2022. In May 2023, we dosed the first patient with TSHA-102 in the Phase 1/2 REVEAL trial evaluating the safety and preliminary efficacy of TSHA-102 in adult patients with Rett syndrome and therefore triggered a milestone payment of $3.5 million in connection with the Abeona Rett Agreement. In December 2025, we dosed the first patient with TSHA-102 in the Phase 1/2 Part B REVEAL pivotal trial and therefore triggered a milestone payment of $3 million in connection with this agreement. This pivotal milestone fee was paid in January 2026. We recorded $3.0 million as an investing cash outflow in our condensed consolidated

statement of cash flows for the nine months ended September 30, 2026. No other milestone payments were made or triggered in connection with this agreement during the nine months ended September 30, 2026.

The Abeona Rett Agreement expires on a country-by-country and licensed product-by-licensed product basis upon the expiration of the last royalty term of a licensed product in such country. Either party may terminate the agreement upon an uncured material breach of the agreement or insolvency of the other party. We may terminate the agreement for convenience upon specified prior written notice to Abeona.

Components of Results of Operations

Revenue

Revenue for the nine months ended September 30, 2025 was derived from the Astellas Transactions. We recognized revenue as research and development activities related to our Rett program were performed. Revenue related to the material rights associated with the Rett Option and the GAN Option was recognized at a point in time when the option was exercised or the option period expired. In September 2023, Astellas elected not to exercise the GAN Option, therefore we recognized revenue related to the GAN Option during the year ended December 31, 2023. In October 2025, Astellas elected not to exercise the Rett Option, therefore we recognized revenue related to the Rett Option during the year ended December 31, 2025. All revenue related to the Astellas Transactions was recognized as of December 31, 2025.

To date, we have not recognized any revenue from product sales, and we do not expect to generate any revenue from the sale of products, if approved, in the foreseeable future. If our development efforts for our product candidates are successful and result in regulatory approval, or license agreements with third parties, we may generate revenue in the future from product sales. However, there can be no assurance as to when we will generate such revenue, if at all.

Operating Expenses

Research and Development Expenses

Research and development expenses primarily consist of preclinical development of our product candidates and discovery efforts, including conducting preclinical studies, manufacturing development efforts, preparing for clinical trials and activities related to regulatory filings for our product candidates. Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be used in research and development are capitalized until the goods or services are received. Costs incurred in obtaining technology licenses through asset acquisitions are charged to research and development expense if the licensed technology has not reached technological feasibility and has no alternative future use. Research and development expenses include or could include:

- employee-related expenses, including salaries, bonuses, benefits, stock-based compensation, severance costs and other related costs for those employees involved in research and development efforts;
- license maintenance fees and milestone fees incurred in connection with various license agreements;
- external research and development expenses incurred under agreements with consultants, contract research organizations, or CROs, and investigative sites to conduct our preclinical studies;
- costs related to manufacturing material for our preclinical studies and clinical trials, including fees paid to CMOs;
- laboratory supplies and research materials;
- costs related to compliance with regulatory requirements; and
- facilities, depreciation and other allocated expenses, which include direct and allocated expenses for rent, maintenance of facilities, insurance and equipment.

Research and development activities are central to our business model. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. We have increased, and expect to continue to increase for the foreseeable future, our research and development spend with respect to the Rett clinical trials as we continue the development of TSHA-102 and manufacturing processes and begin commercialization activities and conduct discovery and research activities for our preclinical programs, in particular in connection with the nomination of an additional product candidate in the first half of 2027. We cannot determine with certainty the timing of initiation, the duration or the completion costs of current or future preclinical studies and clinical trials of our product candidates due to the inherently unpredictable nature of preclinical and clinical development. Clinical and preclinical development timelines, the probability of success and development costs can differ materially from expectations. We

anticipate that we will make determinations as to which product candidates to pursue and how much funding to direct to each product candidate on an ongoing basis in response to the results of ongoing and future preclinical studies and clinical trials, regulatory developments and our ongoing assessments as to each product candidate's commercial potential. We will need to raise substantial additional capital in the future. Our clinical development costs are expected to increase significantly as we commence clinical trials. Our future expenses may vary significantly each period based on factors such as:

- expenses incurred to conduct preclinical studies required to advance our product candidates into clinical development;
- per-patient trial costs, including based on the number of doses that patients received;
- the number of patients who enroll in each trial;
- the number of trials required for approval;
- the number of sites included in the trials;
- the countries in which the trials are conducted;
- the length of time required to enroll eligible patients;
- the drop-out or discontinuation rates of patients;
- potential additional safety monitoring requested by regulatory agencies;
- the duration of patient participation in the trials and follow-up;
- the phase of development of the product candidate;
- third-party contractors failing to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- the ability of our CMOs to manufacture our product candidates;
- regulators or institutional review boards requiring that we or our investigators suspend or terminate clinical development for various reasons, including noncompliance with regulatory requirements or a finding that the participants are being exposed to unacceptable health risks; and
- the efficacy and safety profile of our product candidates.

General and Administrative Expenses

General and administrative expenses consist principally of salaries and related costs for personnel in executive and administrative functions, including stock-based compensation, travel expenses and recruiting expenses. Other general and administrative expenses include professional fees for legal, consulting, accounting and audit and tax-related services and insurance costs.

We anticipate that our general and administrative expenses as a result of payments for accounting, audit, legal, consulting services, as well as costs associated with maintaining compliance with Nasdaq listing rules and SEC requirements, director and officer liability insurance, investor and public relations activities and other expenses associated with operating as a public company may increase in the near future. In addition, we expect to incur legal fees in connection with the shareholder derivative lawsuit against certain of our current and former directors in the Court of Chancery of the State of Delaware. See "Part I, Item 1, Note 13-Commitments and Contingencies" in this Quarterly Report on Form 10-Q.

Other Income (Expense)

Other income (expense) consists primarily of dividends earned from our money market fund and interest income on our cash and cash equivalents and non-cash changes in the fair value of our warrant liability and the 2025 Trinity Term Loans.

Results of Operations

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

The following table summarizes our results of operations for the three months ended September 30, 2026 and 2025 (in thousands):

	For the Three Months Ended September 30, 2026	2025
Operating expenses:		
Research and development	$ 28,766	$ 25,745
General and administrative	13,106	8,279
Total operating expenses	41,872	34,024
Loss from operations	(41,872)	(34,024)
Other income (expense):		
Change in fair value of warrant liability	—	(292)
Change in fair value of term loan	(1,087)	(1,534)
Interest income	3,903	3,169
Interest expense	(4)	(15)
Other expense	(68)	(37)
Total other income, net	2,744	1,291
Net loss	$ (39,128)	$ (32,733)

Research and Development Expenses

Research and development expenses were $28.8 million for the three months ended September 30, 2026, compared to $25.7 million for the three months ended September 30, 2025. The $3.1 million increase was primarily driven by higher clinical expenses from the REVEAL Part A Phase 1/2, REVEAL Part B pivotal, and ASPIRE trials. Compensation expenses, including non-cash stock-based compensation, also increased as a result of additional research and development headcount.

General and Administrative Expenses

General and administrative expenses were $13.1 million for the three months ended September 30, 2026, compared to $8.3 million for the three months ended September 30, 2025. The increase of $4.8 million was primarily due to higher compensation expenses, including non-cash stock-based compensation expense, and increases in consulting and professional fees, including commercial launch-readiness initiatives.

Other Income (Expense)

Change in fair value of warrant liability

Change in fair value of warrant liability was a non-cash loss totaling $0.3 million for the three months ended September 30, 2025 related to the SSI Warrants. In December 2025, all vested and outstanding liability classified warrants were exercised, therefore the change in fair value of warrant liability was zero for the three months ended September 30, 2026.

Change in fair value of term loan

We elected the fair value option for the 2025 Trinity Term Loans and changes to fair value, other than changes that were directly attributed to instrument-specific credit risk, were recorded as a component of other income (expense). The change in fair value was $1.1 million of expense for the three months ended September 30, 2026 compared to $1.5 million for the three months ended September 30, 2025.

Interest Income

Interest income was $3.9 million for the three months ended September 30, 2026 compared to $3.2 million for the three months ended September 30, 2025. The increase in income was attributable to higher dividends earned from our money market fund.

Interest expense

Interest expense was less than $0.1 million for each of the three months ended September 30, 2026 and 2025. Interest expense was recorded within the change in fair value of term loans for the three months ended September 30, 2026 and 2025 due to the election of the fair value option.

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

The following table summarizes our results of operations for the nine months ended September 30, 2026 and 2025 (in thousands):

	For the nine months ended September 30,	
	2026	2025
Revenue	$ —	$ 4,288
Operating expenses:		
Research and development	101,211	61,451
General and administrative	34,929	25,035
Net gain on lease termination	(3,433)	—
Total operating expenses	132,707	86,486
Loss from operations	(132,707)	(82,198)
Other income (expense):		
Change in fair value of warrant liability	—	(463)
Change in fair value of term loan	(4,078)	(4,525)
Interest income	8,814	6,354
Interest expense	(19)	(51)
Other expense	(187)	(261)
Total other income, net	4,530	1,054
Net loss	$ (128,177)	$ (81,144)

Revenue

Revenue was zero for the nine months ended September 30, 2026, compared to $4.3 million for the nine months ended September 30, 2025. The revenue recorded for the nine months ended September 30, 2025, was derived entirely from the Astellas Transactions as a result of Rett research and development activities performed during the period.

Research and Development Expenses

Research and development expenses were $101.2 million for the nine months ended September 30, 2026, compared to $61.5 million for the nine months ended September 30, 2025. The $39.7 million increase was primarily driven by BLA-enabling PPQ manufacturing initiatives performed during the nine months ended September 30, 2026 and higher clinical expenses from the REVEAL Part A Phase 1/2, REVEAL Part B pivotal, and ASPIRE trials. Compensation expenses, including non-cash stock-based compensation, also increased as a result of additional research and development headcount.

General and Administrative Expenses

General and administrative expenses were $34.9 million for the nine months ended September 30, 2026, compared to $25.0 million for the nine months ended September 30, 2025. The increase of $9.9 million was primarily due to higher compensation expenses, including non-cash stock-based compensation expense, and increases in consulting and professional fees, including commercial launch-readiness initiatives.

Net Gain on Lease Termination

Net gain on lease termination was $3.4 million for the nine months ended September 30, 2026 due to the termination of the lease of our manufacturing facility in North Carolina. The net gain consists of an $8.7 million gain on lease termination related to the derecognition of the operating lease right-of use asset and corresponding lease liability, partially offset by a loss on asset disposal of $4.0 million related to construction in progress leasehold improvements and third-party broker commissions of $1.3 million.

Other Income (Expense)

Change in fair value of warrant liability

Change in fair value of warrant liability was a non-cash loss totaling $0.5 million for the nine months ended September 30, 2025 related to the SSI Warrants. In December 2025, all vested and outstanding liability classified warrants were exercised, therefore the change in fair value of warrant liability was zero for the nine months ended September 30, 2026.

Change in fair value of term loan

We elected the fair value option for the 2025 Trinity Term Loans and changes to fair value, other than changes that were directly attributed to instrument-specific credit risk, were recorded as a component of other income (expense). The change in fair value was $4.1 million of expense for the nine months ended September 30, 2026 compared to $4.5 million for the nine months ended September 30, 2025.

Interest Income

Interest income was $8.8 million for the nine months ended September 30, 2026 compared to $6.4 million for the nine months ended September 30, 2025. The increase in income was attributable to higher dividends earned from our money market fund.

Interest expense

Interest expense was less than $0.1 million for each of the nine months ended September 30, 2026 and 2025. Interest expense was recorded within change in fair value of term loan for the nine months ended September 30, 2026 and 2025 due to the election of the fair value option.

Liquidity and Capital Resources

Overview

Since our inception, we have not generated any revenue from product sales and have incurred significant operating losses. As of September 30, 2026, we had cash and cash equivalents of $422.8 million. We have funded our operations primarily through equity financings, raising an aggregate of $1.19 billion in gross proceeds from equity financings, including from pre-IPO private placements of convertible preferred stock, our IPO, and subsequent sales of common stock in public and private securities offerings, proceeds from a warrant exercise, our term loans and the Astellas Transactions.

On August 7, 2025, or the Trinity Refinance Date, we entered into a Loan and Security Agreement, or the 2025 Trinity Term Loan Agreement, by and among us, the lenders party thereto from time to time, or the 2025 Trinity Lenders, and Trinity Capital Inc., as administrative agent and collateral agent for the 2025 Trinity Lenders, or Trinity. The 2025 Trinity Term Loan Agreement provides for (i) on the Trinity Refinance Date, $50.0 million aggregate principal amount of term loans, or Tranche A, (ii) from the Trinity Refinance Date until March 31, 2028 an additional $25.0 million term loan facility contingent on delivering evidence satisfactory to Trinity that we have submitted a BLA to the FDA for TSHA-102 in Rett Syndrome, or Tranche B, (iii) from the Trinity Refinance Date until March 31, 2029, an additional $25.0 million term loan facility contingent on delivering evidence satisfactory to Trinity that we have received BLA approval from the FDA for TSHA-102 in Rett Syndrome, or collectively, the 2025 Trinity Term Loans, and, together with the 2023 Trinity Term Loans, the Trinity Term Loans. We drew $50.0 million in term loans on the Trinity Refinance Date. The existing 2023 Trinity Term Loan Agreement was terminated and the existing 2023 Trinity Term Loans were repaid concurrently with entry into the 2025 Trinity Term Loan Agreement and the draw of Tranche A. The interest rate applicable to the 2025 Trinity Term Loans is the greater of (a) the WSJ Prime Rate plus 4.00% or (b) 11.50% per annum. The 2025 Trinity Term Loans are interest only from the Trinity Refinance Date through 48 months from the Trinity Refinance Date, which may be extended to 60 months from the Trinity Refinance Date upon the satisfaction of certain milestones set forth in the 2025 Trinity Term Loan Agreement, after which we are required to pay equal monthly installments of principal through August 1, 2030, or the New Maturity Date.

The 2025 Trinity Term Loans may be prepaid in full (i) from the Trinity Refinance Date through August 7, 2026, with payment of a 3.00% prepayment premium, (ii) from August 8, 2026 through August 7, 2027, with payment of a 2.00% prepayment premium, and (iii) from August 8, 2027 through, but excluding, the New Maturity Date, with payment of a 1.00% prepayment premium. Upon repayment in full of the 2025 Trinity Term Loans, we will pay to Trinity an end of term payment equal to 5.00% of the original principal amount of the 2025 Trinity Term Loans.

In connection with the 2025 Trinity Term Loan Agreement, we entered into a Success Fee Agreement with Trinity which specifies the terms regarding a fee in the amount of $0.5 million plus 5% of the principal amount of the funded 2025 Trinity Term

Loans under Tranche B, or the 2025 Success Fee. The 2025 Success Fee is payable upon the achievement of certain corporate development value-inflection milestones. The 2025 Success Fee survives the termination of the 2025 Trinity Term Loans and expires on the earlier of ten years from the Trinity Refinance Date, or payment in full in cash of the 2025 Success Fee.

The obligations under the 2025 Trinity Term Loan Agreement are secured by a perfected security interest in all of our assets except for certain customarily excluded property pursuant to the terms of the 2025 Trinity Term Loan Agreement. There are no financial covenants and no warrants associated with the 2025 Trinity Term Loan Agreement. The 2025 Trinity Term Loan Agreement contains various covenants that limit our ability to engage in specified types of transactions without the consent of Trinity and the 2025 Trinity Lenders which include, among others, incurring or assuming certain debt; merging, consolidating or acquiring all or substantially all of the capital stock or property of another entity; changing the nature of our business; changing our organizational structure or type; licensing, transferring or disposing of certain assets; granting certain types of liens on our assets; making certain investments; paying cash dividends; and entering into certain transactions with our affiliates, in each case subject to customary exceptions.

In April 2023, we entered into a securities purchase agreement, or the SSI Securities Purchase Agreement, with two affiliates of SSI Strategy Holdings LLC, or SSI, named therein, or the SSI Investors, pursuant to which we issued and sold to the SSI Investors in a private placement, or the SSI Private Placement, 705,218 shares of our common stock, or the SSI Shares, and warrants, or the SSI Warrants, to purchase an aggregate of 525,000 shares of our common stock, or the Warrant Shares. SSI provides certain consulting services to us. Each SSI Warrant has an exercise price of $0.7090 per Warrant Share. The SSI Warrants issued in the SSI Private Placement provide that the holder of the SSI Warrants will not have the right to exercise any portion of its SSI Warrants until the achievement of certain clinical and regulatory milestones related to our clinical programs. Gross proceeds of the SSI Private Placement were $0.5 million. During the year ended December 31, 2025, SSI exercised all 316,667 vested and outstanding Warrant Shares. We received proceeds of $0.2 million upon exercise. There are no outstanding SSI Warrants as of September 30, 2026.

In May 2025, we issued and sold 46,868,687 shares of our common stock and pre-funded warrants to purchase 25,858,586 shares of our common stock in an underwritten offering (the “May 2025 Offering”) at a price to the public of $2.75 per share of common stock and $2.749 per pre-funded warrant, the price to the public per share of common stock minus the $0.001 exercise price per pre-funded warrant. The underwriters purchased the shares and pre-funded warrants from us at a price of $2.585 per share and $2.584 per pre-funded warrant, respectively. The initial closing of the May 2025 Offering occurred on May 30, 2025. In addition, we granted the underwriters an option to purchase, for a period of 30 days, up to an additional 10,909,090 shares of our common stock, which the underwriters exercised in full on June 6, 2025. The total net proceeds received from the May 2025 Offering were $215.6 million after deducting underwriting discounts, commissions and other offering expenses payable by us.

On June 24, 2026, we entered into an underwriting agreement, or the June 2026 Underwriting Agreement, with Jefferies LLC and Goldman Sachs & Co., LLC, as representatives of the several underwriters set forth therein, or collectively, the Underwriters, to issue and sell 32,500,001 shares of our common stock and, in lieu of common stock to certain investors, pre-funded warrants to purchase 833,333 shares of our common stock in an underwritten public offering, or the June 2026 Offering, pursuant to an automatically effective shelf registration statement on Form S-3ASR and a related prospectus and prospectus supplement. The offering price to the public was $6.00 per share of common stock and $5.999 per pre-funded warrant, which was the price to the public of each share of common stock sold in the June 2026 Offering minus the $0.001 exercise price per pre-funded warrant. The Underwriters purchased the shares and the pre-funded warrants from us pursuant to the June 2026 Underwriting Agreement at a price of $5.64 per share and $5.639 per pre-funded warrant, respectively. The closing of the June 2026 Offering occurred on June 26, 2026. In addition, we granted the Underwriters an option to purchase, for a period of 30 days, up to an additional 5,000,000 shares of common stock, which the Underwriters exercised in full on June 26, 2026. The total net proceeds from the June 2026 Offering were approximately $215.6 million, including the proceeds from the Underwriters’ option, after deducting underwriting discounts and commissions and offering expenses payable by us.

In October 2021, we entered into a Sales Agreement, or the Sales Agreement, with SVB Securities LLC and Wells Fargo Securities, LLC, or the Sales Agents, pursuant to which we may issue and sell, from time to time at our discretion, shares of our common stock having an aggregate offering price of up to $150.0 million. In March 2022, we amended the Sales Agreement to, among other things, include Goldman Sachs & Co. LLC as an additional Sales Agent. In April 2022, we sold 2,000,000 shares of common stock pursuant to the Sales Agreement and received net proceeds of $11.6 million. On November 4, 2025, we and Leerink Partners LLC entered into an Amendment to the Sales Agreement pursuant to which the Sales Agreement was terminated solely with respect to Leerink Partners LLC. In addition, on November 4, 2025, we and Goldman Sachs & Co. LLC and Wells Fargo Securities, LLC, as sales agents, or the Remaining Sales Agents, entered into an amendment to the Sales Agreement and, together with the Sales Agreement, or, the Amended Sales Agreement, to provide for an increase in the aggregate offering amount under the Sales Agreement, such that as of November 4, 2025, we may offer and sell shares of common stock having an aggregate offering price of up to $212.0 million under the Amended Sales Agreement. The material terms and conditions of the Sales Agreement otherwise remain unchanged. In November and December 2025, we sold 10,230,186 shares of common stock under the Amended Sales Agreement and

received $48.4 million in net proceeds. Also on November 4, 2025, we filed a new shelf registration statement on Form S-3ASR in relation to the registration of common stock, preferred stock, debt securities, warrants and units or any combination thereof, which became effective automatically upon filing.

Funding Requirements

To date, we have not generated any revenues from the commercial sale of approved drug products, and we do not expect to generate substantial revenue for at least the next few years. If we fail to complete the development of our product candidates in a timely manner or fail to obtain their regulatory approval, our ability to generate future revenue will be compromised. We do not know when, or if, we will generate any revenue from our product candidates, and we do not expect to generate significant revenue unless and until we obtain regulatory approval of, and commercialize, our product candidates. We have increased and expect to continue to increase our research and development and general and administrative expenses, particularly with respect to the Rett clinical trials as we continue the development of our product candidates and manufacturing processes and conduct discovery and research activities for our preclinical programs. If we obtain approval for any of our product candidates, we expect to incur significant commercialization expenses related to sales, marketing, manufacturing and distribution. We anticipate that we will need substantial additional funding in connection with our continuing operations. If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, reduce or eliminate our research and development programs or future commercialization efforts.

As of September 30, 2026, our material cash requirements consisted of $9.5 million in total lease payments under our noncancelable leases for equipment, laboratory space and office space. These leases are described in further detail in Note 5 to our unaudited condensed consolidated financial statements located in "Part I – Financial Information, Item 1. Financial Statements" in this Quarterly Report on Form 10-Q. Our most significant purchase commitments consist of approximately $51.2 million in cancellable purchase obligations to manufacturing vendors, CROs and other clinical trial vendors.

We believe that our existing cash and cash equivalents will enable us to fund our operating expenses and capital requirements into the second half of 2028. We will require additional capital to fund the research and development of our product candidates, to fund our manufacturing activities, to fund precommercial activities of our programs and for working capital and general corporate purposes. The assessment of our ability to meet our future obligations is inherently judgmental, subjective and susceptible to change.

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

- the scope, progress, costs and results of discovery, preclinical development, laboratory testing and clinical trials for TSHA-102 and any current and future product candidates that we advance;
- our ability to access sufficient additional capital on a timely basis and on favorable terms;
- the extent to which we develop, in-license or acquire other product candidates and technologies in our gene therapy product candidate pipeline;
- the costs and timing of process development and manufacturing scale-up activities associated with our product candidates and other programs as we advance them through preclinical and clinical development;
- the number and development requirements of product candidates that we may pursue;
- the costs, timing and outcome of regulatory review of our product candidates;
- our headcount growth and associated costs as we expand our research and development capabilities and establish a commercial infrastructure;
- the costs and timing of future commercialization activities, including product manufacturing, marketing, sales, and distribution, for any of our product candidates for which we receive marketing approval;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims;
- the costs incurred in defending ourselves in any legal proceedings that we may be subject to;
- the revenue, if any, received from commercial sales of our product candidates for which we receive marketing approval; and
- the costs of operating as a public company.

Identifying potential product candidates and conducting preclinical studies and clinical trials is a time-consuming, expensive and uncertain process that takes many years to complete, and we may never generate the necessary data or results required to obtain marketing approval and achieve product sales. In addition, our product candidates, if approved, may not achieve commercial success. Our commercial revenues, if any, will be derived from sales of product candidates that we do not expect to be commercially available in the near term, if at all. Accordingly, we will need to continue to rely on additional financing to achieve our business objectives. Adequate additional financing may not be available to us on acceptable terms, or at all. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the terms of these equity securities may restrict our ability to operate. The 2025 Trinity Term Loan Agreement contains negative covenants, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, prepayment of other indebtedness and dividends and other distributions. Any future additional debt financing and equity financing, if available, may involve agreements that include covenants limiting and restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, entering into profit-sharing or other arrangements or declaring dividends. If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may be required to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or to grant licenses on terms that may not be favorable to us.

Cash Flows

The following table shows a summary of our cash flows for the nine months ended September 30, 2026 and 2025 (in thousands):

	For the Nine Months Ended September 30,	
	2026	2025
Net cash used in operating activities	$ (114,217)	$ (66,368)
Net cash used in investing activities	(3,466)	(357)
Net cash provided by financing activities	218,151	225,033
Net change in cash, cash equivalents and restricted cash	$ 100,468	$ 158,308

Operating Activities

For the nine months ended September 30, 2026, our net cash used in operating activities of $114.2 million primarily consisted of a net loss of $128.2 million, primarily attributable to our spending on research and development expenses. The net loss of $128.2 million was partially offset by adjustments for non-cash items of $13.9 million. Non-cash adjustments are comprised of stock-based compensation expense of $17.4 million and other non-cash items of $1.6 million, net, partially offset by non-cash net gain on lease termination of $5.1 million. Additional cash provided by changes operating assets and liabilities was $0.1 million.

For the nine months ended September 30, 2025, our net cash used in operating activities of $66.4 million primarily consisted of a net loss of $81.1 million, primarily attributable to our spending on research and development expenses. The net loss of $81.1 million was partially offset by adjustments for non-cash items, primarily stock-based compensation expense of $9.8 million and other non-cash items of $3.3 million, net. Additional cash used in operating assets and liabilities of $1.7 million was primarily attributable to decreases in deferred revenue and partially offset by increases in accrued expenses and accounts payable.

Investing Activities

During the nine months ended September 30, 2026, investing activities used $3.5 million of cash primarily attributable to the regulatory milestone payment of $3.0 million paid to Abeona pursuant to the Abeona Rett Agreement and the purchase of $0.5 million of lab and computer equipment. This milestone payment related to the first patient dosed with TSHA-102 in the Phase 1/2 Part B REVEAL pivotal trial that occurred in 2025 and was paid in 2026.

During the nine months ended September 30, 2025, investing activities used $0.4 million of cash primarily attributable to the purchase of lab and computer equipment.

Financing Activities

During the nine months ended September 30, 2026, financing activities provided $218.2 million of cash, which is primarily attributable to the closing of the June 2026 Offering and proceeds from common stock issuances upon the exercise of stock options and the Employee Stock Purchase Plan, or ESPP.

During the nine months ended September 30, 2025, financing activities provided $225.0 million of cash, which is primarily attributable to the closing of the May 2025 Offering and net proceeds from the 2025 Trinity Term Loans.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Critical Accounting Policies and Significant Judgments and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed consolidated financial statements and the reported amounts of expenses during the reporting period. A description of our significant accounting policies is included in our Annual Report. Please read the unaudited condensed consolidated financial statements in conjunction with our audited financial statements and accompanying notes in our Annual Report.

Our critical accounting policies that require significant judgments and estimates are more fully described under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Significant Judgments and Estimates" in our Annual Report and in Note 2 to our audited consolidated financial statements contained in our Annual Report. There have been no significant changes to our critical accounting policies that require significant judgments and estimates from those disclosed in our Annual Report.

Recent Accounting Pronouncements

See Note 2 to our unaudited condensed consolidated financial statements located in "Part I – Financial Information, Item 1. Financial Statements" in this Quarterly Report on Form 10-Q for a description of recent accounting pronouncements applicable to our condensed consolidated financial statements.

Smaller Reporting Company Status

We are eligible to use the requirements of a "smaller reporting company," as defined in the Securities Exchange Act of 1934, as amended, or the Exchange Act. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as (i) the market value of our shares held by non-affiliates is less than $250 million or (ii) our annual revenue was less than $100 million during the most recently completed fiscal year and the market value of our shares held by non-affiliates is less than $700 million. Specifically, as a smaller reporting company, we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

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

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of September 30, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in this Quarterly Report on Form 10-Q was (a) reported within the time periods specified by SEC rules and regulations, and (b) communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding any required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the period covered by this Quarterly Report on Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Internal Controls

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs. Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

In January 2024 and April 2024, the Company was named as a nominal defendant in two putative stockholder derivative actions filed by stockholders of the Company in the Court of Chancery of the State of Delaware. The lawsuits have since been consolidated and a lead plaintiff has been appointed. In October 2024, the lead plaintiff filed an amended complaint asserting claims relating to the Company's August 2023 Private Placement against (i) certain of the Company's current and former directors and officers for breach of fiduciary duty and unjust enrichment; and (ii) certain participants in the Company's August 2023 Private Placement for aiding and abetting breach of fiduciary duty and unjust enrichment. The amended complaint seeks an unspecified award of damages in the Company's favor, plus pre-judgment and post-judgment interest, and an award to the plaintiffs for the costs and disbursement of the action, including fees for their attorneys and experts. The board of directors of the Company formed a special litigation committee to investigate the claims and allegations in the amended complaint. On March 3, 2026, the special litigation committee moved to terminate the action, stating its conclusion that dismissal is in the best interest of the Company and its stockholders. On April 1, 2026, the lead plaintiff filed a response stating that he does not oppose the motion to terminate the action.

The parties were heard by the Court in a September 16, 2026 teleconference in which the Court directed the Company to submit public notice in a filing with the SEC that notifies stockholders that the Court has directed that if no stockholder files a written objection on the docket within 30 days from the date of the SEC filing, the Court intends to grant the motion to terminate.

If no stockholder files a written objection on the docket in the consolidated action (In re Taysha Gene Therapies, Inc. Stockholder Litigation, C.A. No. 2024-0073-BWD) within 30 days of this notice, the Court has indicated that it intends to grant the unopposed motion to terminate.

Plaintiff's counsel are Christine M. Mackintosh and Vivek Upadhya of Grant & Eisenhofer P.A., (302) 622-7000. The Company's counsel is Brian M. French of Cooley LLP, (212) 479-6000.

We have not recorded a liability related to these lawsuits because, at this time, we are unable to reasonably estimate possible losses or gains or determine whether an unfavorable outcome is either probable or remote.

In connection with an investigation captioned In the Matter of Taysha Gene Therapies, Inc. (D-04192), Taysha and certain of its officers and directors received subpoenas in late 2024 from the United States Securities and Exchange Commission, or the SEC, for materials relating to Taysha's August 2023 Private Placement and certain public offerings. Production of materials in response to the subpoenas was completed in April 2025. The SEC investigation was neither a determination that the Company or any individuals had violated any law nor a charge of any wrongdoing. In June 2026, the SEC notified us and each of the named officers and directors that it was terminating the investigation and did not intend to recommend any enforcement actions.

From time to time, we may be involved in additional legal or regulatory proceedings. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors.

Our business is subject to risks and events that, if they occur, could adversely affect our financial condition and results of operations and the trading price of our securities. In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors described in Part I, Item 1A. "Risk Factors" of our Annual Report for the fiscal year ended December 31, 2025, filed with the Securities and Exchange Commission on March 19, 2026.

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

(a) Recent Sales of Unregistered Equity Securities

None.

(b) Use of Proceeds

None.

(c) Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities.

Not applicable.

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 (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated any "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408 of Regulation S-K.

Item 6. Exhibits.

The exhibits listed on the Exhibit Index are either filed or furnished with this report or incorporated herein by reference.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-39536), filed with the Securities and Exchange Commission on September 29, 2020).
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.4 to the Company's Current Report on Form 8-K (File No. 001-39536), filed with the Securities and Exchange Commission on September 29, 2020).
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-39536), filed with the Securities and Exchange Commission on November 15, 2023).
3.4	Certificate of amendment to the Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-39536), filed with the Securities and Exchange Commission on June 3, 2025).
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1#	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2#	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	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
101.SCH	Inline XBRL Taxonomy Extension Schema Document
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Filed herewith.

+ Indicates management contract or compensatory plan.

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

SIGNATURES

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

Taysha Gene Therapies, Inc.

Date: November 12, 2026

By: /s/ Sean Nolan

Sean Nolan
Chief Executive Officer
(Principal Executive Officer)

Date: November 12, 2026

By: /s/ Kamran Alam

Kamran Alam
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 31.1

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

I, Sean Nolan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Taysha Gene Therapies, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 12, 2026

By: /s/ Sean Nolan

Sean Nolan
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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

I, Kamran Alam, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Taysha Gene Therapies, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 12, 2026

By: /s/ Kamran Alam

Kamran Alam
Chief Financial Officer
(Principal Financial Officer and Principal Accounting 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

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Sean Nolan, Chief Executive Officer of Taysha Gene Therapies, Inc. (the "Company") hereby certifies that, to the best of his knowledge:

(1) The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2026, to which this Certification is attached as Exhibit 32.1 (the "Periodic Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

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

Date: November 12, 2026

By: /s/ Sean Nolan
Sean Nolan
Chief Executive Officer
(Principal Executive Officer)

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

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Kamran Alam, Chief Financial Officer of Taysha Gene Therapies, Inc. (the "Company") hereby certifies that, to the best of his knowledge:

(1) The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2026, to which this Certification is attached as Exhibit 32.2 (the "Periodic Report") fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and

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

Date: November 12, 2026

By: /s/ Kamran Alam
Kamran Alam
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)