

The Henry Fund

Henry B. Tippie College of Business

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TransMedics Group, Inc. (TMDX)

Healthcare Equipment – Healthcare



November 3, 2025

Stock Rating: **BUY**

Investment Thesis

Price Target: \$168

We recommend a buy rating for TransMedics Inc. (TMDX) with a target price of \$168, offering approximately 46% upside from the current price of \$115. TMDX's leadership in organ perfusion and transplant logistics establishes it as a uniquely differentiated player in the transplant market. Widespread adoption across heart, lung, and liver procedures, combined with the expansion of its service network, supports continued growth in transplant volumes and organ utilization. These factors position TMDX to deliver sustainable long-term value for investors.

Drivers of Thesis

- **Market Leadership & Differentiation:** Early-mover advantage paired with integrated organ perfusion and logistics platform position TMDX as a unique provider in the transplant ecosystem
- **Adoption & Procedure Growth:** Increasing use of OCS devices drives volume growth forecasting total revenue to reach \$1 billion by 2028
- **Recurring Revenue & Service Expansion:** NOP and single-use perfusion kits create recurring, high-margin revenue streams and strengthen hospital partnerships

Risks to Thesis

- **Valuation:** TMDX's elevated valuation (~62x P/E) embeds high growth expectations, making the stock vulnerable to sharp downside if performance falls short
- **Legal and Reputational:** Investigations stemming from recent allegations could result in litigation, regulatory scrutiny, and reputational harm, which may hinder hospital adoption, slow growth, and compress margins over time
- **Execution:** Failure to sustain their high growth trajectory could erode investor confidence and drive multiple contraction

Henry Fund DCF	\$168
Henry Fund DDM	\$237
Relative Multiple	-
HF % Upside	46%

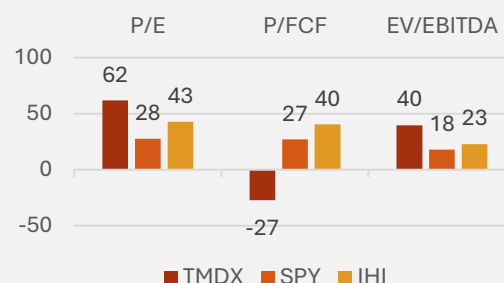
Price Data

Current Price	\$115.54
Date of Price	11/18/2025
52wk Range	\$55.00 – 145.50
Consensus Price Target	\$143.42
Consensus % Upside	24%

Key Statistics

Market Cap (B)	4
Diluted Shares Out. (M)	41.63
Institutional Ownership	111%
Beta	1.16
Dividend Yield	-
LT Growth Rate	-

TMDX vs. SPY & IHI



Earnings / EBITDA Estimates

Year	2022	2023	2024	2025e	2026e	2027e
HF EPS	(1.25)	(0.77)	1.07	1.81	3.17	5.38
% Growth	-	38%	239%	69%	75%	70%
Street EPS	(1.23)	(0.77)	1.01	2.64	2.74	3.31
% Growth	-	37%	231%	161%	4%	21%
HF EBITDA	(2.6)	59.3	217.5	336.9	410	524.5
% Growth	-	2,369%	267%	55%	22%	28%
Street EBITDA	(18.2)	(10.7)	86	146.8	176.6	231.5
% Growth	-	41%	904%	71%	20%	31%

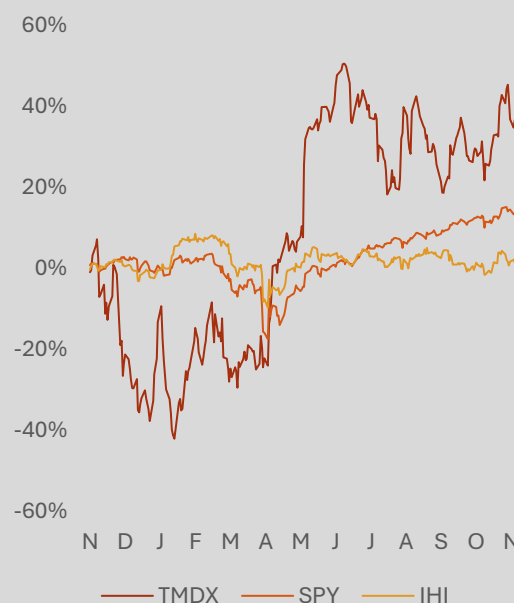
Balance Sheet / Cash Flow Snapshot

Net Debt	(119)	164.3	230.8	456.1	460	402.4
Debt/Equity	0.48	4.15	2.52	2.12	1.57	1.11
FCF	(118)	(353)	(273)	(279)	(93.9)	(67.5)
IC	128	433	737	1,102	1,298	1,517

Profitability

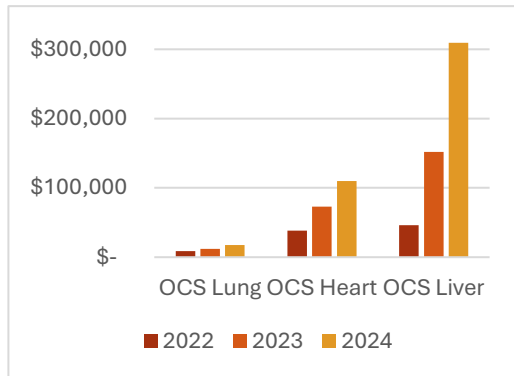
Gross Margin	70%	64%	59%	59%	60%	60%
SG&A to Sales	75%	49%	38%	32%	32%	28%
Net Margin	-38%	-10%	8%	10%	15%	22%
ROA	-13%	-3%	4%	6%	10%	14%
ROE	-53%	-13%	26%	27%	35%	43%
ROIC	-28%	-11%	4%	8%	8%	10%

Price Performance



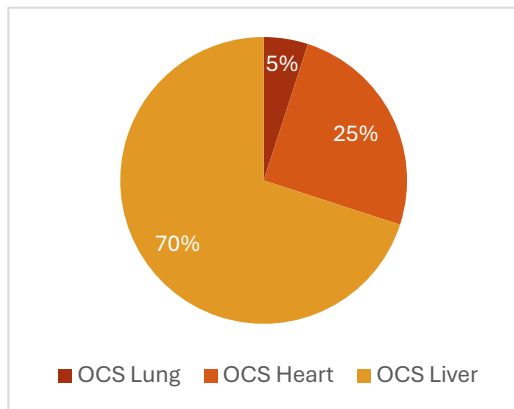
Company Description

Figure #1: Revenue by Product Line (\$ thousands)



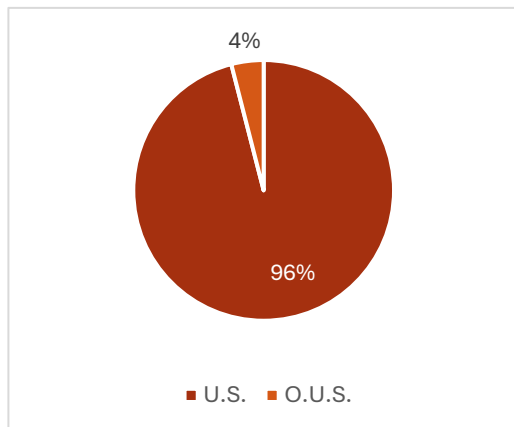
Source: TMDX 10K

Figure #2: Revenue by Product Line (%)



Source: TMDX 10K

Figure #3: Revenue by Geography (%)



Source: TMDX 10K

TransMedics Group, Inc. (TMDX) is a healthcare equipment company that focuses on the organ transplant process. The general standard approach to organ preservation during transportation has previously been cold storage, where an organ is filled with and submerged with a cold solution that slows cellular metabolism. There are numerous disadvantages to this approach which can significantly alter the health of the organ leading to the inability of it to be utilized or possible complications in patient outcomes (the risks and impact of cold storage is discussed in more detail in a later section). The goal in organ transportation is to keep it healthy and ready for transplantation within the recipient patient. Therefore, any advancement in the organ transportation process can lead to higher utilization of organ donations as well as better patient outcomes. TMDX realized the need for a better solution to organ transportation and preservation and aimed to fill the gap.

TMDX produces the Organ Care System (OCS) product line which provides organ care through transportation for the heart, lung, and liver. OCS technology provides a solution through organ perfusion, optimization, and health monitoring aiming to create an environment that replicates the human body during organ transportation. TMDX also developed a National OCS Program (NOP) which provides a “turnkey solution” for outsourced organ retrieval and transportation. This program leverages their proprietary OCS organ transportation technology paired with their investment in transportation vehicles to provide a solution to each step of the organ transplant process, with the exception of performing the transplant surgery to the recipient. This helps further integrate their services/products within the market for organ retrieval/transportation logistics solutions.¹

Organ Care System (OCS)

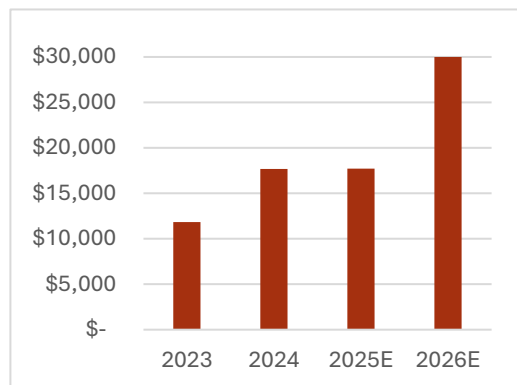
The OCS product line provides an environment similar to the physiological setting of being within a live human body. They are the first and only FDA approved portable, multi-organ, warm perfusion platform, to leverage proprietary core technologies. Currently, there are three OCS products being offered, one system for each of heart, lung, and liver transplantation.¹ Each OCS product consists of three primary components which are customized for each organ:

OCS Console: highly portable electromechanical medical device that houses and controls the function of the OCS and is designed to fit in the current workflow for organ transplantation¹

OCS Perfusion Set: a sterile, biocompatible single-use disposable set that stores the organ and circulates blood, including all accessories needed to place the organ on the system¹

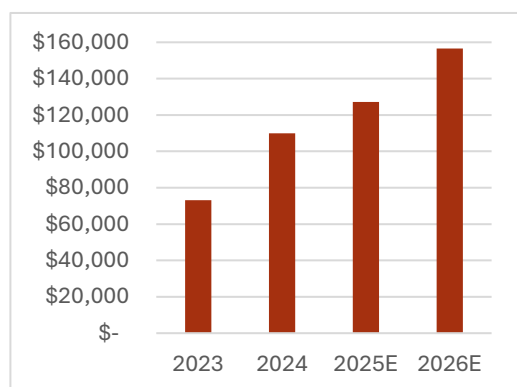
OCS Solutions: a set of nutrient-enriched solutions used with blood to replenish depleted nutrients and hormones needed to optimize the organ’s condition outside of the human body¹

Figure #4: OCS Lung Revenue (\$ thousands)



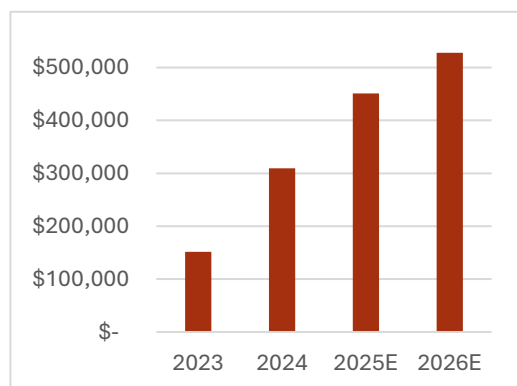
Source: TMDX 10K, HF Model

Figure #5: OCS Heart Revenue (\$ thousands)



Source: TMDX 10K, HF Model

Figure #6: OCS Liver Revenue (\$ thousands)



Source: TMDX 10K, HF Model

The OCS technology platform is equipped to address the limitations of cold storage to improve transplant outcomes. The following are significant benefits provided by the OCS platform relative to cold storage:

- **Significant reduction in organ damage** caused by inadequate blood supply, especially in the heart (ischemia)
- **Enables organ optimization outside of the human body** which improves donor organ utilization and patient outcomes
- **Allows for organ viability assessment** of the donor organ to evaluate organ suitability for transplantation

The OCS platform provides the foundation for TMDX's business as they aim to maximize organ health during transportation. The benefits of these devices are that they aid in increasing the number of organs successfully transplanted paired with maximizing post-transplant patient outcomes and overall lead the way for organ preservation going forward.

Our revenue forecast for the OCS segment is driven by medium-term growth in the share of transplant procedures that TMDX is expected to capture. We anticipate procedure volumes to rise as the company continues its current high-growth phase, allowing it to capitalize on strong adoption trends. Over time, growth is projected to gradually decelerate as TMDX captures a larger portion of the addressable market and approaches a more mature, steady state level of penetration. Specifically, we forecast TMDX total revenue to reach \$1 billion by 2028 and grow to \$2 billion by 2033, reflecting a CAGR of 24% and 18%, respectively. This tapering of growth is reflected in our continuing value assumptions, where revenue trends stabilize to a sustainable long-term trajectory.

National OCS Program (NOP)

The National OCS Program (NOP) was developed by TMDX to transition the focus of their business from solely selling OCS products to offering a “turnkey” solution to the logistics behind the transplant process. The NOP encompasses every aspect of the transplant process with the exception of the transplant surgery itself. What this means is that TMDX offers a service that handles the following:

- Organ **procurement** surgery via their own surgeons
- Organ **perfusion and maintenance** within an OCS device
- Organ **transportation** via ground or air transport

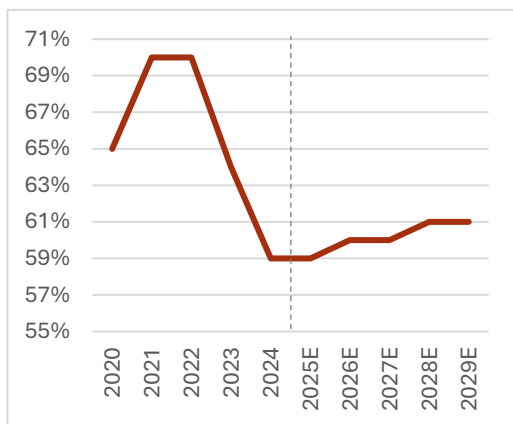
This provides the basis for their end-to-end service offering. The most recent news for TMDX on this front is that in 2023 they acquired Summit which consisted of Summit Aviation, Inc. and Northside Property Group, LLC. Summit was a charter flight operator based in Montana and this acquisition by TMDX enabled the addition of aircraft

transportation services to the NOP. In addition to this, TMDX has also acquired 21 fixed-wing aircrafts for donor organ transportation. This is a prime example of how TMDX executes on their strategy to become a comprehensive national provider of donor organ procurement and delivery.

We are unable to provide specific revenue forecasts for the NOP segment, as TMDX does not disclose revenue directly attributable to its NOP services. Revenue is reported by organ type, heart, lung, and liver, rather than by service line, limiting visibility into the segment's standalone trajectory. Nevertheless, NOP revenue is intrinsically linked to OCS device adoption, as the program leverages these devices for organ preservation and transport. As TMDX transitions from primarily selling OCS devices to operating its own service network, the NOP segment is expected to provide an incremental revenue stream through recurring charges for single-use products, effectively enhancing overall profitability and supporting growth in device utilization.

Cost Structure Analysis

Figure #7: Gross Margin (2020-2029E)



Source: TMDX 10K, HF Model

TMDX's cost structure reflects a scalable, high-margin business model that has maintained roughly 61% gross margins as revenue continues to expand rapidly. Cost of goods sold has risen proportionately with growth, driven by increasing case volumes across heart, lung, and liver transplants, while operating expenses grew modestly as the company invested in innovation and the expansion of its organ retrieval logistics network. Despite this, TMDX has demonstrated improving operating leverage, with expenses growing slower than revenue, reflecting management's disciplined approach to cost control as operations scale.¹

Looking ahead, we assume gross margins expanding as manufacturing efficiency improves, fixed costs are observed over higher volumes, and the mix shifts towards higher-margin services within the NOP offering. It is important to note that TMDX is a growing company that will benefit from the increasing economies of scale over the near term. This will show benefits in the short term with the reaching of a somewhat steady state with less variance as they grow closer to an established company with regards to scale and size of operations.

How does TMDX Generate Revenue?

TMDX generates revenue through sales of its proprietary OCS consoles, single-use disposable perfusion sets, and service revenue from its NOP. TMDX's initial business model was centered on direct sales of OCS consoles, with hospitals and transplant centers purchasing capital equipment outright or utilizing loaned systems. Over time, TMDX has decided to shift their business model to a turnkey, service-based model through their NOP, where TMDX manages the entirety of the organ retrieval and deliver process. It is within this service which they integrate their technology platform which is the staple of their offerings.

Figure #8: Organ Care System (OCS)



Source: [MDEdge](#)

Each transplant performed using the OCS consoles requires a single-use, organ specific disposable set, which represents a recurring revenue stream tied directly to procedure volume. This consumable-driven model mirrors the razor and blade dynamic common in medical technology business, where once OCS consoles are deployed, utilization generates repeatable, high-margin sales. Recently, TMDX has derived about 60% of their revenue from product sales, which includes OCS systems and disposables, and the other 40% from services related to NOP and transplant logistics. As the model shifts for TMDX we see their service revenue grow rapidly as the adoption of the NOP expands, reflecting an increasing share of recurring revenue.¹

TMDX is paid primarily by hospitals and transplant centers, with Organ Procurement Organizations (OPOs) also partnering for organ recovery and transport services. While the company initially generated revenue from sales of its OCS devices and disposable kits, it has evolved into a service orientated organ logistics provided through the NOP.

Organ Transplant Solutions Market

TMDX operates in the global organ transplant technology and logistics market, focused on improving the preservation, transportation, and utilization of donor organs. The market is driven by the persistent supply and demand imbalance in organ availability, coupled with limitations of traditional cold storage methods that restrict viable transport times and organ quality.¹

TMDX primarily competes against static cold storage solutions and a limited number of specialized perfusion technology providers, including XVIVO (Sweden) and OrganOx (United Kingdom). However, TMDX is the only company with FDA-approved systems for heart, lung, and liver transplants, giving it both a first-mover advantage and the broadest regulatory footprint within the U.S. market. Further discussion of competitors in a later section.

Viability and Sustainability of Business Model

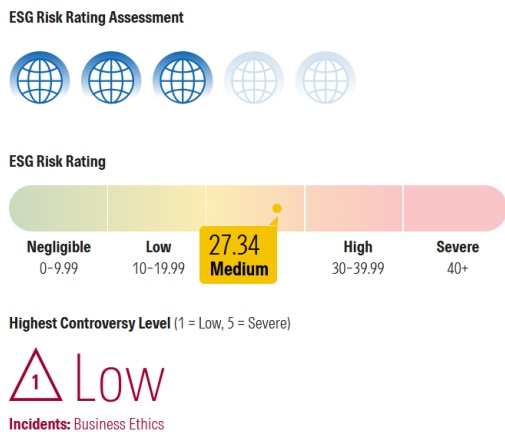
TMDX's evolving business model, anchored in recurring consumable and service revenue appears sustainable and scalable. As transplant demand continues to exceed donor supply and healthcare providers seek to maximize organ utilization, the OCS platform directly addresses a structural healthcare need. The expansion of the NOP deepens TMDX's integration within the transplant supply chain, creating network effects that make displacement by competitors difficult. The immediate concern would be the capital-intensive nature of aircraft operations and the logistical and cost considerations it introduces. However, we see this as a necessary growing pain and will maintain a finger on the pulse to verify management's long-term strategy which emphasizes profitability through scale and efficiency to see if it begins to pay off in the future. Overall, TMDX is strategically positioned as the market leader in active organ preservation and transplant logistics. Continued expansion of the NOP, increasing adoption of OCS technology, and international regulatory progress should sustain growth momentum and margin expansion over the medium term.¹

Debt Maturity Analysis

TMDX currently maintains a manageable debt structure consisting primarily of a \$60 million senior secured term loan with CIBC maturing in 2027 and \$460 million of 1.5% convertible senior notes due 2028. The CIBC facility carries a variable rate (SOFR + 2%) and allows for an interest-only period before amortization begins, while the convertible notes provide low-cost financing with potential equity dilution instead of large cash repayment obligations. Together, these facilities extend TMDX's major maturities into 2027-2028, providing near-term financial flexibility as they continue to scale operations and generate positive operating cash flow.¹

At the end of the most recent quarter, the company held roughly \$466 million in cash and short-term investments against \$511 million in long-term liabilities, suggesting adequate liquidity to meet interest payments and upcoming amortization. Given their rapid revenue growth and improving cash flow, TMDX appears capable of servicing its debt without refinancing in the near term. However, the 2028 convertible note maturity represents the largest future obligation and could require refinancing or conversion if FCF remains limited. Management has not disclosed a formal leverage target but appears focused on maintaining a conservative capital structure while funding growth. Overall, TMDX's debt profile is decently positioned, with low-cost financing and maturities that limit balance sheet risk through the medium term.¹

Figure #9: Morningstar ESG Rating



Source [Morningstar](#)

ESG Analysis

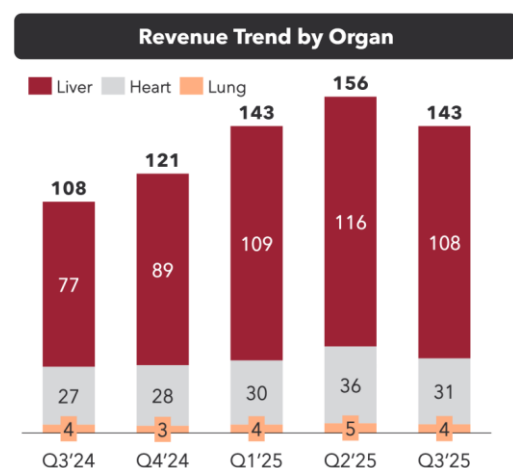
TMDX highlights their efforts within the environment by assessing product life cycles to reduce impact, such as emission and energy use. They also emphasize workforce gender balance and executive diversity, alongside initiatives to improve transplant access, but broader diversity and community-impact metrics remain limited. For governance, the board's nominating and corporate governance committee oversees ESG policies. Overall, there are limited figures provided to quantify TMDX's ESG efforts making this a potential area to keep an eye on if responsible ESG investing returns as an important trait for investors to watch for.² Morningstar provides an ESG risk rating of 27.34 for TMDX representing a medium risk profile paired with a 1 out of 5 rating for the Highest Controversy Level. This shows that while TMDX is making efforts to be more ESG conscience, there is still some room for improvement going forward to lower the levels of risk relating to ESG going forward.

Recent Developments

Q3 2025 Earnings

On October 21, 2025, TMDX reported their Q3 2025 earnings. Management reported Q3 2025 revenue of \$143.8 million, up 32.3% year-over-year, and net income of \$24.3 million, marking a significant 477% increase from the prior year. Diluted EPS was \$0.66 which represents a \$0.30 beat from the consensus estimate of \$0.36. This was driven by stronger than anticipated performance in liver and heart

Figure #10: Earnings Call



Source: TMDX Q3 2025 Presentation

Figure #11: Mercedes-Benz V-Class



Source: [TopGear](#)

OCS utilization and logistics efficiency gains. Sequential softening in revenue reflected typical Q3 seasonality, not showing weakness in demand. The operating margin expanded to 16%, up from 4% a year prior, supported by gross margin improvement to 59%. TMDX outperformed market expectations on profitability as margin expansion materially outpaced previous guidance, exceeding consensus driven by lower than anticipated logistics costs and efficiencies in aircraft utilization. Management raised full year 2025 revenue guidance to \$595-\$605 million (up ~36% at the midpoint), reflecting confidence in sustaining transplant and logistics growth momentum. Operating margin expansion of at least 7.5% year-over-year was reaffirmed, with the long-term structural model aiming for 30% operating margin by 2028.³

TMDX was trading lower after this earnings announcement. We believe this was primarily due to the sentiment being driven by the high growth that investors were used to seeing as they have recently become profitable. While there was a beat in revenue and EPS, the lack of a substantial increase in outlook/guidance more than likely brought investors back to reality realizing the chase for extreme growth may not be sustainable. Regardless, the movement wasn't a surprise to us, and we maintain a positive outlook for TMDX as a solid growth play in the longer term.

Mercedes-Benz Italy Collaboration

In September, TMDX announced that they are collaborating with Mercedes-Benz to deploy a dedicated fleet of Mercedes-Benz V-Class vehicles across four hubs in Italy. This is a concrete example of TMDX executing a strategy to expand into the international market. This initiative supports their goal of replicating its U.S. NOP logistics model and apply it to Europe, by initially building ground and then potentially air transport infrastructure to support the broader deployment of its OCS portfolio into the international markets.

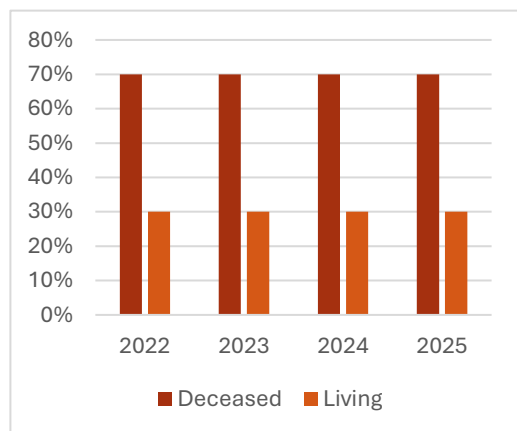
This move appears strategically sound for TMDX. By anchoring operations in Italy, the company is not only addressing a major transplantation market in Europe but also building a platform that can be scaled into other countries later. When questioned about this collaboration on their most recent earnings call, the CEO (Waleed Hassanein) mentioned that Italy is seen as a test case for their possible success into breaking into the European market, and then possibly the broader international market. There are risks associated with this as it introduces TMDX to international factors possibly presenting the opportunity for poor execution and failure. However, if it's successful, then it will significantly expand TMDX's addressable market. Hence, it is important to keep a finger on the pulse as this initiative is acted upon to see if this will prove to be a step in the right direction.

Figure #12: High-Level Organ Transplant Process



Source: Google Gemini

Figure #13: National Donors by Type and Year



Source: [UNOS](#)

Industry Trends

Organ Transplant Process

The organ transplantation process begins when a potential donor is identified, typically someone who has recently died or is a living donor who meets very specific health requirements. After donor identification, consent must be obtained, either earlier via donor registration or by family authorization at the time of death. Next comes the matching where donor organs are matched to recipients based on blood type, size, organ condition, and urgency. Then the transplant team coordinates retrieval of the organ and preparation of both donor and recipient surgical teams. The organ is then surgically recovered, preserved and then transported to the recipient hospital, where a transplant surgeon implants it into the waiting recipient. Because many organs have a limited window of viability, rapid logistics, preservation, and coordination are critical to successful outcomes.⁵

This is precisely where TMDX comes into play by acting as a critical resource in this process. Their OCS systems keep the donor organs functioning in a near-physiological state during transport and assessment, allowing longer time windows and better quality control compared with traditional cold-storage methods. By improving organ viability and expanding the usable donor organ pool, TMDX is positioned to enhance recipient outcomes and increase transplant volumes. As they scale their logistics infrastructure and global distribution, the opportunity lies in enabling a more efficient transplant process while supporting growth in heart, lung, and liver transplant markets.

US Organ Donor System

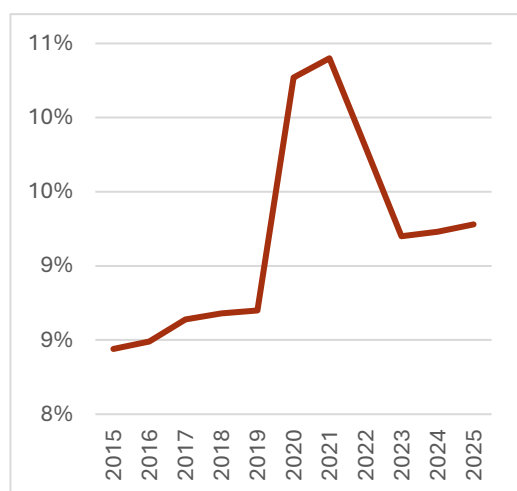
It is helpful to understand the mechanisms at play when considering how the organ donor system works. When a patient is deemed a transplant candidate at a hospital, their medical information is entered into UNOS's computer network. When a donor becomes available, compatible candidates are ranked in a "match run" or list specific to that organ. Geography, size match, pediatric status and urgency all influence offer priority, and each organ type has its own allocation policy.

There is no fixed time limit you can stay on the list, with candidates remaining on the list until they receive an organ, are removed for medical reasons or voluntary withdrawal, or if they die. The system also accommodates directed donation, but it must still follow policy-based matching and compatibility rules rather than simple preference. Each organ's list differs in how urgency, wait times and survival benefit are weighed. For example, kidney allocation emphasizes waiting time and immune compatibility, whereas heart and liver prioritize medical urgency and distance from donor hospital.⁶

Organ Supply Seasonality

One of the most surprising aspects of the research behind TMDX and the overall organ transplant market is that there is a seasonal impact.

Figure #14: Death Rate per 1,000 People



Source: [Macrotrends](#)

The organ supply side of transplantation exhibits measurable seasonal patterns even though the demand side remains relatively constant. Most organs come from deceased donors, and donor availability is influenced by mortality rates, which fluctuate by season. For example, a study focusing on donor heart availability observed a modest uptick in donations during summer months.⁷ These findings suggest that organ procurement volumes may rise and fall with broader mortality trends and trauma incidents, rather than purely medical demand for transplantation. In addition, living donor transplantation for kidneys also shows seasonal donation patterns, showing peaks in the summer seasons.⁸

For TMDX, this seasonality in supply has meaningful implications. As a company that not only manufactures OCS systems but also provides logistics and transport services for donor organs, fluctuations in the number of donor organs available translate directly into variations in potential utilization of their systems. In periods of higher donor availability, such as summer, TMDX's offerings may accelerate as they are able to support higher volumes. Conversely, during periods of slower donor availability, TMDX is likely to experience a constraint on demand for their offerings. Moving forward, it is important for TMDX to be able to effectively plan around these seasonal fluctuations to maintain penetration within the organ transplant market.

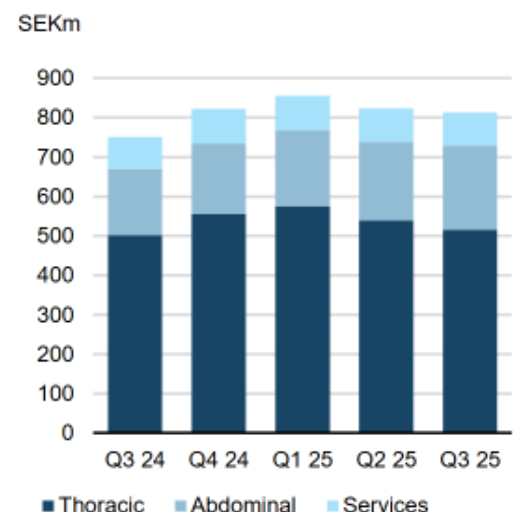
Figure #15: Peer Group Metrics

Company	Mkt Cap (M)	R&D (M)	Sales (M)	R&D % Sales	Inv. Turnover
TMDX	3,870	56	441	12.7%	3.96
XVIVO	543	12	87	13.7%	1.47
TRUMY	22,870	486	6,796	7.2%	1.71

Company	% O.U.S. Sales	% U.S. Sales
TMDX	4%	96%
XVIVO	35%	65%
TRUMY	65%	35%

Source: *FactSet*

Figure #16: XVIVO Revenue Chart



Source: *XVIVO Investor Presentation*

Markets and Competition

TMDX's Peer Group

Identifying a comparable peer group for TMDX is challenging given the highly specialized niche it occupies in organ preservation and transplant logistics. They focus on perfusion-based technologies, whereas most competitors in the transplant space rely on traditional cold-storage methods. For analysis, we considered Xvivo Perfusion, OrganOx Ltd., and Terumo Corp. (which acquired OrganOx) as the closest peers, as they also develop organ perfusion solutions. However, the limited number of players, especially within the U.S., highlight TMDX's differentiated position, combining advanced perfusion technology with an integrated logistics and service model that sets it apart from conventional organ preservation providers.

Xvivo Perfusion (XVIVO)

Xvivo Perfusion specializes in ex-vivo ("out of the living") organ perfusion technologies (hence the name), primarily for lungs and kidneys, designed to maintain organs in a functioning, near-physiological state between donation and transplantation. Their platform allows transplant teams to assess organ viability, optimize condition, and potentially expand the pool of usable organs. Xvivo's systems focus on perfusion as a standalone technology, providing hospitals and transplant centers with tools to improve organ preservation outcomes but typically do not integrate broader logistics or transportation services.⁹

Compared to Xvivo, TMDX employs a more end-to-end approach. TMDX also offers perfusion-based organ preservation technology via

their OCS platform, and they uniquely combine this technology with a full-service logistics network. This integrated model not only extends organ viability but also streamlines the transplant workflow, reduces reliance on hospital staff for transportation coordination, and enables scalable services offerings through NOP. The added aspect of logistic strength with TMDX's NOP serves as a viable differentiation strategy.

OrganOx Ltd.

OrganOx develops perfusion-based organ preservation systems, with a primary focus on liver transplantation. Their technology maintains donor livers in a near-physiological state outside the body, allowing for better assessment of organ viability and potentially increasing the pool of transplantable livers. Unlike TMDX, OrganOx historically operated mainly as a medical device company without an integrated logistics network, relying on hospitals and transplant teams to handle organ transport and retrieval. Recently, OrganOx was acquired by Terumo Corp., bringing it under the umbrella of a larger medical technology firm and position it for broader global distribution.¹⁰

In comparison, TMDX differentiates itself by combining perfusion technology with its logistic solution approach. While both OrganOx and TMDX offer advanced organ preservation, TMDX differentiates themselves though the logistic solution provided by their NOP. The acquisition of OrganOx by Terumo also highlights consolidation in the perfusion space, but TMDX's integrated service model and multi-organ platform give them a competitive edge.

Figure #17: TRUMY Revenue Chart



Source: [Macrotrends](#)

Terumo Corporation (TRUMY)

Terumo Corp. is a global medical technology company with a broad portfolio spanning cardiovascular, vascular, and general hospital products. Through its acquisition of OrganOx, Terumo has entered the organ perfusion space, giving it exposure to advanced organ preservation technologies. Unlike TMDX, Terumo primarily operates as a diversified medical device manufacturer and does not offer an integrated organ logistics or retrieval service. While the acquisition strengthens Terumo's position in perfusion, TMDX's combination of multi-organ perfusion platforms and end-to-end logistics continues to differentiate it within the U.S. transplant market.¹¹

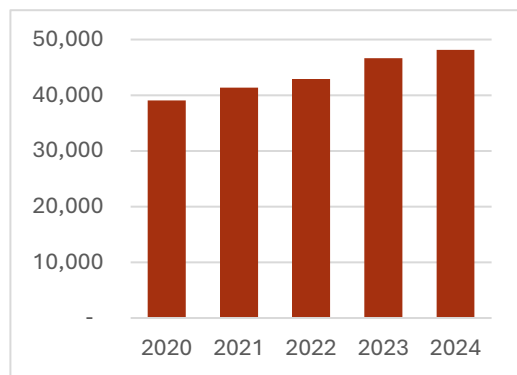
The competitive landscape for organ perfusion is interesting and still developing. Going forward, it will remain integral to keep an eye on TMDX's peers, such as TRUMY, to assess if they are growing to pressure growth and market saturation. We don't see a negative material impact currently, but as the market dynamic evolves it will be important to revisit.

Economic Outlook

Transplant Procedure Volume

Procedure volume is a key economic variable to monitor for TMDX due to their revenue and device utilization being directly tied to the number of organ transplant procedures performed. Higher transplant volumes

Figure #18: US Total Transplant Volume



Source: [OPTN](#)

within the U.S. drive increased demand for the OCS devices, disposable perfusion kits, and logistic services, directly impacting both revenue and margin. Conversely, revenue and margins are negatively impacted when the procedure volume falls, whether due to seasonal mortality patterns, regulatory changes, or disruptions in hospitals or OPO operations. Tracking procedure volumes, particularly within heart, lung, and liver transplants, provides insight into the ceiling for TMDX's addressable market. The relationship between the procedure volume and TMDX's performance is strong and positive. Looking forward, we currently don't foresee any major shifts that would cause a drastic deviation in the procedure volumes within the U.S.

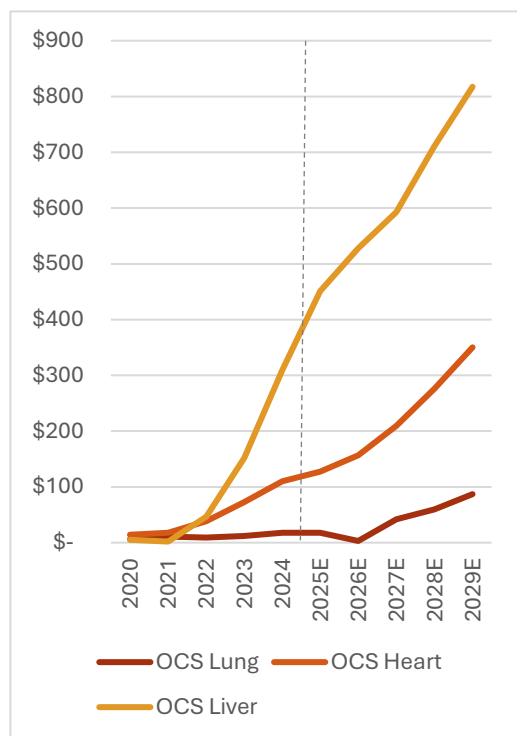
The United Network for Organ Sharing (UNOS) posts comprehensive data on numerous aspects of organ transplants in the U.S. For national transplants by year for all donors, there is a steady upward trend.¹² This shows that over time there are more transplants being performed which aids in the amount of procedure volume that TMDX can capture moving forward.

Reimbursement Environment

The reimbursement environment is an important economic factor directly linked to the health care industry and proves to be crucial to TMDX's business model. The NOP is paid for by transplant centers through the established Organ Acquisition Cost system, which allows centers to pass the cost of organ procurement, which includes the NOP service, to Medicare and private payers. This mechanism effectively de-risks hospital adoption by removing the need for significant up-front capital investment in the OCS devices, positioning the NOP as a reimbursable service. The stability of this system, coupled with the NOP's success in increasing the utilization of higher-risk donor organs, which actively creates new billable procedures, is a powerful economic accelerant that validates TMDX's vertically integrated service model with their NOP.

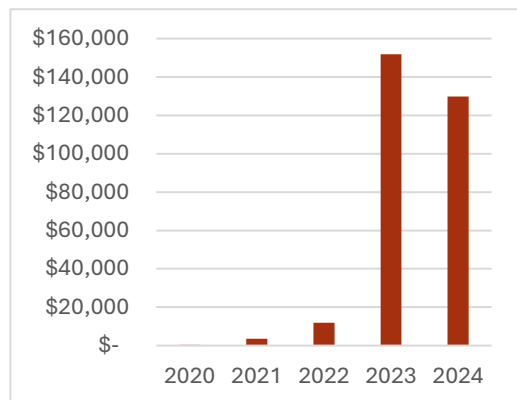
The primary long-term risk to TMDX's model is the growing trend toward Value-Based Care (VBC) across the U.S. health care system. While the NOP aligns with the ideology of VBC by aiming for superior clinical outcomes and expanding the organ pool, a shift to aggressive bundled payments could pressure transplant centers to scrutinize the high per-procedure costs that TMDX passes on from their NOP. However, management is well-positioned, as the clinical data supporting the OCS technology's ability to improve organ survival and reduce post-transplant complications directly counters cost-containment arguments. This makes the NOP defensible as a high-value and cost-effective solution over the entire care system. The current outlook suggests the stable, cost-pass-through model will remain the dominant driver for the foreseeable future, fueling continued rapid NOP penetration.

Figure #19: Revenue (2020-2029E) (\$M)



Source: TMDX 10K, HF Model

Figure #20: Historical CapEx



Source: TMDX 10K

Valuation

Revenue Assumptions

For our TMDX model, there is necessary nuance in forecasting revenue. Due to TMDX being in an early growth stage as they find their footing as being a comprehensive transplant service provider, they are experiencing extreme growth in the short-term. This of course is something that can't be expected to last forever, and while they are in the positive portion of the economies of scale for the moment, there is a point where they will reach the peak of the curve and as they reach that point, their growth will steady. To model this, we implemented a decaying growth rate assumption based on TMDX being able to experience higher growth in the short-term, but that it will then be followed by sequential periods of slowing growth as they reach a steady state. This steady state represents the point in time where they have established themselves as a mature player and saturated the market.

Cost Assumptions

Our cost forecasts for TMDX follow a standard methodology, with expenses modeled as a percentage of revenue for each segment. As mentioned in the revenue assumptions above, we also implement an economies of scale attribute that reflects that as production and saturation increases, incremental costs will decline within reasonable limits.

CapEx Assumptions

Our capex forecasts for TMDX assume aggressive investment/spending in the short-term as they move to accumulate the necessary capital such as more transportation vehicles (both air and ground). It is then expected that TMDX's spending will slow in the medium to long term as they become a more mature company and saturate more of the market. Other than that, we expect capex to be primarily allocated to maintaining existing operations as well as funding ongoing R&D initiatives.

WACC Calculation

The calculated weighted average cost of capital (WACC) estimate for TMDX is 9.18%. The cost of equity was derived using a risk-free rate of 4.01% (the 10-year U.S. Treasury yield to maturity), a beta of 1.16 (3-year adjusted beta from FactSet), and an equity risk premium of 5.00% (Henry Fund estimation). These assumptions resulted in a cost of equity of 9.81%.

The after-tax cost of debt was calculated using a pre-tax cost of debt of 6.30% (FactSet) and a marginal tax rate of 21%. These assumptions led to an after-tax cost of debt of 4.98%. The market value weights used in the WACC calculation were 86.89% for equity and 13.11% for debt.

Figure #21: TMDX Football Field



Source: FactSet, HF Model

Figure #22: Relative Multiple Values

Ticker	P/E 24	P/E 25
TMDX	107.4	63.6
XVIVO	3.52	22.9
TRUMY	30.96	25.16

Implied Relative Value:

P/E (EPS24)	\$ 18.46
P/E (EPS25)	\$ 43.45

Source: HF Model, FactSet

DCF/EP

Our enterprise discounted cash flow (DCF) and economic profit (EP) models suggest an implied price of \$168.44 per share. The key inputs used in the models included a 3.00% CV growth of NOPLAT, a CV year ROIC of 25.66%, a WACC of 9.18%, and a cost of equity of 9.81%. We discounted free cash flow and economic profit using the WACC, resulting in a total value of operating assets of \$6,026 million. After adjusting for non-operating assets, the value of equity was calculated to be \$5,171 million. This was divided by share outstanding (33 million), giving us an intrinsic value of \$155.65 per share at 2024 FYE. Finally, after accounting for the time elapsed since the last FYE, the implied price as of today is \$168.44 per share.

DDM/Fundamental P/E

Our dividend discount model (DDM) or fundamental P/E model resulted in an intrinsic value per share of \$237.65. The primary inputs used in this model consisted of CV growth of 3.00% for EPS, a CV ROE of 27.22%, and a cost of equity of 9.81%. For our CV, we leveraged a P/E multiple of 13.06x that was multiplied by our CV EPS estimate of \$39.03. Although TMDX does not pay dividends, this approach allows us to estimate a price using the fundamental relationship between earnings and valuation.

Relative Multiple

The relative valuation model utilized P/E 2024 and 2025 multiples of 107.4x and 63.6x respectively. This suggests that TMDX is trading at a premium to peers, reflecting both its leadership position in the organ preservation and transplant logistics space paired with the limited number of true competitors. Many peers within the U.S. are not focused on perfusion technology and are not as vertically integrated within the transplant process as TMDX is. This helps justify the large premium we are seeing assigned to TMDX.

Because of this, the relative valuation model is the least central method for determining a price target as it assumes that peer companies are correctly valued by the market. This gets less trustworthy as the competitor group is limited with most of the similar product competition belonging to companies overseas with differing financial reporting standards, if they happen to be public. As a result, we believe that this method carries little to no weight in our final target prices and serves primarily as a tool to understand how TMDX is currently perceived relative to a peer group.

Conclusion

TMDX is a leader in the organ perfusion and transplant logistics market, with a scalable business model driven by its OCS devices and the NOP. Their focus on improving organ viability through perfusion technology, combined with its integrated logistics network, positions them to capture ongoing adoption across heart, lung, and liver transplants. This combination of high-margin device sales, recurring

service revenue, and operational efficiencies helps drive the ability to achieve strong and sustainable profitability.

TMDX's differentiated approach, the combination of technology and logistic dominance, provides a competitive advantage that helps mitigate risks. While the market for perfusion and organ logistics remains niche with few major competitors, TMDX's integrated platform, multi-organ capabilities, and expanding international footprint initiatives suggest strong growth potential heading into the long term. As an investment, TMDX is positioned as a unique, high-value opportunity to capture upside as adoption and service revenues scale.

References

1. TMDX 10K
2. [TMDX ESG](#)
3. TMDX Q3 2025 Earnings Call
4. [TMDX Mercedes-Benz Collaboration](#)
5. [Organ Transplant Process](#)
6. [Organ Donor System](#)
7. [Heart Seasonality](#)
8. [Kidney Seasonality](#)
9. [XVIVO](#)
10. [OrganOx](#)
11. [TRUMY](#)
12. [Transplant Procedures](#)
13. FactSet
14. Bloomberg

Disclaimer

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TransMedics
Revenue Decomposition (thousands USD)

Fiscal Years Ending Dec. 30	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Revenue by OCS Product:									
OCS Lung	1,682	3,220	3,720	3,198	5,666	4,691	3,908	3,416	4,011
<i>growth Q/Q</i>	<i>-20%</i>	<i>91%</i>	<i>16%</i>	<i>-14%</i>	<i>77%</i>	<i>-17%</i>	<i>-17%</i>	<i>-13%</i>	<i>17%</i>
OCS Heart	16,758	16,564	18,962	20,808	23,355	31,441	26,926	28,139	29,816
<i>growth Q/Q</i>	<i>29%</i>	<i>-1%</i>	<i>14%</i>	<i>10%</i>	<i>12%</i>	<i>35%</i>	<i>-14%</i>	<i>5%</i>	<i>6%</i>
OCS Liver	23,114	32,681	41,311	54,717	66,926	77,039	76,671	88,984	108,855
<i>growth Q/Q</i>	<i>42%</i>	<i>41%</i>	<i>26%</i>	<i>32%</i>	<i>22%</i>	<i>15%</i>	<i>0%</i>	<i>16%</i>	<i>22%</i>
Unrelated			2,444	2,444	900	1,100	1,300	1,078	-
Total net revenue	41,554	52,465	66,437	81,167	96,847	114,271	108,805	121,617	142,682
<i>growth Q/Q</i>	<i>32%</i>	<i>26%</i>	<i>27%</i>	<i>22%</i>	<i>19%</i>	<i>18%</i>	<i>-5%</i>	<i>12%</i>	<i>17%</i>
Revenue by Geography:									
United States	37,501	48,947	59,693	75,206	91,856	108,455	104,922	116,647	138,617
<i>% total revenue</i>	<i>90%</i>	<i>93%</i>	<i>90%</i>	<i>93%</i>	<i>95%</i>	<i>95%</i>	<i>96%</i>	<i>96%</i>	<i>97%</i>
Outside the U.S.	4,053	3,518	4,300	3,517	4,091	4,716	2,583	3,892	4,065
<i>% total revenue</i>	<i>10%</i>	<i>7%</i>	<i>6%</i>	<i>4%</i>	<i>4%</i>	<i>4%</i>	<i>2%</i>	<i>3%</i>	<i>3%</i>
Unrelated			2,444	2,444	900	1,100	1,300	1,078	-
Total net revenue	41,554	52,465	66,437	81,167	96,847	114,271	108,805	121,617	142,682
<i>growth Q/Q</i>	<i>32%</i>	<i>26%</i>	<i>27%</i>	<i>22%</i>	<i>19%</i>	<i>18%</i>	<i>-5%</i>	<i>12%</i>	<i>17%</i>

Q2 2025	Q3 2025E	Q4 2025E	Q1 2026E	Q2 2026E	Q3 2026E	Q4 2026E	Q1 2027E	Q2 2027E	Q3 2027E	Q4 2027E	Q1 2028E	Q2 2028E
4,575	4,438	4,677	6,079	6,991	7,691	9,229	9,967	10,386	10,282	11,310	13,295	14,695
14%	-3%	5%	30%	15%	10%	20%	8%	4%	-1%	10%	18%	11%
35,666	30,316	31,401	34,542	39,723	40,120	42,126	47,181	51,899	52,418	57,660	62,765	71,634
20%	-15%	4%	10%	15%	1%	5%	12%	10%	1%	10%	9%	14%
116,106	106,818	119,315	128,860	132,726	131,399	134,684	142,765	147,048	148,518	154,459	172,229	179,135
7%	-8%	12%	8%	3%	-1%	3%	6%	3%	1%	4%	12%	4%
-	-	-	-	-	-	-	-	-	-	-	-	-
156,347	141,571	155,393	169,481	179,440	179,209	186,039	199,913	209,333	211,218	223,429	248,289	265,463
10%	-9%	10%	9%	6%	0%	4%	7%	5%	1%	6%	11%	7%
152,187	127,414	139,854	152,533	161,496	161,289	167,435	179,922	188,399	190,096	201,086	223,460	238,917
97%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
4,160	14,157	15,539	16,948	17,944	17,921	18,604	19,991	20,933	21,122	22,343	24,829	26,546
3%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
-	-	-	-	-	-	-	-	-	-	-	-	-
156,347	141,571	155,393	169,481	179,440	179,209	186,039	199,913	209,333	211,218	223,429	248,289	265,463
10%	-9%	10%	9%	6%	0%	4%	7%	5%	1%	6%	11%	7%

Q3 2028E	Q4 2028E	Q1 2029E	Q2 2029E	Q3 2029E	Q4 2029E	Q1 2030E	Q2 2030E	Q3 2030E	Q4 2030E	Q1 2031E	Q2 2031E
14,974	16,652	19,427	21,159	21,851	24,552	27,316	29,039	29,362	31,990	35,384	37,511
2%	11%	17%	9%	3%	12%	11%	6%	1%	9%	11%	6%
68,685	72,726	79,458	88,785	88,221	93,749	101,276	110,963	109,853	116,341	123,437	133,643
-4%	6%	9%	12%	-1%	6%	8%	10%	-1%	6%	6%	8%
174,597	184,659	198,788	204,757	203,201	210,677	224,810	230,812	229,401	237,624	251,965	257,657
-3%	6%	8%	3%	-1%	4%	7%	3%	-1%	4%	6%	2%
-	-	-	-	-	-	-	-	-	-	-	-
258,256	274,037	297,673	314,702	313,274	328,978	353,402	370,815	368,616	385,955	410,786	428,811
-3%	6%	9%	6%	0%	5%	7%	5%	-1%	5%	6%	4%
232,430	246,633	267,905	283,232	281,947	296,080	318,062	333,733	331,754	347,360	369,708	385,930
90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
25,826	27,404	29,767	31,470	31,327	32,898	35,340	37,081	36,862	38,596	41,079	42,881
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
-	-	-	-	-	-	-	-	-	-	-	-
258,256	274,037	297,673	314,702	313,274	328,978	353,402	370,815	368,616	385,955	410,786	428,811
-3%	6%	9%	6%	0%	5%	7%	5%	-1%	5%	6%	4%

Q3 2031E	Q4 2031E	Q1 2032E	Q2 2032E	Q3 2032E	Q4 2032E	Q1 2033E	Q2 2033E	Q3 2033E	Q4 2033E	Q1 2034E
38,061	40,949	44,104	45,978	46,516	49,204	51,629	53,055	53,386	55,372	57,088
1%	8%	8%	4%	1%	6%	5%	3%	1%	4%	3%
131,849	137,404	143,830	152,337	151,429	156,391	161,293	167,677	166,856	170,581	173,745
-1%	4%	5%	6%	-1%	3%	3%	4%	0%	2%	2%
255,309	263,070	273,800	278,144	276,874	282,579	290,502	293,657	292,688	296,925	302,039
-1%	3%	4%	2%	0%	2%	3%	1%	0%	1%	2%
-	-	-	-	-	-	-	-	-	-	-
425,219	441,422	461,735	476,458	474,819	488,175	503,424	514,388	512,930	522,877	532,872
-1%	4%	5%	3%	0%	3%	3%	2%	0%	2%	2%
382,697	397,280	415,561	428,812	427,337	439,357	453,082	462,949	461,637	470,590	479,584
90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
42,522	44,142	46,173	47,646	47,482	48,817	50,342	51,439	51,293	52,288	53,287
10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
-	-	-	-	-	-	-	-	-	-	-
425,219	441,422	461,735	476,458	474,819	488,175	503,424	514,388	512,930	522,877	532,872
-1%	4%	5%	3%	0%	3%	3%	2%	0%	2%	2%

Q2 2034E	Q3 2034E	Q4 2034E
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58,079	58,331	59,660
2%	0%	2%
177,947	177,371	179,671
2%	0%	1%
304,025	303,337	305,985
1%	0%	1%
-	-	-
540,051	539,039	545,316
1%	0%	1%

486,046	485,135	490,784
90%	90%	90%
54,005	53,904	54,532
10%	10%	10%
-	-	-
540,051	539,039	545,316
1%	0%	1%

<i>Fiscal Years Ending Dec. 30</i>	FY 2022	FY 2023	FY 2024	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E	FY 2032E	FY 2033E	FY 2034E
Revenue by OCS Product:													
OCS Lung	8,847	11,820	17,681	17,700	29,990	41,944	59,615	86,990	117,708	151,906	185,802	213,442	233,158
<i>growth Y/Y</i>	<i>-17%</i>	<i>34%</i>	<i>50%</i>	<i>0%</i>	<i>69%</i>	<i>40%</i>	<i>42%</i>	<i>46%</i>	<i>35%</i>	<i>29%</i>	<i>22%</i>	<i>15%</i>	<i>9%</i>
OCS Heart	38,353	73,092	109,861	127,200	156,510	209,159	275,810	350,213	438,433	526,332	603,987	666,407	708,734
<i>growth Y/Y</i>	<i>117%</i>	<i>91%</i>	<i>50%</i>	<i>16%</i>	<i>23%</i>	<i>34%</i>	<i>32%</i>	<i>27%</i>	<i>25%</i>	<i>20%</i>	<i>15%</i>	<i>10%</i>	<i>6%</i>
OCS Liver	46,259	151,823	309,620	451,094	527,669	592,790	710,620	817,424	922,647	1,028,000	1,111,397	1,173,771	1,215,385
<i>growth Y/Y</i>	<i>2316%</i>	<i>228%</i>	<i>104%</i>	<i>46%</i>	<i>17%</i>	<i>12%</i>	<i>20%</i>	<i>15%</i>	<i>13%</i>	<i>11%</i>	<i>8%</i>	<i>6%</i>	<i>4%</i>
Unrelated	-	4,888	4,378	-	-	-	-	-	-	-	-	-	-
Total net revenue	93,459	241,623	441,540	595,993	714,170	843,893	1,046,045	1,254,627	1,478,788	1,706,238	1,901,186	2,053,620	2,157,277
<i>growth Y/Y</i>	<i>209%</i>	<i>159%</i>	<i>83%</i>	<i>35%</i>	<i>20%</i>	<i>18%</i>	<i>24%</i>	<i>20%</i>	<i>18%</i>	<i>15%</i>	<i>11%</i>	<i>8%</i>	<i>5%</i>
Revenue by Geography:													
United States	84,038	221,347	421,880	558,072	642,753	759,504	941,440	1,129,164	1,330,909	1,535,615	1,711,068	1,848,258	1,941,549
<i>% total revenue</i>	<i>90%</i>	<i>92%</i>	<i>96%</i>	<i>94%</i>	<i>90%</i>	<i>90%</i>	<i>90%</i>	<i>90%</i>	<i>90%</i>	<i>90%</i>	<i>90%</i>	<i>90%</i>	<i>90%</i>
Outside the U.S.	9,421	15,388	15,282	37,921	71,417	84,389	104,604	125,463	147,879	170,624	190,119	205,362	215,728
<i>% total revenue</i>	<i>10%</i>	<i>6%</i>	<i>3%</i>	<i>6%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>
Unrelated	-	4,888	4,378	-	-	-	-	-	-	-	-	-	-
Total net revenue	93,459	241,623	441,540	595,993	714,170	843,893	1,046,045	1,254,627	1,478,788	1,706,238	1,901,186	2,053,620	2,157,277
<i>growth Y/Y</i>	<i>209%</i>	<i>159%</i>	<i>83%</i>	<i>35%</i>	<i>20%</i>	<i>18%</i>	<i>24%</i>	<i>20%</i>	<i>18%</i>	<i>15%</i>	<i>11%</i>	<i>8%</i>	<i>5%</i>

TransMedics
Income Statement (thousands USD)

Fiscal Years Ending Dec. 30	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Revenue:							
Total revenue	41,554	52,465	66,430	81,174	96,850	114,305	108,761
Cost of revenue:							
Depreciation	(1,478)	(1,624)	-	-	(4,302)	(4,499)	(5,077)
Total cost of revenue	(11,310)	(14,100)	(25,768)	(33,250)	(32,586)	(40,545)	(42,839)
Gross profit	28,766	36,741	40,662	47,924	59,962	69,261	60,845
Operating expenses:							
Research, development and clinical trials	(5,871)	(8,291)	(11,132)	(10,761)	(11,380)	(13,858)	(14,266)
Acquired in-process research and development expenses	-	-	(27,212)	-	-	-	-
Amortization of Intangibles	-	-	-	-	(100)	(100)	(100)
Selling, general and administrative	(24,984)	(29,356)	(30,653)	(34,560)	(36,061)	(42,795)	(42,556)
Total operating expenses	(30,855)	(37,647)	(68,997)	(45,321)	(47,541)	(56,753)	(56,922)
Income (loss) from operations	(2,089)	(906)	(28,335)	2,603	12,421	12,508	3,923
Other income (expense):							
Interest expense	(1,091)	(2,505)	(3,590)	(3,605)	(3,598)	(3,623)	(3,617)
Change in fair value of preferred stock warrant liability	-	-	-	-	-	-	-
Other income / expense, net	555	2,431	4,996	4,865	3,570	3,268	3,939
Total other income (expense), net	(536)	(74)	1,406	1,260	(28)	(355)	322
Income (loss) before income taxes	(2,625)	(980)	(26,929)	3,863	12,393	12,153	4,245
(Provision) benefit for income taxes	(11)	(21)	1,507	168	(196)	41	(29)
Net income (loss)	(2,636)	(1,001)	(25,422)	4,031	12,197	12,194	4,216
Share Information (Basic):							
Earnings Per Share (EPS)	(0.08)	(0.03)	(0.78)	0.12	0.37	0.37	0.13
Weighted Average Shares Outstanding	32,260	32,545	32,614	32,645	32,760	33,120	33,441

Q4 2024	Q1 2025	Q2 2025	Q3 2025E	Q4 2025E	Q1 2026E	Q2 2026E	Q3 2026E	Q4 2026E	Q1 2027E	Q2 2027E	Q3 2027E
121,624	143,537	157,370	141,571	155,393	169,481	179,440	179,209	186,039	199,913	209,333	211,218
(5,680)	(6,037)	(6,631)	(13,241)	(13,241)	(11,179)	(11,179)	(11,179)	(11,179)	(12,762)	(12,762)	(12,762)
(43,931)	(49,272)	(54,150)	(47,792)	(52,458)	(57,214)	(60,576)	(60,498)	(62,804)	(67,487)	(70,667)	(71,304)
72,013	88,228	96,589	80,538	89,694	101,088	107,685	107,532	112,056	119,664	125,904	127,153
(16,464)	(17,160)	(15,934)	(17,366)	(19,061)	(18,710)	(19,810)	(19,784)	(20,538)	(19,618)	(20,542)	(20,727)
-	-	-	-	-	-	-	-	-	-	-	-
-	(100)	(100)	(2)	(2)	(51)	(51)	(51)	(51)	(51)	(51)	(51)
(46,905)	(43,525)	(43,988)	(49,701)	(54,554)	(53,550)	(56,696)	(56,624)	(58,781)	(56,147)	(58,792)	(59,322)
(63,369)	(60,785)	(60,022)	(67,069)	(73,616)	(72,311)	(76,557)	(76,458)	(79,370)	(75,815)	(79,385)	(80,100)
8,644	27,443	36,567	13,469	16,077	28,777	31,128	31,073	32,685	43,849	46,519	47,053
(3,571)	(3,461)	(3,476)	(20,497)	(20,497)	(8,587)	(8,587)	(8,587)	(8,587)	(8,667)	(8,667)	(8,667)
-	-	-	-	-	-	-	-	-	-	-	-
1,916	2,694	3,091	4,281	4,281	-	-	-	-	-	-	-
(1,655)	(767)	(385)	(16,216)	(16,216)	(8,587)	(8,587)	(8,587)	(8,587)	(8,667)	(8,667)	(8,667)
6,989	26,676	36,182	(2,747)	(139)	20,190	22,541	22,487	24,099	35,182	37,852	38,386
(132)	(994)	(1,275)	1,734	1,734	4,689	4,689	4,689	4,689	8,047	8,047	8,047
6,857	25,682	34,907	(1,012)	1,595	24,879	27,230	27,176	28,788	43,229	45,898	46,433
0.20	0.76	1.03	(0.03)	0.05	0.73	0.80	0.80	0.85	1.25	1.33	1.35
33,592	33,722	33,913	33,445	33,490	34,055	34,055	34,055	34,055	34,468	34,468	34,468

Q4 2027E	Q1 2028E	Q2 2028E	Q3 2028E	Q4 2028E	Q1 2029E	Q2 2029E	Q3 2029E	Q4 2029E	Q1 2030E	Q2 2030E	Q3 2030E	Q4 2030E
223,429	248,289	265,463	258,256	274,037	297,673	314,702	313,274	328,978	353,402	370,815	368,616	385,955
(12,762)	(14,561)	(14,561)	(14,561)	(14,561)	(16,606)	(16,606)	(16,606)	(16,606)	(18,931)	(18,931)	(18,931)	(18,931)
(75,426)	(83,818)	(89,616)	(87,183)	(92,510)	(100,489)	(106,238)	(105,756)	(111,058)	(119,303)	(125,181)	(124,439)	(130,292)
135,241	149,910	161,287	156,512	166,966	180,578	191,858	190,912	201,315	215,169	226,703	225,246	236,732
(21,925)	(21,319)	(22,794)	(22,175)	(23,530)	(21,908)	(23,161)	(23,056)	(24,212)	(21,675)	(22,743)	(22,608)	(23,671)
-	-	-	-	-	-	-	-	-	-	-	-	-
(51)	(51)	(51)	(57)	(57)	(51)	(51)	(51)	(51)	(57)	(57)	(57)	(57)
(62,751)	(61,017)	(65,237)	(63,466)	(67,344)	(62,702)	(66,289)	(65,989)	(69,297)	(62,034)	(65,091)	(64,705)	(67,749)
(84,727)	(82,387)	(88,082)	(85,698)	(90,931)	(84,661)	(89,502)	(89,096)	(93,560)	(83,766)	(87,890)	(87,370)	(91,477)
50,514	67,524	73,205	70,814	76,035	95,916	102,357	101,817	107,755	131,403	138,813	137,877	145,256
(8,667)	(8,790)	(8,790)	(8,790)	(8,790)	(8,916)	(8,916)	(8,916)	(8,916)	(9,052)	(9,052)	(9,052)	(9,052)
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
(8,667)	(8,790)	(8,790)	(8,790)	(8,790)	(8,916)	(8,916)	(8,916)	(8,916)	(9,052)	(9,052)	(9,052)	(9,052)
41,847	58,734	64,415	62,025	67,245	87,000	93,441	92,901	98,839	122,351	129,761	128,825	136,204
8,047	13,252	13,252	13,252	13,252	19,539	19,539	19,539	19,539	27,150	27,150	27,150	27,150
49,894	71,986	77,667	75,277	80,497	106,540	112,980	112,440	118,379	149,501	156,911	155,975	163,354
1.45	2.06	2.23	2.16	2.31	3.02	3.20	3.19	3.35	4.19	4.39	4.37	4.57
34,468	34,882	34,882	34,882	34,882	35,295	35,295	35,295	35,295	35,708	35,708	35,708	35,708

[illegible]

Q2 2034E	Q3 2034E	Q4 2034E
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540,051	539,039	545,316
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(31,881)	(31,881)	(31,881)
(182,312)	(181,971)	(184,090)
325,858	325,187	329,345

(6,624)	(6,612)	(6,689)
-	-	-
(57)	(57)	(57)
(18,960)	(18,924)	(19,144)
(25,641)	(25,593)	(25,890)
300,217	299,595	303,455

(9,466)	(9,466)	(9,466)
-	-	-
-	-	-
(9,466)	(9,466)	(9,466)
290,751	290,129	293,989
60,963	60,963	60,963
351,715	351,092	354,953

9.77	9.75	9.86
36,002	36,002	36,002

<i>Fiscal Years Ending</i>	FY 2022	FY 2023	FY 2024	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E	FY 2032E	FY 2033E	FY 2034E
Revenue:													
Total revenue	93,459	241,623	441,540	597,871	714,170	843,893	1,046,045	1,254,627	1,478,788	1,706,238	1,901,186	2,053,620	2,157,277
Cost of revenue:													
Depreciation	(4,195)	(3,102)	(19,558)	(39,151)	(44,718)	(51,047)	(58,242)	(66,423)	(75,723)	(86,297)	(98,319)	(111,986)	(127,524)
Total Cost of revenue	(23,992)	(84,428)	(159,901)	(203,672)	(241,092)	(284,884)	(353,127)	(423,541)	(499,214)	(575,998)	(641,809)	(693,268)	(728,261)
Gross profit	65,272	154,093	262,081	355,049	428,360	507,962	634,675	764,663	903,851	1,043,944	1,161,059	1,248,366	1,301,492
Operating expenses:													
Research, development and clinical trials	(26,812)	(36,055)	(55,968)	(69,521)	(78,842)	(82,812)	(89,818)	(92,338)	(90,697)	(83,717)	(69,962)	(50,381)	(26,462)
Acquired in-process research and development expenses	-	(27,212)	-	-	-	-	-	-	-	-	-	-	-
Amortization of Intangibles	-	-	(300)	(203)	(203)	(203)	(203)	(203)	(227)	(227)	(227)	(227)	(227)
Selling, general and administrative	(69,897)	(119,553)	(168,317)	(191,768)	(225,651)	(237,012)	(257,064)	(264,277)	(259,579)	(239,604)	(200,235)	(144,193)	(75,735)
Total operating expenses	(96,709)	(182,820)	(224,585)	(261,492)	(304,696)	(320,027)	(347,097)	(356,818)	(350,503)	(323,548)	(270,424)	(194,801)	(102,424)
Income (loss) from operations	(31,437)	(28,727)	37,496	93,557	123,664	187,935	287,578	407,845	553,348	720,396	890,635	1,053,565	1,199,068
Other income (expense):													
Interest expense	(3,726)	(10,791)	(14,409)	(34,058)	(34,347)	(34,668)	(35,158)	(35,664)	(36,206)	(36,756)	(37,229)	(37,603)	(37,862)
Change in fair value of preferred stock warrant liability	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income / expense, net	(1,002)	12,847	12,693	14,433	16,356	19,089	23,366	30,487	41,994	59,687	85,503	121,442	169,313
Total other income (expense), net	(4,728)	2,056	(1,716)	(33,584)	(34,347)	(34,668)	(35,158)	(35,664)	(36,206)	(36,756)	(37,229)	(37,603)	(37,862)
Income (loss) before income taxes	(36,165)	(26,671)	35,780	59,973	89,317	153,267	252,420	372,181	517,142	683,640	853,406	1,015,963	1,161,205
(Provision) benefit for income taxes	(66)	1,643	(316)	600	18,757	32,186	53,008	78,158	108,600	143,564	179,215	213,352	243,853
Net income (loss)	(36,231)	(25,028)	35,464	61,172	108,073	185,453	305,428	450,339	625,742	827,204	1,032,621	1,229,315	1,405,059
Share Information (Basic):													
Earnings Per Share (EPS)	(1.25)	(0.77)	1.07	1.81	3.17	5.38	8.76	12.76	17.52	22.98	28.68	34.15	39.03
Weighted Average Shares Outstanding	29,544	32,516	33,228	33,642	34,055	34,468	34,882	35,295	35,708	36,002	36,002	36,002	36,002

TransMedics

Balance Sheet (thousands USD)

Fiscal Years Ending Dec. 30	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
ASSETS													
Current Assets:													
Cash and cash equivalents	201,182	394,812	336,650	178,570	197,425	280,473	438,939	730,920	1,181,092	1,815,935	2,649,736	3,688,737	4,913,381
Marketable securities	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	27,611	63,576	97,722	152,515	182,182	215,274	266,842	320,051	377,233	435,255	484,985	523,871	550,313
Inventory	20,605	44,235	46,554	226,620	270,702	319,873	396,498	475,560	560,527	646,741	720,634	778,414	817,704
Prepaid expenses and other current assets	2,896	8,031	16,290	49,420	59,033	69,756	86,466	103,708	122,237	141,038	157,153	169,753	178,321
Total current assets	252,294	510,654	497,216	607,125	709,343	885,377	1,188,745	1,630,238	2,241,089	3,038,968	4,012,508	5,160,774	6,459,720
Gross PPE	32,352	195,234	326,684	328,196	329,708	331,220	332,731	334,243	335,755	337,267	338,779	340,291	341,802
Less: Accumulated depreciation and amortization	13,129	21,293	40,714	1,563	(43,154)	(94,201)	(152,443)	(218,866)	(294,589)	(380,886)	(479,205)	(591,190)	(718,715)
Property and equipment, net	19,223	173,941	285,970	326,633	372,862	425,420	485,174	553,109	630,344	718,153	817,983	931,481	1,060,517
Deferred offering costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating lease right-of-use assets	5,130	6,546	6,481	7,403	8,450	9,641	10,996	12,535	14,286	16,276	18,538	21,110	24,035
Restricted cash	500	500	500	500	500	500	500	500	500	500	500	500	500
Goodwill	-	11,990	11,549	11,549	11,549	11,549	11,549	11,549	11,549	11,549	11,549	11,549	11,549
Acquired intangible assets, net	-	2,354	2,152	1,949	1,746	1,543	1,340	1,137	910	683	456	229	2
Other long-term assets	-	62	208	213	218	223	228	233	238	244	249	255	261
Total assets	277,147	706,047	804,076	955,371	1,104,668	1,334,253	1,698,532	2,209,301	2,898,916	3,786,373	4,861,784	6,125,898	7,556,583
LIABILITIES AND STOCKHOLDERS' EQUITY													
Current Liabilities:													
Accounts payable	3,341	12,717	10,292	22,259	26,588	31,418	38,944	46,709	55,055	63,523	70,781	76,456	80,315
Accrued expenses and other current liabilities	18,635	38,221	45,152	91,641	109,467	129,351	160,337	192,308	226,667	261,531	291,412	314,777	330,665
Deferred revenue	241	1,961	1,742	5,441	6,499	7,679	9,519	11,417	13,457	15,527	17,301	18,688	19,631
Operating lease liabilities	1,444	2,035	2,727	2,500	2,854	3,256	3,713	4,233	4,824	5,496	6,260	7,129	8,117
Total current liabilities	23,661	54,934	59,913	121,840	145,408	171,704	212,513	254,668	300,003	346,076	385,754	417,049	438,728
Convertible senior notes, net	-	447,140	449,939	449,939	449,939	449,939	449,939	449,939	449,939	449,939	449,939	449,939	449,939
Long-term debt, net of discount and current portion	58,696	59,064	59,372	68,402	68,663	68,925	69,187	69,448	69,705	69,962	70,219	70,476	70,732
Operating lease liabilities, net of current portion	7,415	7,707	6,249	9,344	10,667	12,171	13,880	15,824	18,033	20,545	23,401	26,648	30,340
Total liabilities	89,772	568,845	575,473	649,525	674,678	702,739	745,519	789,878	837,680	886,522	929,313	964,112	989,739
Stockholders' Equity:													
Common stock	666,277	641,106	697,208	713,279	729,350	745,421	761,492	777,563	793,634	805,044	805,044	805,044	805,044
Accumulated other comprehensive loss	(225)	(199)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)	(364)
Retained Earnings	(478,677)	(503,705)	(468,241)	(407,069)	(298,996)	(113,542)	191,885	642,224	1,267,966	2,095,170	3,127,791	4,357,106	5,762,165
Total stockholder's equity	187,375	137,202	228,603	305,846	429,990	631,514	953,013	1,419,423	2,061,235	2,899,850	3,932,471	5,161,786	6,566,844
Total liabilities and stockholders' equity	277,147	706,047	804,076	955,371	1,104,668	1,334,253	1,698,532	2,209,301	2,898,916	3,786,373	4,861,784	6,125,898	7,556,583

TransMedics
Historical Cash Flow Statement (thousands USD)

Fiscal Years Ending Dec. 30	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net income / loss	(24,065)	(20,823)	(23,756)	(33,547)	(28,748)	(44,215)	(36,231)	(25,028)	35,464
Adjustments to reconcile net loss to net cash used in operating activities	(44)	(2,275)	(2,228)	1,261	(1,517)	15,351	(9,586)	12,000	13,339
Depreciation and amortization expense	426	630	769	1,222	1,577	1,817	3,478	8,177	19,758
Stock-based compensation expense	45	70	144	854	2,414	6,878	10,321	19,791	33,224
Change in fair value of preferred stock warrant liability	105	(159)	545	341	-	-	-	27,212	-
Acquired in-process research and development expenses	-	-	-	-	-	-	-	(1,660)	-
Deferred rent	(293)	(311)	(329)	(349)	933	-	-	-	-
Loss on extinguishment of debt	-	-	305	-	-	-	575	-	-
Loss on sale of marketable securities	-	-	-	-	-	-	107	-	-
Non-cash interest and end of term accretion expense	65	93	177	475	511	540	465	2,128	3,111
Non-cash lease expense	-	-	-	-	-	829	717	1,041	1,564
Net amortization of premiums on marketable securities	187	151	9	(205)	634	1,356	381	-	-
Unrealized foreign currency transaction gains / losses	-	(308)	150	200	(1,065)	928	1,129	(342)	665
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-	17
Changes in operating assets and liabilities	(579)	(2,441)	(3,998)	(1,277)	(6,521)	3,003	(26,759)	(44,347)	(45,000)
Accounts receivable	(758)	454	(2,513)	(3,166)	(218)	840	(21,678)	(33,816)	(34,310)
Inventory	(1,587)	(2,497)	(2,699)	(4,121)	(1,740)	(4,894)	(8,024)	(28,092)	(8,353)
Prepaid expenses and other current assets	(108)	(166)	(1,355)	250	(769)	(3,151)	2,521	(2,101)	(6,262)
Other long-term assets	(5)	12	-	-	-	-	-	(54)	(149)
Accounts payable	1,062	(735)	164	3,443	(5,802)	5,090	(3,270)	6,957	(1,396)
Accrued expenses and other current liabilities	805	429	2,338	2,453	1,948	4,875	3,437	14,250	7,938
Deferred revenue	12	62	67	(136)	60	7	-	83	(203)
Operating lease liabilities	-	-	-	-	-	236	255	(1,574)	(2,265)
Net cash used in operating activities	(24,109)	(23,098)	(25,984)	(32,286)	(30,265)	(28,864)	(45,817)	(13,028)	48,803
Purchases of property and equipment	(1,478)	(263)	(418)	(165)	(455)	(3,519)	(11,907)	(151,847)	(129,744)
Purchase of business, net of cash acquired	-	-	-	-	-	-	-	(14,894)	441
Purchase of in-process research and development assets	-	-	-	-	-	-	-	(27,212)	-
Purchases of marketable securities	(46,534)	(19,187)	-	(82,371)	(121,793)	(72,024)	(10,496)	-	-
Proceeds from sales and maturities of marketable securities	8,340	44,309	12,725	22,035	80,650	104,810	76,916	-	-
Net cash provided by / used in investing activities	(39,672)	24,859	12,307	(60,501)	(41,598)	29,267	54,513	(193,953)	(129,303)
Proceeds from issuance of convertible preferred stock, net of issuance costs	63,608	-	-	-	-	-	-	445,380	-
Proceeds from issuance of convertible senior notes, net of issuance costs paid	-	-	-	-	-	-	-	-	-
Purchases of capped calls related to convertible senior notes	-	-	(2,342)	92,521	74,965	-	139,854	(52,072)	-
Purchases of capped calls related to convertible senior notes excluding	-	-	(2,342)	(4,846)	-	-	-	(52,072)	-
Proceeds from issuance of common stock in public offering, net of underwriting discounts and	-	-	-	97,367	-	-	139,854	-	-
Proceeds from issuance of long-term debt, net of issuance costs	-	-	33,436	-	-	-	58,509	-	-
Repayments of long-term debt	-	-	(9,076)	-	-	-	(36,050)	-	-
Payment of additional debt issuance costs	(85)	-	-	-	-	-	-	-	-
Proceeds from issuance of common stock upon exercise of stock options	21	3	46	202	227	974	4,667	6,155	20,813
Proceeds from issuance of warrants	-	-	-	-	-	-	438	-	-
Proceeds from issuance of common stock in connection with employee stock purchase plan	-	-	-	-	357	419	509	955	2,061
Proceeds from paycheck protection program loan	-	-	-	-	2,249	-	-	-	-
Repayment of paycheck protection program loan	-	-	-	-	(2,249)	-	-	-	-
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(6)	335	(82)	(85)	803	(797)	(1,021)	193	(536)
Net cash used in / provided by financing activities	63,544	3	22,064	92,723	75,549	1,393	167,927	400,418	22,874
Cash, cash equivalents and restricted cash, beginning of period	10,580	10,337	12,436	20,741	20,592	25,081	26,080	201,682	395,312
Cash, cash equivalents and restricted cash, end of period	10,337	12,436	20,741	20,592	25,081	26,080	201,682	395,312	337,150
Net decrease / increase in cash, cash equivalents and restricted cash	(243)	2,099	8,305	(149)	4,489	999	175,602	193,630	(58,162)
Supplemental disclosure									
Cash paid for interest	(825)	(823)	(2,401)	(3,877)	(3,475)	(3,334)	(3,260)	(8,089)	(11,297)
Non-cash investing and financing activities									
Conversion of convertible preferred stock to common stock upon initial public offering	-	-	-	186,519	-	-	-	-	-
Transfers of inventory to property and equipment	-	1,130	1,393	2,146	1,191	1,823	2,135	4,574	5,803
Reclassification of warrant liability to equity upon initial public offering	-	-	-	1,239	-	-	-	-	-
Issuance of preferred stock warrants in connection with amended loan	82	-	-	-	-	-	-	-	-
Purchases of property and equipment included in accounts payable	-	-	-	169	-	1,200	62	2,454	2,062
Deferred offering costs included in accounts payable and accrued exp	-	-	1,041	120	-	-	-	-	-
Settlement of accrued financing fee	-	-	-	124	-	-	-	-	-
Operating lease liabilities arising from obtaining right-of-use assets	-	-	-	-	-	-	-	2,171	1,499
Conversion of convertible senior notes into common stock	-	-	-	-	-	-	-	-	4
Cash, cash equivalents and restricted cash, end of period	-	-	-	20,592	25,081	26,080	-	-	-
Cash and cash equivalents	-	-	-	20,092	24,581	25,580	-	-	-
Restricted cash	-	-	-	500	500	500	-	-	-

TransMedics
Forecasted Cash Flow Statement (thousands USD)

Fiscal Years Ending Dec. 30	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
Operating Cash Flow										
Net Income	61,172	108,073	185,453	305,428	450,339	625,742	827,204	1,032,621	1,229,315	1,405,059
(+) Depreciation	(39,151)	(44,718)	(51,047)	(58,242)	(66,423)	(75,723)	(86,297)	(98,319)	(111,986)	(127,524)
(+) Amortization	203	203	203	203	203	227	227	227	227	227
Change in A/R	(54,793)	(29,667)	(33,092)	(51,568)	(53,209)	(57,183)	(58,022)	(49,730)	(38,885)	(26,443)
Change in Inventory	(180,066)	(44,082)	(49,171)	(76,625)	(79,062)	(84,967)	(86,214)	(73,894)	(57,779)	(39,291)
Change in Prepaid expenses and other current assets	(33,130)	(9,613)	(10,723)	(16,710)	(17,241)	(18,529)	(18,801)	(16,114)	(12,600)	(8,568)
Change in Operating lease ROU assets	(922)	(1,048)	(1,191)	(1,354)	(1,540)	(1,750)	(1,990)	(2,262)	(2,572)	(2,924)
Change in Other LT assets	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(6)	(6)	(6)
Change in A/P	11,967	4,330	4,830	7,526	7,765	8,345	8,468	7,258	5,675	3,859
Change in Accrued expenses and other current liabilities	46,489	17,826	19,884	30,986	31,971	34,359	34,863	29,881	23,365	15,889
Change in Deferred revenue	3,699	1,058	1,180	1,840	1,898	2,040	2,070	1,774	1,387	943
Change in Operating lease liabilities	(227)	354	402	457	520	591	672	764	869	988
Change in Operating lease liabilities, net of current portion	3,095	1,323	1,504	1,709	1,944	2,210	2,512	2,856	3,247	3,692
Net Cash Flow from Operating Activities:	(181,668)	4,034	68,228	143,645	277,161	435,356	624,687	835,056	1,040,256	1,225,899
Investing Cash Flow										
Change in Gross PPE	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)
Net Cash Flows from Investing Activities	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)	(1,512)
Financing Cash Flow										
Change in Convertible senior notes, net	-	-	-	-	-	-	-	-	-	-
Change in LT debt, net of discount and current portion	9,030	262	262	262	262	257	257	257	257	257
Change in Common stock	16,071	16,071	16,071	16,071	16,071	16,071	11,410	-	-	-
Net Cash Flows from Financing Activities	25,101	16,333	16,333	16,333	16,333	16,328	11,667	257	257	257
Net Increase in Cash & Cash Equivalents	(158,080)	18,855	83,048	158,465	291,981	450,172	634,843	833,801	1,039,001	1,224,644
Cash & Cash Equivalents at the Beginning of the Period	336,650	178,570	197,425	280,473	438,939	730,920	1,181,092	1,815,935	2,649,736	3,688,737
Cash & Cash Equivalents at the End of the Period	178,570	197,425	280,473	438,939	730,920	1,181,092	1,815,935	2,649,736	3,688,737	4,913,381

TransMedics
Common Size Income Statement

<i>Fiscal Years Ending 45964</i>	FY 2022	FY 2023	FY 2024	FY 2025E	FY 2026E	FY 2027E	FY 2028E	FY 2029E	FY 2030E	FY 2031E	FY 2032E	FY 2033E	FY 2034E
Revenue:													
Total revenue	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of revenue:													
Depreciation	-4.49%	-1.28%	-4.43%	-6.55%	-6.26%	-6.05%	-5.57%	-5.29%	-5.12%	-5.06%	-5.17%	-5.45%	-5.91%
Total Cost of revenue	-25.67%	-34.94%	-36.21%	-34.07%	-33.76%	-33.76%	-33.76%	-33.76%	-33.76%	-33.76%	-33.76%	-33.76%	-33.76%
Gross profit	69.84%	63.77%	59.36%	59.39%	59.98%	60.19%	60.67%	60.95%	61.12%	61.18%	61.07%	60.79%	60.33%
Operating expenses:													
Research, development and clinical trials	-28.69%	-14.92%	-12.68%	-11.63%	-11.04%	-9.81%	-8.59%	-7.36%	-6.13%	-4.91%	-3.68%	-2.45%	-1.23%
Acquired in-process research and development expenses	0.00%	-11.26%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Amortization of Intangibles	0.00%	0.00%	-0.07%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.01%	-0.01%	-0.01%	-0.01%
Selling, general and administrative	-74.79%	-49.48%	-38.12%	-32.08%	-31.60%	-28.09%	-24.57%	-21.06%	-17.55%	-14.04%	-10.53%	-7.02%	-3.51%
Total operating expenses	-103.48%	-75.66%	-50.86%	-43.74%	-42.66%	-37.92%	-33.18%	-28.44%	-23.70%	-18.96%	-14.22%	-9.49%	-4.75%
Income (loss) from operations	-33.64%	-11.89%	8.49%	15.65%	17.32%	22.27%	27.49%	32.51%	37.42%	42.22%	46.85%	51.30%	55.58%
Other income (expense):													
Interest expense	-3.99%	-4.47%	-3.26%	-5.70%	-4.81%	-4.11%	-3.36%	-2.84%	-2.45%	-2.15%	-1.96%	-1.83%	-1.76%
Change in fair value of preferred stock warrant liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other income / expense, net	-1.07%	5.32%	2.87%	2.41%	2.29%	2.26%	2.23%	2.43%	2.84%	3.50%	4.50%	5.91%	7.85%
Total other income (expense), net	-5.06%	0.85%	-0.39%	-5.62%	-4.81%	-4.11%	-3.36%	-2.84%	-2.45%	-2.15%	-1.96%	-1.83%	-1.76%
Income (loss) before income taxes	-38.70%	-11.04%	8.10%	10.03%	12.51%	18.16%	24.13%	29.66%	34.97%	40.07%	44.89%	49.47%	53.83%
(Provision) benefit for income taxes	-0.07%	0.68%	-0.07%	0.10%	2.63%	3.81%	5.07%	6.23%	7.34%	8.41%	9.43%	10.39%	11.30%
Net income (loss)	-38.77%	-10.36%	8.03%	10.23%	15.13%	21.98%	29.20%	35.89%	42.31%	48.48%	54.31%	59.86%	65.13%

TransMedics
Common Size Balance Sheet

Fiscal Years Ending Dec. 30	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
ASSETS													
Current Assets:													
Cash and cash equivalents	215.26%	163.40%	76.24%	29.87%	27.64%	33.24%	41.96%	58.26%	79.87%	106.43%	139.37%	179.62%	227.76%
Marketable securities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Accounts receivable	29.54%	26.31%	22.13%	25.51%	25.51%	25.51%	25.51%	25.51%	25.51%	25.51%	25.51%	25.51%	25.51%
Inventory	22.05%	18.31%	10.54%	37.90%	37.90%	37.90%	37.90%	37.90%	37.90%	37.90%	37.90%	37.90%	37.90%
Prepaid expenses and other current assets	3.10%	3.32%	3.69%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%
Total current assets	269.95%	211.34%	112.61%	101.55%	99.32%	104.92%	113.64%	129.94%	151.55%	178.11%	211.05%	251.30%	299.44%
Gross PPE	34.62%	80.80%	73.99%	54.89%	46.17%	39.25%	31.81%	26.64%	22.70%	19.77%	17.82%	16.57%	15.84%
Less: Accumulated depreciation and amortization	14.05%	8.81%	9.22%	0.26%	-6.04%	-11.16%	-14.57%	-17.44%	-19.92%	-22.32%	-25.21%	-28.79%	-33.32%
Property and equipment, net	20.57%	71.99%	64.77%	54.63%	52.21%	50.41%	46.38%	44.09%	42.63%	42.09%	43.02%	45.36%	49.16%
Deferred offering costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating lease right-of-use assets	5.49%	2.71%	1.47%	1.24%	1.18%	1.14%	1.05%	1.00%	0.97%	0.95%	0.98%	1.03%	1.11%
Restricted cash	0.53%	0.21%	0.11%	0.08%	0.07%	0.06%	0.05%	0.04%	0.03%	0.03%	0.03%	0.02%	0.02%
Goodwill	0.00%	4.96%	2.62%	1.93%	1.62%	1.37%	1.10%	0.92%	0.78%	0.68%	0.61%	0.56%	0.54%
Acquired intangible assets, net	0.00%	0.97%	0.49%	0.33%	0.24%	0.18%	0.13%	0.09%	0.06%	0.04%	0.02%	0.01%	0.00%
Other long-term assets	0.00%	0.03%	0.05%	0.04%	0.03%	0.03%	0.02%	0.02%	0.02%	0.01%	0.01%	0.01%	0.01%
Total assets	296.54%	292.21%	182.11%	159.80%	154.68%	158.11%	162.38%	176.09%	196.03%	221.91%	255.72%	298.30%	350.28%
LIABILITIES AND STOCKHOLDERS' EQUITY													
Current Liabilities:													
Accounts payable	3.57%	5.26%	2.33%	3.72%	3.72%	3.72%	3.72%	3.72%	3.72%	3.72%	3.72%	3.72%	3.72%
Accrued expenses and other current liabilities	19.94%	15.82%	10.23%	15.33%	15.33%	15.33%	15.33%	15.33%	15.33%	15.33%	15.33%	15.33%	15.33%
Deferred revenue	0.26%	0.81%	0.39%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%	0.91%
Operating lease liabilities	1.55%	0.84%	0.62%	0.42%	0.40%	0.39%	0.35%	0.34%	0.33%	0.32%	0.33%	0.35%	0.38%
Total current liabilities	25.32%	22.74%	13.57%	20.38%	20.36%	20.35%	20.32%	20.30%	20.29%	20.28%	20.29%	20.31%	20.34%
Convertible senior notes, net	0.00%	185.06%	101.90%	75.26%	63.00%	53.32%	43.01%	35.86%	30.43%	26.37%	23.67%	21.91%	20.86%
Long-term debt, net of discount and current portion	62.80%	24.44%	13.45%	11.44%	9.61%	8.17%	6.61%	5.54%	4.71%	4.10%	3.69%	3.43%	3.28%
Operating lease liabilities, net of current portion	7.93%	3.19%	1.42%	1.56%	1.49%	1.44%	1.33%	1.26%	1.22%	1.20%	1.23%	1.30%	1.41%
Total liabilities	96.05%	235.43%	130.33%	108.64%	94.47%	83.27%	71.27%	62.96%	56.65%	51.96%	48.88%	46.95%	45.88%
Stockholders' Equity:													
Common stock	712.91%	265.33%	157.90%	119.30%	102.13%	88.33%	72.80%	61.98%	53.67%	47.18%	42.34%	39.20%	37.32%
Accumulated other comprehensive loss	-0.24%	-0.08%	-0.08%	-0.06%	-0.05%	-0.04%	-0.03%	-0.03%	-0.02%	-0.02%	-0.02%	-0.02%	-0.02%
Retained Earnings	-512.18%	-208.47%	-106.05%	-68.09%	-41.87%	-13.45%	18.34%	51.19%	85.74%	122.79%	164.52%	212.17%	267.10%
Total stockholder's equity	200.49%	56.78%	51.77%	51.16%	60.21%	74.83%	91.11%	113.14%	139.39%	169.96%	206.84%	251.35%	304.40%
Total liabilities and stockholders' equity	296.54%	292.21%	182.11%	159.80%	154.68%	158.11%	162.38%	176.09%	196.03%	221.91%	255.72%	298.30%	350.28%

TransMedics
Value Driver Estimation (thousands USD)

Fiscal Years Ending Dec. 30	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
NOPLAT:													
Revenue	93,459	241,623	441,540	597,871	714,170	843,893	1,046,045	1,254,627	1,478,788	1,706,238	1,901,186	2,053,620	2,157,277
Less: Cost of Products Sold	(23,992)	(84,428)	(159,901)	(203,672)	(241,092)	(284,884)	(353,127)	(423,541)	(499,214)	(575,998)	(641,809)	(693,268)	(728,261)
Less: Depreciation	(4,195)	(3,102)	(19,558)	(39,151)	(44,718)	(51,047)	(58,242)	(66,423)	(75,723)	(86,297)	(98,319)	(111,986)	(127,524)
Less: Amortization	-	-	(300)	(203)	(203)	(203)	(203)	(227)	(227)	(227)	(227)	(227)	(227)
Less: Research & Development	(26,812)	(36,055)	(55,968)	(69,521)	(78,842)	(82,812)	(89,818)	(92,338)	(90,697)	(83,717)	(69,962)	(50,381)	(26,462)
Less: Selling, General, & Administrative	(69,897)	(119,553)	(168,317)	(191,768)	(225,651)	(237,012)	(257,064)	(264,277)	(259,579)	(239,604)	(200,235)	(144,193)	(75,735)
Less: Acquired IPR&D and Milestones	-	(27,212)	-	-	-	-	-	-	-	-	-	-	-
Plus: Implied Interest on Operating Leases	634	551	608	586	616	646	679	713	748	786	825	866	910
EBIT:	(30,803)	(28,176)	38,104	94,143	124,280	188,581	288,269	408,558	554,096	721,182	891,460	1,054,432	1,199,977
Income Tax Provision:	(66)	1,643	(316)	600	18,757	32,186	53,008	78,158	108,600	143,564	179,215	213,352	243,853
Plus: Tax Shield on Interest Expense	(4)	669	(130)	(341)	(7,213)	(7,280)	(7,383)	(7,489)	(7,603)	(7,719)	(7,818)	(7,897)	(7,951)
Plus: Tax Shield on Other Expense	(1)	(797)	114	144	3,435	4,009	4,907	6,402	8,819	12,534	17,956	25,503	35,556
Plus: Tax Shield on Operating Leases	9	(598)	80	6	129	136	143	150	157	165	173	182	191
Adjusted Tax:	(62)	917	(252)	409	15,108	29,050	50,674	77,220	109,972	148,545	189,526	231,140	271,649
Deferred Tax Assets	124,060	152,416	173,215	181,876	190,970	200,518	210,544	221,071	232,125	243,731	255,917	268,713	282,149
Deferred Tax Liabilities	2,169	11,430	24,356	25,574	26,852	28,195	29,605	31,085	32,639	34,271	35,985	37,784	39,673
Changes in Deferred Taxes:	(5,727)	(19,095)	(7,873)	(7,443)	(7,815)	(8,206)	(8,616)	(9,047)	(9,499)	(9,974)	(10,473)	(10,997)	(11,546)
NOPLAT:	(36,468)	(48,188)	30,483	86,291	101,357	151,325	228,978	322,290	434,625	562,662	691,461	812,295	916,782
Invested Capital (IC):													
Operating Current Assets:													
Normal Cash	71,257	184,224	336,650	455,844	544,515	643,422	797,552	956,584	1,127,495	1,300,913	1,449,550	1,565,772	1,644,805
Accounts Receivable	27,611	63,576	97,722	152,515	182,182	215,274	266,842	320,051	377,233	435,255	484,985	523,871	550,313
Inventories	20,605	44,235	46,554	226,620	270,702	319,873	396,498	475,560	560,527	646,741	720,634	778,414	817,704
Prepaid Expenses & Other Current Assets	2,896	8,031	16,290	49,420	59,033	69,756	86,466	103,708	122,237	141,038	157,153	169,753	178,321
Total Operating Current Assets	122,369	300,066	497,216	884,399	1,056,433	1,248,325	1,547,358	1,855,903	2,187,492	2,523,947	2,812,322	3,037,809	3,191,144
Operating Current Liabilities:													
Accounts Payable	3,341	12,717	10,292	22,259	26,588	31,418	38,944	46,709	55,055	63,523	70,781	76,456	80,315
Accrued Expenses and Other Current Liabilities	18,635	38,221	45,152	91,641	109,467	129,351	160,337	192,308	226,667	261,531	291,412	314,777	330,665
Deferred Revenue	241	1,961	1,742	5,441	6,499	7,679	9,519	11,417	13,457	15,527	17,301	18,688	19,631
Total Operating Current Liabilities:	22,217	52,899	57,186	119,340	142,554	168,448	208,800	250,434	295,179	340,580	379,493	409,920	430,611
Net Operating Working Capital:	100,152	247,167	440,030	765,059	913,878	1,079,877	1,338,558	1,605,468	1,892,313	2,183,367	2,432,829	2,627,889	2,760,533
Property & Equipment, Net:	19,223	173,941	285,970	326,633	372,862	425,420	485,174	553,109	630,344	718,153	817,983	931,481	1,060,517
Other Operating Assets:													
Intangible Assets, Net	-	2,354	2,152	1,949	1,746	1,543	1,340	1,137	910	683	456	229	2
PV of Operating Leases	8,745	9,650	8,864	9,308	9,773	10,262	10,775	11,314	11,879	12,473	13,097	13,752	14,439
Net Other Operating Assets:	8,745	12,004	11,016	11,257	11,519	11,805	12,115	12,451	12,789	13,156	13,553	13,981	14,441
Invested Capital (IC):	128,120	433,112	737,016	1,102,948	1,298,259	1,517,102	1,835,848	2,171,028	2,535,446	2,914,676	3,264,365	3,573,351	3,835,491
Free Cash Flow (FCF):													
NOPLAT	(36,468)	(48,188)	30,483	86,291	101,357	151,325	228,978	322,290	434,625	562,662	691,461	812,295	916,782
Change in IC	82,133	304,992	303,904	365,932	195,311	218,843	318,745	335,180	364,419	379,230	349,689	308,985	262,141
FCF	(118,601)	(353,181)	(273,422)	(279,641)	(93,955)	(67,518)	(89,767)	(12,890)	70,206	183,432	341,772	503,309	654,641
Return on Invested Capital (ROIC):													
NOPLAT	(36,468)	(48,188)	30,483	86,291	101,357	151,325	228,978	322,290	434,625	562,662	691,461	812,295	916,782
Beginning IC	45,987	128,120	433,112	737,016	1,102,948	1,298,259	1,517,102	1,835,848	2,171,028	2,535,446	2,914,676	3,264,365	3,573,351
ROIC	-79.30%	-37.61%	7.04%	11.71%	9.19%	11.66%	15.09%	17.56%	20.02%	22.19%	23.72%	24.88%	25.66%
Economic Profit (EP):													
Beginning IC	45,987	128,120	433,112	737,016	1,102,948	1,298,259	1,517,102	1,835,848	2,171,028	2,535,446	2,914,676	3,264,365	3,573,351
x (ROIC - WACC)	-88.48%	-46.79%	-2.14%	2.53%	0.01%	2.48%	5.92%	8.38%	10.84%	13.01%	14.55%	15.71%	16.48%
EP	(40,689)	(59,946)	(9,266)	18,651	134	32,178	89,747	153,806	235,379	329,973	423,968	512,709	588,839

TransMedics

Weighted Average Cost of Capital (WACC) Estimation

Cost of Equity:

Risk-Free Rate	4.01%
Beta	1.16
Equity Risk Premium	5.00%
Cost of Equity	9.81%

ASSUMPTIONS:

10y Treasury YTM	U.S. Treasury
5y Raw Beta (Weekly)	Bloomberg
Henry Fund Estimate	

Cost of Debt:

Risk-Free Rate	4.01%
Implied Default Premium	2.29%
Pre-Tax Cost of Debt	6.30%
Effective Tax Rate	21.00%
After-Tax Cost of Debt	4.98%

10y Treasury YTM	U.S. Treasury
FactSet	

Market Value of Common Equity:

Total Shares Outstanding	33,228
Current Stock Price	\$115.00
MV of Equity	3,821,263

MV Weights

86.89%

Market Value of Debt:

Convertible Senior Notes	449,939
Short-Term Debt	55,444
Current Portion of LTD	2,727
Long-Term Debt	59,372
PV of Operating Leases	8,864
MV of Total Debt	576,346

13.11%

Market Value of the Firm

4,397,610

100.00%

Estimated WACC

9.18%

TransMedics*Dividend Discount Model (DDM) or Fundamental P/E Valuation Model*

<i>Fiscal Years Ending</i>	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
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EPS	\$ 1.81	\$ 3.17	\$ 5.38	\$ 8.76	\$ 12.76	\$ 17.52	\$ 22.98	\$ 28.68	\$ 34.15	\$ 39.03
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Key Assumptions

CV growth of EPS	3.00%
CV Year ROE	27.22%
Cost of Equity	9.81%

Future Cash Flows

P/E Multiple (CV Year)										13.06
EPS (CV Year)										\$ 39.03
Future Stock Price										\$ 509.85
Dividends Per Share	-	-	-	-	-	-	-	-	-	
Discounted Cash Flows	-	-	-	-	-	-	-	-	-	\$ 219.60

Intrinsic Value as of Last FYE	\$ 219.60
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Implied Price as of Today	\$ 237.65
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TransMedics

Relative Valuation Models

Ticker	Company	Price	EPS	EPS	P/E 24	P/E 25
			2024	2025E		
XVIVO-SE	Xvivo Perfusion	\$19.24	\$5.46	\$0.84	3.52	22.90
TRUMY	Terumo Corp	\$16.10	\$0.52	\$0.64	30.96	25.16
Average					17.24	24.03

TMDX	TransMedics	\$115.00	1.07	\$1.81	107.4	63.6
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Implied Relative Value:

P/E (EPS24) \$ 18.46

P/E (EPS25) \$ 43.45

TransMedics
Key Management Ratios

Fiscal Years Ending Dec. 30	2022	2023	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E
<u>Liquidity Ratios:</u>													
Current Ratio (Current Assets/Current Liabilities)	10.66	9.30	8.30	4.98	4.88	5.16	5.59	6.40	7.47	8.78	10.40	12.37	14.72
Quick Ratio ((Cash + Marketable Securities + Receivables)/Current Liabilities)	9.67	8.34	7.25	2.72	2.61	2.89	3.32	4.13	5.19	6.50	8.13	10.10	12.45
Cash Ratio ((Cash + Marketable Securities)/Current Liabilities)	8.50	7.19	5.62	1.47	1.36	1.63	2.07	2.87	3.94	5.25	6.87	8.84	11.20
<u>Asset-Management Ratios:</u>													
Inventory Turnover Ratio (COGS/Inventory)	(1.16)	(1.91)	(3.43)	(0.90)	(0.89)	(0.89)	(0.89)	(0.89)	(0.89)	(0.89)	(0.89)	(0.89)	(0.89)
Receivables Turnover (Revenue/Receivables)	3.38	3.80	4.52	3.92	3.92	3.92	3.92	3.92	3.92	3.92	3.92	3.92	3.92
Payables Turnover (COGS/Accounts Payable)	(7.18)	(6.64)	(15.54)	(9.15)	(9.07)	(9.07)	(9.07)	(9.07)	(9.07)	(9.07)	(9.07)	(9.07)	(9.07)
Total Asset Turnover (Revenue/Total Assets)	0.34	0.34	0.55	0.63	0.65	0.63	0.62	0.57	0.51	0.45	0.39	0.34	0.29
<u>Financial Leverage Ratios:</u>													
Debt-To-Capital Ratio (Total Liabilities/(Total Liabilities + Total Shareholders' Equity))	0.32	0.81	0.72	0.68	0.61	0.53	0.44	0.36	0.29	0.23	0.19	0.16	0.13
Debt-To-Equity Ratio (Total Liabilities/Total Shareholders' Equity)	0.48	4.15	2.52	2.12	1.57	1.11	0.78	0.56	0.41	0.31	0.24	0.19	0.15
Financial Leverage Ratio (Total Assets/Total Shareholders' Equity)	1.48	5.15	3.52	3.12	2.57	2.11	1.78	1.56	1.41	1.31	1.24	1.19	1.15
<u>Profitability Ratios:</u>													
Return on Equity (Net Income/Beginning Total Shareholders' Equity)	-53.40%	-13.36%	25.85%	26.76%	35.34%	43.13%	48.36%	47.25%	44.08%	40.13%	35.61%	31.26%	27.22%
Return on Assets (Net Income/Total Assets)	-13.07%	-3.54%	4.41%	6.40%	9.78%	13.90%	17.98%	20.38%	21.59%	21.85%	21.24%	20.07%	18.59%
Gross Profit Margin (Gross Profit/Revenue)	69.84%	63.77%	59.36%	59.39%	59.98%	60.19%	60.67%	60.95%	61.12%	61.18%	61.07%	60.79%	60.33%
Net Profit Margin (Net Income/Revenue)	-38.77%	-10.36%	8.03%	10.23%	15.13%	21.98%	29.20%	35.89%	42.31%	48.48%	54.31%	59.86%	65.13%
ROIC (NOPLAT/Invested Capital)	-28.46%	-11.13%	4.14%	7.82%	7.81%	9.97%	12.47%	14.85%	17.14%	19.30%	21.18%	22.73%	23.90%

TransMedics*Valuation of Options Granted under ESOP*

Current Stock Price	\$115.00
Risk Free Rate	4.01%
Current Dividend Yield	0.00%
Annualized St. Dev. of Stock Returns	83.97% Source

Range of Outstanding Options	Number of Shares	Average Exercise Price	Average Remaining Life (yrs)	B-S Option Price	Value of Options Granted
	2,774	38.88	6.71	\$ 100.45	\$ 278,601
Total	2,774	\$ 38.88	6.71	\$ 100.45	\$ 278,601

TransMedics
Sensitivity Tables

Beta	DCF		Equity Risk Premium					
	168.44	4.70%	4.80%	4.90%	5.00%	5.10%	5.20%	5.30%
	1.01	219.21	213.55	208.08	202.79	197.68	192.73	187.93
	1.06	206.33	200.85	195.55	190.43	185.48	180.69	176.06
	1.11	194.42	189.11	183.97	179.01	174.22	169.58	165.10
	1.16	183.38	178.22	173.25	168.44	163.80	159.31	154.97
	1.21	173.12	168.11	163.29	158.62	154.12	149.77	145.57
	1.26	163.56	158.70	154.01	149.49	145.12	140.91	136.83
	1.31	154.64	149.91	145.36	140.97	136.74	132.64	128.69

Marginal Tax Rate	DCF		Risk-Free Rate					
	168.44	3.71%	3.81%	3.91%	4.01%	4.11%	4.21%	4.31%
	19.50%	186.75	182.26	177.91	173.68	169.58	165.60	161.72
	20.00%	184.92	180.46	176.14	171.94	167.86	163.91	160.06
	20.50%	183.08	178.65	174.36	170.19	166.15	162.22	158.40
	21.00%	181.24	176.84	172.58	168.44	164.42	160.52	156.73
	21.50%	179.40	175.03	170.79	166.68	162.69	158.82	155.05
	22.00%	177.54	173.21	169.00	164.92	160.96	157.11	153.37
	22.50%	175.69	171.38	167.20	163.15	159.22	155.40	151.69

WACC	DCF		CV Growth of NOPLAT					
	168.44	1.50%	2.00%	2.50%	3.00%	3.50%	4.00%	4.50%
	8.88%	152.33	161.28	171.63	183.74	198.11	215.43	236.69
	8.98%	148.41	156.99	166.90	178.46	192.13	208.55	228.64
	9.08%	144.61	152.84	162.32	173.36	186.38	201.96	220.95
	9.18%	140.92	148.81	157.89	168.44	180.84	195.65	213.61
	9.28%	137.33	144.91	153.61	163.69	175.51	189.58	206.59
	9.38%	133.85	141.12	149.46	159.10	170.37	183.75	199.87
	9.48%	130.46	137.45	145.44	154.66	165.42	178.15	193.43

R&D % Sales (2025E-2034E)	DCF		Inv. % Sales (2025E-2034E)					
	168.44	31.90%	33.90%	35.90%	37.90%	39.90%	41.90%	43.90%
	9.27%	175.00	173.93	172.86	171.80	170.73	169.67	168.60
	10.27%	173.88	172.81	171.75	170.68	169.61	168.55	167.48
	11.27%	172.76	171.69	170.63	169.56	168.49	167.43	166.36
	12.27%	171.64	170.57	169.51	168.44	167.37	166.31	165.24
	13.27%	170.52	169.45	168.39	167.32	166.25	165.19	164.12
	14.27%	169.40	168.33	167.27	166.20	165.13	164.07	163.00
	15.27%	168.28	167.21	166.15	165.08	164.01	162.95	161.88

A/P % Sales (2025E-2034E)	DCF		A/R % Sales (2025E-2034E)					
	168.44	22.51%	23.51%	24.51%	25.51%	26.51%	27.51%	28.51%
	0.72%	167.78	167.25	166.72	166.19	165.65	165.12	164.59
	1.72%	168.54	168.00	167.47	166.94	166.40	165.87	165.34
	2.72%	169.29	168.75	168.22	167.69	167.16	166.62	166.09
	3.72%	170.04	169.51	168.97	168.44	167.91	167.37	166.84
	4.72%	170.79	170.26	169.72	169.19	168.66	168.13	167.59
	5.72%	171.54	171.01	170.48	169.94	169.41	168.88	168.34
	6.72%	172.29	171.76	171.23	170.69	170.16	169.63	169.09

CV EPS Growth	DDM		Cost of Equity					
	237.65	9.51%	9.61%	9.71%	9.81%	9.91%	10.01%	10.11%
	1.50%	219.40	215.09	210.90	206.82	202.85	198.98	195.22
	2.00%	229.46	224.76	220.21	215.78	211.47	207.29	203.22
	2.50%	240.95	235.80	230.81	225.96	221.27	216.71	212.28
	3.00%	254.20	248.50	242.99	237.65	232.47	227.47	222.61
	3.50%	269.67	263.29	257.13	251.18	245.43	239.88	234.50
	4.00%	287.93	280.70	273.74	267.04	260.58	254.35	248.34
	4.50%	309.84	301.53	293.55	285.89	278.53	271.46	264.65