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: 001-38891

TransMedics Group, Inc.

(Exact name of registrant as specified in its charter)

Massachusetts	**83-2181531**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**
200 Minuteman Road Andover, Massachusetts	**01810**
(Address of principal executive offices)	**(Zip code)**

(978) 552-0900
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, No Par Value	**TMDX**	**The Nasdaq Global Market**

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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 2, 2026, the registrant had 34,733,883 shares of common stock, no par value per share, outstanding.

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements, which reflect our current views with respect to, among other things, our operations and financial performance. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our future results of operations and financial position, business strategy and plans and our objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "should," "could," "target," "predict," "seek" and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short- and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described or referenced in the section titled "Risk Factors," which could cause actual results to differ materially. Moreover, we operate in a very competitive and rapidly changing environment and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in, or implied by, any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Quarterly Report on Form 10-Q may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

The forward-looking statements included in this Quarterly Report on Form 10-Q are made only as of the date of this report and should not be relied upon as predictions of future events. Factors or events that could cause our actual results to differ may emerge from time to time, and we are not able to predict all of them. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as may be required by applicable law.

Some of the key factors that could cause actual results to differ include:

- the fluctuation of our financial results from quarter to quarter;
- our ability to attract, train and retain key personnel;
- our dependence on the success of the Organ Care System, or OCS™;
- our ability to expand access to the OCS through our National OCS Program, or NOP™;
- our ability to improve the OCS platform, including by developing the next generation of the OCS products or expanding into new indications, and the development and potential commercialization of our OCS Kidney device;
- the timing or results of clinical trials for the OCS, including pre- and post-approval studies, or other product candidates, including the Controlled Hypothermic Organ Preservation System, or CHOPS;
- our ability to sustain profitability;
- our need to raise additional funding and our ability to obtain it on favorable terms, or at all;
- our ability to use net operating losses and research and development credit carryforwards;
- that we have identified a material weakness in our internal control over financial reporting, and that we may identify additional material weaknesses in the future;
- our ability to scale our manufacturing and sterilization capabilities to meet increasing demand for our products;
- the rate and degree of market acceptance of the OCS;
- our ability to educate patients, surgeons, transplant centers and private and public payors on the benefits offered by the OCS;
- our dependence on a limited number of customers for a significant portion of our revenue;
- our ability to maintain regulatory approvals or clearances for our OCS products in the United States, the European Union and other select jurisdictions worldwide;
- our ability to respond adequately and in a timely manner to follow-up inquiries from the Food and Drug Administration, or FDA, or other competent authorities;

- the impact of healthcare policy changes, including recently enacted or potential future legislation or administrative actions affecting or reforming the U.S. healthcare system, Organ Procurement and Transplantation Network, or OPTN, or the FDA;
- the performance of our third-party suppliers and manufacturers;
- our use of third parties to transport donor organs and medical personnel for our NOP and our ability to maintain and grow our transplant logistics capabilities to support our NOP to reduce dependence on third-party transportation, including by means of attracting, training and retaining pilots, and the acquisition, maintenance or replacement of fixed-wing aircraft for our aviation transportation services or other acquisitions, joint ventures or strategic investments;
- our ability to maintain Federal Aviation Administration, or FAA, or other regulatory licenses or approvals for our aircraft transportation services;
- price increases of the components of our products and maintenance, parts and fuel for our aircraft;
- our manufacturing, sales, marketing and clinical support capabilities and strategy;
- attacks against our information technology, or IT, infrastructure;
- the economic, political and other risks associated with our foreign operations;
- our ability to protect, defend, maintain and enforce our intellectual property rights relating to the OCS and avoid allegations that our products or services infringe, misappropriate or otherwise violate the intellectual property rights of third parties;
- the pricing of the OCS, as well as the reimbursement coverage for the OCS in the United States and internationally;
- regulatory developments in the United States, European Union and other jurisdictions;
- the impact of a shutdown of the U.S. government;
- the extent and success of competing products or procedures that are or may become available;
- our ability to service our 1.50% convertible senior notes, due 2028, or the Notes;
- our existing and any future indebtedness, including our ability to comply with affirmative and negative covenants under our credit agreement to which we will remain subject until maturity;
- the impact of any product recalls or improper use of our products;
- the outcome of our securities class action litigation;
- our international expansion plans and the costs related thereto;
- the ability to integrate our completed or future acquisitions, joint ventures, and strategic investments, including PAD Aviation service GmbH (“PAD Aviation”);
- changes in our mix of product and service revenue and the resulting effect on our gross margin;
- our finance lease obligations; and
- our estimates regarding revenue, expenses, capital expenditures and needs for additional financing.

TransMedics Group, Inc.
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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited).

TRANSMEDICS GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share amounts)
(Unaudited)

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash	$ 492,962	$ 488,366
Accounts receivable	114,935	84,282
Inventory	58,373	48,881
Prepaid expenses and other current assets	26,186	16,254
Total current assets	692,456	637,783
Property, plant and equipment, net	376,490	327,656
Finance lease right-of-use assets, net	330,400	—
Operating lease right-of-use assets, net	4,342	5,155
Deferred tax assets	72,787	83,543
Restricted cash	18,438	500
Goodwill	18,015	11,549
Acquired intangible assets, net	2,815	1,948
Other non-current assets	2,194	239
Total assets	$ 1,517,937	$ 1,068,373
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 10,143	$ 10,350
Accrued expenses and other current liabilities	82,757	62,740
Current portion of long-term debt, net	54,818	10,000
Deferred revenue	1,497	2,905
Operating lease liabilities	3,642	3,310
Total current liabilities	152,857	89,305
Convertible senior notes, net	454,994	452,804
Long-term debt, net	—	49,587
Finance lease liability	351,533	—
Operating lease liabilities, net of current portion	1,915	3,577
Other long-term liabilities	5,926	—
Total liabilities	967,225	595,273
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, no par value; 25,000,000 shares authorized; no shares issued or outstanding	—	—
Common stock, no par value; 150,000,000 shares authorized; 34,722,408 shares and 34,267,802 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	789,898	750,926
Accumulated other comprehensive income (loss)	(306)	124
Accumulated deficit	(238,880)	(277,950)
Total stockholders' equity	550,712	473,100
Total liabilities and stockholders' equity	$ 1,517,937	$ 1,068,373

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

TRANSMEDICS GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue:				
Net product revenue	$ 113,419	$ 87,677	$ 332,549	$ 272,011
Service revenue	89,586	56,146	234,337	172,719
Total revenue	203,005	143,823	566,886	444,730
Cost of revenue:				
Cost of net product revenue	23,570	18,687	73,444	54,420
Cost of service revenue	60,778	40,561	160,426	120,918
Total cost of revenue	84,348	59,248	233,870	175,338
Gross profit	118,657	84,575	333,016	269,392
Operating expenses:				
Research, development and clinical trials	29,182	15,260	85,693	48,354
Selling, general and administrative	61,334	46,015	182,149	133,728
Total operating expenses	90,516	61,275	267,842	182,082
Income from operations	28,141	23,300	65,174	87,310
Other income (expense):				
Interest expense	(7,271)	(3,491)	(21,666)	(10,428)
Interest income and other income (expense), net	3,231	3,222	8,483	9,007
Total other expense, net	(4,040)	(269)	(13,183)	(1,421)
Income before income taxes	24,101	23,031	51,991	85,889
(Provision) benefit for income taxes	(7,028)	1,288	(12,921)	(981)
Net income	$ 17,073	$ 24,319	$ 39,070	$ 84,908
Net income per share:				
Basic	$ 0.49	$ 0.71	$ 1.13	$ 2.50
Diluted	$ 0.46	$ 0.66	$ 1.08	$ 2.28
Weighted average common shares outstanding:				
Basic	34,691,046	34,112,452	34,552,868	33,917,006
Diluted	40,833,175	40,748,023	36,077,206	40,410,208

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

TRANSMEDICS GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 17,073	$ 24,319	$ 39,070	$ 84,908
Other comprehensive income (loss):				
Foreign currency translation adjustment	(96)	3	(430)	465
Comprehensive income	$ 16,977	$ 24,322	$ 38,640	$ 85,373

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

TRANSMEDICS GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share amounts)
(Unaudited)

	Common Stock		Accumulated Other Comprehen-sive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balances at December 31, 2025	34,267,802	$ 750,926	$ 124	$ (277,950)	$ 473,100
Issuance of common stock upon the exercise of common stock options	59,661	2,212	—	—	2,212
Issuance of common stock in connection with employee stock purchase plan	16,321	1,688	—	—	1,688
Net issuance of common stock upon vesting of restricted stock units	201,937	(138)	—	—	(138)
Stock-based compensation expense	—	9,952	—	—	9,952
Foreign currency translation adjustment	—	—	(122)	—	(122)
Net income	—	—	—	7,315	7,315
Balances at March 31, 2026	34,545,721	764,640	2	(270,635)	494,007
Issuance of common stock upon the exercise of common stock options	54,102	1,009	—	—	1,009
Restricted common stock forfeitures	(386)	—	—	—	—
Net issuance of common stock upon vesting of restricted stock units	30,245	(39)	—	—	(39)
Stock-based compensation expense	—	8,606	—	—	8,606
Foreign currency translation adjustment	—	—	(212)	—	(212)
Net income	—	—	—	14,682	14,682
Balances at June 30, 2026	34,629,682	774,216	(210)	(255,953)	518,053
Issuance of common stock upon the exercise of common stock options	36,926	978	—	—	978
Issuance of common stock in connection with employee stock purchase plan	39,794	2,247	—	—	2,247
Net issuance of common stock upon vesting of restricted stock units	16,006	(140)	—	—	(140)
Stock-based compensation expense	—	12,597	—	—	12,597
Foreign currency translation adjustment	—	—	(96)	—	(96)
Net income	—	—	—	17,073	17,073
Balances at September 30, 2026	34,722,408	$ 789,898	$ (306)	$ (238,880)	$ 550,712

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

TRANSMEDICS GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share amounts)
(Unaudited)

	Common Stock		Accumulated Other Comprehen-sive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balances at December 31, 2024	33,617,972	$ 697,208	$ (364)	$ (468,241)	$ 228,603
Issuance of common stock upon the exercise of common stock options	77,101	1,742	—	—	1,742
Issuance of common stock in connection with employee stock purchase plan	24,268	1,286	—	—	1,286
Restricted common stock forfeitures	(2,880)	—	—	—	—
Vesting of restricted stock units	111,419	—	—	—	—
Stock-based compensation expense	—	8,958	—	—	8,958
Foreign currency translation adjustment	—	—	37	—	37
Net income	—	—	—	25,682	25,682
Balances at March 31, 2025	33,827,880	709,194	(327)	(442,559)	266,308
Issuance of common stock upon the exercise of common stock options	192,937	7,089	—	—	7,089
Vesting of restricted stock units	18,893	—	—	—	—
Stock-based compensation expense	—	9,372	—	—	9,372
Foreign currency translation adjustment	—	—	425	—	425
Net income	—	—	—	34,907	34,907
Balances at June 30, 2025	34,039,710	725,655	98	(407,652)	318,101
Issuance of common stock upon the exercise of common stock options	55,382	1,816	—	—	1,816
Issuance of common stock in connection with employee stock purchase plan	34,728	1,963	—	—	1,963
Vesting of restricted stock units	15,157	(138)	—	—	(138)
Stock-based compensation expense	—	9,136	—	—	9,136
Foreign currency translation adjustment	—	—	3	—	3
Net income	—	—	—	24,319	24,319
Balances at September 30, 2025	34,144,977	$ 738,432	$ 101	$ (383,333)	$ 355,200

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

TRANSMEDICS GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net income	$ 39,070	$ 84,908
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	32,945	19,717
Stock-based compensation expense	31,155	27,466
Deferred taxes	10,756	—
Non-cash interest expense	13,936	2,374
Non-cash operating lease expense	1,920	1,547
Unrealized foreign currency transaction (gains) losses	765	(1,481)
Loss on disposal of fixed assets	145	80
Changes in operating assets and liabilities:		
Accounts receivable	(28,067)	17,532
Inventory	(19,357)	(1,185)
Prepaid expenses and other current assets	(6,949)	(4,819)
Other non-current assets	(233)	(10)
Accounts payable	(2,079)	2,045
Accrued expenses and other current liabilities	7,722	10,728
Deferred revenue	(1,407)	1,543
Operating lease liabilities	(2,476)	(2,118)
Net cash provided by operating activities	77,846	158,327
Cash flows from investing activities:		
Purchases of property, plant and equipment	(52,149)	(43,737)
PAD Aviation investment, net of cash acquired	(5,310)	—
Net cash used in investing activities	(57,459)	(43,737)
Cash flows from financing activities:		
Repayments of long-term debt	(5,000)	—
Proceeds from issuance of common stock upon exercise of stock options	4,199	10,647
Proceeds from issuance of common stock in connection with employee stock purchase plan	3,935	3,249
Tax withholding payments related to net settlement of restricted stock units	(317)	(138)
Net cash provided by financing activities	2,817	13,758
Effect of exchange rate changes on cash and restricted cash	(670)	1,176
Net increase in cash and restricted cash	22,534	129,524
Cash and restricted cash, beginning of period	488,866	337,150
Cash and restricted cash, end of period	$ 511,400	$ 466,674
Supplemental disclosure of non-cash activities:		
Transfers of inventory to property, plant and equipment	$ 9,763	$ 3,517
Purchases of property, plant and equipment included in accounts payable and accrued expenses	$ 10,655	$ 1,788
Operating lease liabilities arising from obtaining right-of-use assets	$ 1,149	$ 795
Finance lease liability arising from obtaining right-of-use assets	$ 340,040	$ —
Purchases of property, plant and equipment included in other long-term liabilities	$ 3,986	$ —
Deferred payment liability in connection with PAD Aviation investment	$ 2,129	$ —
Reconciliation of cash and restricted cash:		
Cash	$ 492,962	$ 466,174
Restricted cash	18,438	500
Total cash and restricted cash shown in the statement of cash flows	$ 511,400	$ 466,674

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

TRANSMEDICS GROUP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Nature of the Business and Basis of Presentation

TransMedics Group, Inc. ("TransMedics Group" and, together with its consolidated subsidiaries, the "Company") was incorporated in the Commonwealth of Massachusetts in October 2018. TransMedics, Inc. ("TransMedics"), an operating company and wholly owned subsidiary of TransMedics Group, was incorporated in the State of Delaware in August 1998. The Company is a medical technology company transforming organ transplant therapy for end-stage organ failure patients across multiple disease states. The Company developed the Organ Care System ("OCS") to replace a decades-old standard of care. The OCS represents a paradigm shift that transforms organ preservation for transplantation from a static state to a dynamic environment that enables new capabilities, including organ optimization and assessment. The Company's OCS technology replicates many aspects of the organ's natural living and functioning environment outside of the human body. The Company also developed its National OCS Program ("NOP"), an innovative turnkey solution to provide outsourced organ procurement, OCS perfusion management and transplant logistics services, to provide transplant programs in the United States with a more efficient process to procure donor organs with the OCS. The Company's transplant logistics services include aviation transportation, ground transportation and other coordination activity.

The accompanying condensed consolidated financial statements have been prepared on the basis of continuity of operations, realization of assets and the satisfaction of liabilities and commitments in the ordinary course of business. The Company believes that its existing cash of $493.0 million as of September 30, 2026 will be sufficient to fund its operations, capital expenditures, and debt service payments for at least the next 12 months following the filing of this Quarterly Report on Form 10-Q. If the Company needs to seek additional funding through equity financings, debt financings or strategic alliances, the Company may not be able to obtain financing on acceptable terms, or at all, and the terms of any financing may adversely affect the holdings or the rights of the Company's shareholders. If the Company is unable to obtain funding when needed, the Company will be required to delay, reduce or eliminate some or all of its research and development programs, product expansion or commercialization efforts, or the Company may be unable to continue operations.

The Company is subject to risks and uncertainties common to companies in the medical device industry and of similar size, including, but not limited to, development by competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, compliance with government regulations, uncertainty of market acceptance of products, and the need to obtain additional financing to fund operations. Products currently under development will require additional research and development efforts, including additional clinical testing and regulatory approval, prior to commercialization. These efforts require additional capital, adequate personnel, infrastructure and extensive compliance-reporting capabilities. The Company's research and development may not be successfully completed, adequate protection for the Company's technology may not be obtained, the Company may not obtain necessary government regulatory approval on its expected timeline, or at all, and approved products may not prove commercially viable. The Company operates in an environment of rapid change in technology and competition. In addition, the Company is subject to risks and uncertainties related to its aviation transportation services, including, but not limited to, compliance with Federal Aviation Administration ("FAA") regulations, pilot availability and operational disruptions.

The Company's condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Update ("ASU") of the Financial Accounting Standards Board ("FASB"). The accompanying condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

2. Summary of Significant Accounting Policies

Unaudited Interim Financial Information

The accompanying unaudited interim financial statements and related notes have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial statements. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. These condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the year ended December 31, 2025 included in the Company's Annual Report on Form 10-K filed with the SEC. In the opinion of management, all adjustments, consisting only of normal recurring adjustments necessary for a fair statement of the Company's financial position as of September 30, 2026 and results of operations for the three and nine months ended September 30, 2026 and 2025 and cash flows for the nine months ended September 30, 2026 and 2025 have been made. The Company's results of

operations for the three and nine months ended September 30, 2026 are not necessarily indicative of the results of operations that may be expected for the year ending December 31, 2026 or any other period.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting periods. Significant estimates and assumptions reflected in these unaudited condensed consolidated financial statements include, but are not limited to, revenue recognition, the valuation of inventory, the valuation of assets acquired and liabilities assumed in business combinations, including goodwill, the valuation of stock-based awards and income taxes. The Company bases its estimates on historical experience, known trends and other market-specific or other relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates as there are changes in circumstances, facts and experience. Changes in estimates are recorded in the period in which they become known. As of the date of issuance of these unaudited condensed consolidated financial statements, the Company is not aware of any specific event or circumstance that would require the Company to update estimates, judgments or revise the carrying value of any assets or liabilities. Actual results may differ from those estimates or assumptions.

Risk of Concentrations of Credit, Significant Customers and Significant Suppliers

Financial instruments that potentially expose the Company to concentrations of credit risk consist primarily of cash and accounts receivable. The Company does not believe that it is subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships. As of September 30, 2026 and December 31, 2025, the Company's allowance for credit losses was not material. Significant customers are those that accounted for 10% or more of the Company's revenue or accounts receivable. For the three and nine months ended September 30, 2026 and 2025, no customer accounted for more than 10% of revenue. As of September 30, 2026 and December 31, 2025, no customer accounted for more than 10% of accounts receivable.

Certain of the components and subassemblies included in the Company's products are obtained from a sole source, a single source or a limited group of suppliers, as are sterilization services. Although the Company seeks to reduce dependence on those limited sources of suppliers, manufacturers and service providers, the partial or complete loss of certain of these sources could have a material adverse effect on the Company's operating results, financial condition and cash flows and damage its customer relationships.

Fair Value Measurements

Certain assets and liabilities are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

The carrying values of the Company's accounts receivable, accounts payable and accrued expenses approximate their fair values due to the short-term nature of these assets and liabilities. The carrying value of the Company's long-term debt approximates its fair value (a Level 2 measurement) at each balance sheet date due to its variable interest rate, which approximates a market interest rate. The Company's 1.50% convertible senior notes due 2028 (the "Notes") are carried at the face value less unamortized debt discount and issuance costs on the accompanying condensed consolidated balance sheets, and the fair value of the Notes is presented at each reporting period for disclosure purposes only (see Note 8).

Spare Parts Inventory

Spare parts are used in aviation operations and are generally not for sale. Spare parts inventory is comprised of repairable and expendable spare aircraft parts, which are valued at the lower of cost or net realizable value, using the specific identification method. Storage costs and miscellaneous materials and supplies costs related to inventory or to support flight equipment are expensed as incurred. As of September 30, 2026 and December 31, 2025, spare parts inventory of $4.3 million and $4.7 million, respectively, is included within prepaid expenses and other current assets on the accompanying condensed consolidated balance sheets. The Company determines, based on the evidence that exists, whether or not it is appropriate to maintain a reserve for excess and obsolete spare parts inventory. The reserve is based on historical experience related to the disposal of inventory due to damage, physical deterioration, obsolescence, or other causes. As of September 30, 2026 and December 31, 2025, the Company had no allowance for spare parts excess and obsolescence.

Foreign Currency Translation

The functional currency of each of the Company's foreign subsidiaries is the currency of the local country. Assets and liabilities of the Company's foreign subsidiaries are translated into U.S. dollars using the period-end exchange rates, and income and expense items are translated into U.S. dollars using average exchange rates in effect during each period. The effects of these foreign currency translation adjustments are included in accumulated other comprehensive income (loss), a separate component of stockholders' equity.

The Company also incurs transaction gains and losses resulting from intercompany transactions as well as transactions with customers or vendors denominated in currencies other than the functional currency of the legal entity in which the transaction is recorded. Realized and unrealized foreign currency transaction gains (losses) are included in the condensed consolidated statements of operations as a component of other income (expense). Realized and unrealized losses totaled $0.2 million and $0.9 million for the three and nine months ended September 30, 2026, respectively, and realized and unrealized losses totaled $0.1 million for the three months ended September 30, 2025 and realized and unrealized gains totaled $1.0 million for the nine months ended September 30, 2025.

Recently Adopted Accounting Pronouncements

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326) to introduce a practical expedient to calculating current expected credit loss by assuming that the current conditions as of the balance sheet date will not change for the remaining life of the asset. This expedient can only be applied to current accounts receivable and current contract assets. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025 and interim periods within those annual periods, and this update is applied prospectively. The Company adopted this standard effective January 1, 2026 and applied the practical expedient to assets within its scope. The adoption did not have a material impact on the consolidated financial statements and related disclosures.

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)* to improve financial reporting by requiring that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption permitted. ASU 2024-03 allows for adoption using either a prospective or retrospective method. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which removes all references to software development project stages and requires entities to start capitalizing software costs when both of the following occur: (i) management has authorized and committed to funding the software project and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The amendments in ASU 2025-06 are effective for fiscal years beginning after December 15, 2027, and interim periods within those fiscal years, with early adoption permitted as of the beginning of a fiscal year. The amendments can be applied prospectively, retrospectively, or via a modified prospective transition method. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10, *Government Grants (Topic 832): Accounting for Government Grants Received by Business Entities*. ASU 2025-10 establishes authoritative guidance for accounting for government grants received by business entities, and clarifies the appropriate accounting in an effort to reduce diversity in practice and increase consistency of application across business entities. ASU 2025-10 is effective for annual reporting periods beginning after December 15, 2028, and interim reporting periods within those annual reporting periods. Adoption of this guidance can be

applied via a modified prospective approach, a modified retrospective approach, or a retrospective approach. Early adoption is permitted. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements.

3. Strategic Investment in PAD Aviation service GmbH

On July 1, 2026, the Company, through its wholly owned subsidiary TransMedics GmbH, completed a strategic investment in PAD Aviation service GmbH ("PAD Aviation"), a Germany-based private aviation operator. The investment was made pursuant to a share purchase agreement under which TransMedics GmbH acquired a minority interest in PAD Aviation and all remaining interest was transferred by the sellers directly to a Netherlands Stichting ("PAD Aviation Partner"). The investment supports the Company's ongoing efforts to build a dedicated organ transplantation air and ground logistics network in Europe.

The Company evaluated PAD Aviation under the variable interest entity ("VIE") model and determined that PAD Aviation is a VIE. The investment in PAD Aviation has been made for it to provide aviation services principally on behalf of the Company, and the Company, through these arrangements with PAD Aviation, has the power to direct the activities that most significantly affect PAD Aviation's economic performance. The Company also has the right to receive benefits and the obligation to absorb losses that could potentially be significant to PAD Aviation. Accordingly, the Company is the primary beneficiary of PAD Aviation and has included PAD Aviation in its condensed consolidated financial statements since the investment date. The consolidation of PAD Aviation for financial reporting purposes does not reflect legal ownership or control of PAD Aviation for purposes of applicable aviation regulations.

The investment in PAD Aviation was accounted for as a purchase of a business under ASC Topic 805, Business Combinations. The preliminary purchase consideration of $7.4 million, net of cash acquired, reflected an upfront cash payment, deferred consideration and working capital adjustments.

The Company's condensed consolidated financial statements reflect the preliminary allocation of the purchase price to the assets acquired and liabilities assumed based on fair value as of the date of the investment. The Company's estimate of preliminary purchase consideration is subject to change upon finalizing working capital adjustments. The following table summarizes the allocation of the preliminary purchase price (in thousands):

Assets Acquired and Liabilities Assumed:		
Accounts receivable and other current assets	$	3,161
Property, plant and equipment		102
Intangible assets		2,919
Goodwill		6,466
Total assets acquired		12,648
Accounts payable and other current liabilities		(4,321)
Deferred tax liabilities		(888)
Total allocation of purchase price consideration, net of cash acquired of $1,866	$	7,439

The identifiable intangible assets consist of customer relationships and a trade name and are being amortized to selling, general and administrative expenses over their estimated useful lives of seven years. Goodwill was recognized for the excess purchase price over the fair value of the net assets acquired. Goodwill is primarily attributable to the assembled workforce of the acquired business (which is not eligible for separate recognition as an identifiable intangible asset) and anticipated synergies. Goodwill from the investment is included within the Company's one reporting unit and in the Company's enterprise-level annual review for impairment. Goodwill resulting from the investment is not deductible for tax purposes.

The Company incurred total transaction costs of $5.1 million for third-party professional services utilized for the investment, which are included within selling, general and administrative expenses in the condensed consolidated statements of operations. The operating results of PAD Aviation have been included in the Company's condensed consolidated financial statements beginning on the investment date. Pro forma results of operations for the investment have not been presented as they are not material to the Company's condensed consolidated results of operations.

PAD Aviation's creditors do not have recourse to the general credit of the Company, and its assets are not available to satisfy obligations of the Company's other subsidiaries. The Company has no contractual obligation to provide financial support beyond amounts recognized in the condensed consolidated financial statements.

4. Inventory

Inventory consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Raw materials	$ 30,321	$ 26,249
Work-in-process	4,451	2,006
Finished goods	23,601	20,626
	$ 58,373	$ 48,881

5. Property, Plant and Equipment, Net

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

	September 30, 2026	December 31, 2025
Transplant aircraft	$ 296,139	$ 295,527
Transplant aircraft equipment	3,100	3,100
Flight school aircraft	3,756	3,717
OCS Consoles	32,736	24,590
Manufacturing equipment	16,884	12,101
Computer equipment and software	3,391	3,376
Internal-use software	18,439	12,413
Laboratory equipment	5,146	3,698
Office, trade show and training equipment	5,591	5,260
Building	20,352	—
Leasehold improvements	27,525	25,113
Construction-in-progress	17,768	2,174
Land	16,248	2,652
	467,075	393,721
Less: Accumulated depreciation and amortization	(90,585)	(66,065)
	$ 376,490	$ 327,656

During the three and nine months ended September 30, 2026, total depreciation and amortization expense, including finance lease amortization (see Note 11), was $10.7 million and $30.9 million, respectively. During the three and nine months ended September 30, 2025, total depreciation and amortization expense was $6.8 million and $19.6 million, respectively. Construction-in-progress as of September 30, 2026 primarily related to the design and construction of the Company's new headquarters facility in Somerville, Massachusetts. Construction-in-progress as of December 31, 2025 primarily related to the in-process construction of manufacturing equipment.

The Company capitalized costs associated with the development of internal-use software of $2.3 million and $6.7 million during the three and nine months ended September 30, 2026, respectively, and $2.2 million and $6.2 million during the three and nine months ended September 30, 2025, respectively. The Company recorded amortization expense of $1.0 million and $2.5 million during the three and nine months ended September 30, 2026, respectively, and $0.4 million and $0.8 million during the three and nine months ended September 30, 2025, respectively. The net book value of internal-use software was $15.4 million and $11.2 million as of September 30, 2026 and December 31, 2025, respectively, of which $0.8 million and $0.1 million was included in construction-in-progress as of those respective dates.

Substantially all of the Company's tangible property, plant and equipment are held in the United States.

6. Goodwill and Intangible Assets

Goodwill relates to the Company's 2023 acquisition of Summit Aviation, Inc. and Northside Property Group, LLC ("Summit") and the Company's 2026 PAD Aviation investment. Goodwill is not amortized, but instead is reviewed for impairment at least annually or more frequently when events and circumstances occur indicating that the recorded goodwill may be impaired. To date, the Company has had no impairments to goodwill.

The change in goodwill during the nine months ended September 30, 2026 was as follows (in thousands):

Balance at December 31, 2025	$	11,549
Increase related to PAD Aviation		6,466
Balance at September 30, 2026	$	18,015

Acquired intangible assets as of September 30, 2026, which only related to the Company's 2026 PAD Aviation investment, consisted of the following (in thousands):

		September 30, 2026		
	Weighted Average Useful Life (in years)	Gross Amount	Accumulated Amortization	Carrying Value
Customer relationships	7	$ 2,471	$ 88	$ 2,383
Other	7	448	16	432
		$ 2,919	$ 104	$ 2,815

Acquired intangible assets as of December 31, 2025, which only related to the Company's 2023 Summit acquisition, consisted of the following (in thousands):

		December 31, 2025		
	Weighted Average Useful Life (in years)	Gross Amount	Accumulated Amortization	Carrying Value
Customer relationship	12	$ 2,320	$ 460	$ 1,860
Other	12	110	22	88
		$ 2,430	$ 482	$ 1,948

During the first quarter of 2026, the Company updated its estimate of the remaining useful life of acquired intangible assets from its acquisition of Summit based on its determination that the remaining economic benefit was substantially realized. This change in estimated useful life resulted in the recognition of $1.9 million of incremental amortization expense within selling, general and administrative expense during the first quarter of 2026.

The change in the Company's acquired intangible assets during the nine months ended September 30, 2026 was as follows (in thousands):

Balance at December 31, 2025	$	1,948
Increase related to PAD Aviation		2,919
Amortization		(2,052)
Balance at September 30, 2026	$	2,815

Amortization expense is recorded within selling, general and administrative expense. Amortization expense was $0.2 million and $2.1 million, respectively, for the three and nine months ended September 30, 2026. Amortization expense was $0.1 million and $0.2 million, respectively, for the three and nine months ended September 30, 2025. Future amortization expense of the intangible assets as of September 30, 2026 is expected to be as follows (in thousands):

Year Ending December 31,		
2026 (three months)	$	104
2027		417
2028		417
2029		417
2030		417
Thereafter		1,043
	$	2,815

7. Accrued Expenses and Other Current Liabilities

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

	September 30, 2026	December 31, 2025
Accrued payroll and related expenses	$ 29,472	$ 28,443
Accrued transportation costs	2,823	2,700
Accrued clinical trials expenses	8,263	5,865
Accrued external research and development expenses	6,414	3,104
Accrued property, plant and equipment	10,243	928
Accrued professional fees	4,825	3,378
Accrued third-party surgeon costs	4,973	3,996
Accrued other	15,744	14,326
	$ 82,757	$ 62,740

Certain prior year amounts have been reclassified to conform to the current-period presentation.

8. Long-Term Debt and Financing Arrangements

Convertible Senior Notes

The Notes consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Principal amount of convertible senior notes	$ 459,996	$ 459,996
Less: Current portion of convertible senior notes	—	—
Convertible senior notes, net of current portion	459,996	459,996
Debt discount, net	(5,002)	(7,192)
Convertible senior notes, net of discount and current portion	$ 454,994	$ 452,804

As of September 30, 2026, the estimated fair value of the Notes was $538.6 million. The fair value was determined based on the quoted price of the last trade of the Notes prior to the end of the reporting period in an inactive market, which is considered as Level 2 in the fair value hierarchy.

On May 11, 2023, the Company issued $460.0 million aggregate principal amount of the Notes, in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act, pursuant to an indenture dated May 11, 2023, by and between the Company and U.S. Bank Trust Company, National Association (the “Indenture”).

The initial conversion price of the Notes is approximately $94.00 per share of common stock, which represents a premium of approximately 32.5% over the closing price of the Company’s common stock on May 8, 2023. The Notes will mature on June 1, 2028, unless earlier repurchased, redeemed or converted. The Company used $52.1 million of the proceeds from the sale of the Notes to fund the cost of entering into capped call transactions, described below. The proceeds from the issuance of the Notes were approximately $393.3 million, net of capped call transaction costs of $52.1 million and initial purchaser discounts and other debt issuance costs totaling $14.6 million.

The Notes bear interest at a rate of 1.50% per year and interest is payable semiannually in arrears on June 1 and December 1 of each year. The initial conversion rate is 10.6388 shares of common stock per $1,000 principal amount of the Notes, which represents an initial conversion price of approximately $94.00 per share of common stock. The conversion rate and conversion price are subject to customary adjustments upon the occurrence of certain events as described in the Indenture.

Before March 1, 2028, noteholders have the right to convert their Notes only upon the occurrence of certain events, including certain corporate events, and during the five business days immediately after any ten consecutive trading days in which the trading price per $1,000 principal amount of Notes is less than ninety-eight percent (98%) of the as converted value. Additionally, noteholders can convert their Notes during any calendar quarter (and only during such calendar quarter), commencing after the calendar quarter ending on September 30, 2023 but before March 1, 2028, provided the last reported sale price of the common stock for at least 20 trading days is greater than or equal to 130% of the conversion price during the 30 consecutive trading days ending on the last trading day of a calendar quarter. From and after March 1, 2028, noteholders may convert their Notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date. The Company has the right to elect to settle conversions either in cash, shares or in a combination of cash and shares of its common stock.

The Company may redeem for cash all or any portion of the Notes (subject to the partial redemption limitation set forth in the Indenture), at its option, if the last reported sale price of the Company's common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption. In addition, calling any Note for redemption will constitute a "Make-Whole Fundamental Change" (as defined in the Indenture) with respect to that Note, in which case the conversion rate applicable to the conversion of that Note will be increased in certain circumstances if it is converted after it is called for redemption.

During the three and nine months ended September 30, 2026, the Company recognized $2.5 million and $7.4 million, respectively, in interest expense related to the 1.50% cash coupon of the Notes and amortization of debt issuance costs. During the three and nine months ended September 30, 2025, the Company recognized $2.4 million and $7.3 million, respectively, in interest expense related to the 1.50% cash coupon of the Notes and amortization of debt issuance costs. During each of the three and nine months ended September 30, 2026 and 2025, the effective interest rate on the outstanding Notes was approximately 2.1%.

Capped Call Transactions

In connection with the offering of the Notes, the Company entered into privately negotiated capped call transactions (the "Capped Calls") with certain financial institution counterparties (the "Option Counterparties"). The Capped Calls are generally intended to reduce or offset the potential dilution to the common stock upon any conversion of the Notes with such reduction or offset, as the case may be, subject to a cap based on the cap price. For accounting purposes, the Capped Calls are separate transactions, and not part of the terms of the Notes. The Capped Calls are recorded in stockholders' equity and are not accounted for as derivatives. The cost of $52.1 million incurred to purchase the Capped Calls was recorded as a reduction to common stock on the accompanying condensed consolidated balance sheets.

Each of the Capped Calls has an initial strike price of approximately $94.00 per share, subject to certain adjustments, which corresponds to the initial conversion price of the Notes. The Capped Calls have an initial cap price of $141.88 per share, subject to certain adjustments. The Capped Calls cover, subject to anti-dilution adjustments, approximately 4,893,848 shares of the Company's common stock, which is the same number of shares of the Company's common stock initially underlying the Notes. The Capped Calls are subject to automatic exercise over a 40 trading day period commencing on April 3, 2028, subject to earlier termination under certain circumstances.

Long-term Debt

Long-term debt consisted of the following (in thousands):

	September 30, 2026	December 31, 2025
Principal amount of long-term debt	$ 55,000	$ 60,000
Less: Current portion of long-term debt	(54,818)	(10,000)
Debt discount, net	(182)	—
Long-term debt, net of current portion	—	50,000
Debt discount, net	—	(413)
Long-term debt, net of discount and current portion	$ —	$ 49,587

In July 2022, the Company entered into a credit agreement with Canadian Imperial Bank of Commerce ("CIBC"), pursuant to which the Company has borrowed $60.0 million (as amended, the "CIBC Credit Agreement").

Borrowings under the CIBC Credit Agreement bear interest at an annual rate equal to either, at the Company's option, (i) the secured overnight financing rate for an interest period selected by the Company, subject to a minimum of 1.50%, plus 2.0% or (ii) 1.0% plus the higher of (a) the prime rate, subject to a minimum of 4.0% or (b) the Federal Funds Effective Rate, plus 0.5%. Commencing in July 2026, the Company began repaying the outstanding borrowings in equal monthly installments with the remaining balance due on the maturity date in July 2027. At the Company's option, the Company may prepay outstanding borrowings under the CIBC Credit Agreement, without a prepayment fee.

All obligations under the CIBC Credit Agreement are guaranteed by the Company and each of its material subsidiaries. All obligations of the Company and each guarantor are secured by substantially all of the Company's and each guarantor's assets, including their intellectual property, subject to certain exceptions. Under the CIBC Credit Agreement, the Company has agreed to customary representations and warranties, events of default and certain affirmative and negative covenants to which it will remain subject until maturity. The financial covenants include, among other covenants, (x) a requirement to maintain a minimum liquidity amount of the greater of either (i) the consolidated adjusted EBITDA loss (or gain), as defined, for the trailing four month period (only if EBITDA is negative) and (ii) $10.0 million, and (y) a requirement to maintain total net revenue of at least 75% of the level set forth in the total revenue plan presented to CIBC. The obligations under the CIBC Credit Agreement are subject to acceleration upon the occurrence of specified events of default, including payment default, change in control, bankruptcy, insolvency, certain defaults under other material debt, certain events with respect to governmental approvals (if such events could cause a material adverse change in the Company's business), failure to comply with certain covenants and a material adverse change in the Company's business, operations or financial condition. As of September 30, 2026, the Company was in compliance with all financial covenants of the CIBC Credit Agreement. During the continuance of an event of default, the interest rate per annum will be equal to the rate that would have otherwise been applicable at the time of the event of default plus 2.0%. If an event of default (other than certain events of bankruptcy or insolvency) occurs and is continuing, CIBC may declare all or any portion of the outstanding principal amount of the borrowings plus accrued and unpaid interest to be due and payable. Upon the occurrence of certain events of bankruptcy or insolvency, all of the outstanding principal amount of the borrowings plus accrued and unpaid interest will automatically become due and payable. In addition, the Company may be required to prepay outstanding borrowings, subject to certain exceptions, with portions of net cash proceeds of certain asset sales and certain casualty and condemnation events.

During the three and nine months ended September 30, 2026, the Company recognized $0.9 million and $2.8 million, respectively, in interest expense related to the CIBC borrowings. During the three and nine months ended September 30, 2025, the Company recognized $1.0 million and $3.1 million, respectively, in interest expense related to the CIBC borrowings. During the three and nine months ended September 30, 2026, the weighted average effective interest rate on outstanding borrowings under the CIBC Credit Agreement was approximately 6.3% and 6.2%, respectively. During each of the three and nine months ended September 30, 2025, the weighted average effective interest rate on outstanding borrowings under the CIBC Credit Agreement was approximately 6.8%. As of September 30, 2026, the stated interest rate applicable to borrowings under the CIBC Credit Agreement was 5.3%.

9. Stock-Based Compensation

2019 Stock Incentive Plan

The 2019 Stock Incentive Plan (the "2019 Plan") provides for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock, restricted stock units ("RSUs"), unrestricted stock, unrestricted stock units, and other stock-based awards to employees, directors, and consultants of the Company and its subsidiaries. The number of shares of common stock of TransMedics Group initially available for issuance under the 2019 Plan was 3,428,571 shares, which was increased by 1,000,000 shares in 2023, plus the number of shares underlying awards under the previously outstanding 2014 Stock Incentive Plan (the "2014 Plan"), not to exceed 1,595,189 shares, that expire or are terminated, surrendered, or cancelled without the delivery of shares, are forfeited to or repurchased by TransMedics Group or otherwise become available again for grant. Since the effectiveness of the Company's 2019 Plan in April 2019, no awards have been made or will be made under the 2014 Plan.

Shares withheld in payment of the exercise or purchase price of an award or in satisfaction of tax withholding requirements, and the shares covered by a stock appreciation right for which any portion is settled in stock, will reduce the number of shares available for issuance under the 2019 Plan. In addition, the number of shares available for issuance under the 2019 Plan (i) will not be increased by any shares delivered under the 2019 Plan that are subsequently repurchased using proceeds directly attributable to stock option exercises and (ii) will not be reduced by any awards that are settled in cash or that expire, become unexercisable, terminate or are forfeited to or repurchased by TransMedics Group without the issuance of stock under the 2019 Plan. On May 20, 2026, the shareholders of the Company approved an amendment to the Amended and Restated 2019 Stock Incentive Plan (the "Amended 2019 Plan") to among other things, (i) increase the number of shares of the Company's common stock available for issuance thereunder by 2,750,000 shares, (ii) extend the term of the Amended 2019 Plan until June 1, 2036, (iii) provide that, for awards granted on or after January 1, 2027, no portion of an award may be scheduled to vest prior to the date that is one year following the date the award is granted, except for awards that result in the

issuance of an aggregate of up to five percent of the shares authorized under the Amended 2019 Plan and (iv) provide for "double-trigger" vesting of awards following a change in control. As of September 30, 2026, 2,631,199 shares of common stock were available for issuance under the Amended 2019 Plan.

2021 Inducement Plan

In August 2021, the Company's board of directors approved the TransMedics Group, Inc. Inducement Plan (the "Inducement Plan"). Pursuant to the terms of the Inducement Plan, the Company may grant nonqualified stock options, stock appreciation rights, restricted stock, unrestricted stock, RSUs and performance awards to individuals who were not previously employees or directors of the Company or individuals returning to employment after a bona fide period of non-employment with the Company. A total of 1,000,000 shares of the Company's common stock were initially available for issuance under the Inducement Plan, which was increased by 500,000 shares in 2023. As of September 30, 2026, 338,507 shares of common stock remained available for issuance under the Inducement Plan.

2019 Employee Stock Purchase Plan

Pursuant to the Company's 2019 Employee Stock Purchase Plan (the "2019 ESPP"), certain employees of the Company are eligible to purchase common stock of the Company at a reduced price during offering periods. The 2019 ESPP permits participants to purchase common stock using funds contributed through payroll deductions, subject to the limitations set forth in the Internal Revenue Code, at a purchase price of 85% of the lower of the closing price of the Company's common stock on the first trading day of the offering period or the closing price on the applicable purchase date, which is the final trading day of the applicable offering period. A total of 371,142 shares of TransMedics Group common stock were initially reserved for issuance under the 2019 ESPP. During the nine months ended September 30, 2026, 56,115 shares of common stock were issued under the 2019 ESPP and as of September 30, 2026, 118,145 shares of common stock remained available for issuance under the 2019 ESPP.

Stock Option Activity

During the nine months ended September 30, 2026, the Company granted options with service-based vesting for the purchase of an aggregate of 380,796 shares of common stock with a weighted average grant-date fair value of $51.53 per share.

Restricted Stock Unit Activity

During the nine months ended September 30, 2026, the Company granted 381,633 RSUs with service-based vesting conditions and a weighted average grant-date fair value of $75.64 per share.

Stock-Based Compensation

The Company recorded stock-based compensation expense in the following expense categories of its condensed consolidated statements of operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Cost of revenue	$ 473	$ 394	$ 1,236	$ 1,054
Research, development and clinical trials expenses	1,096	850	3,631	3,355
Selling, general and administrative expenses	11,028	7,892	26,288	23,057
	$ 12,597	$ 9,136	$ 31,155	$ 27,466

As of September 30, 2026, total unrecognized compensation cost related to unvested share-based awards was $71.7 million, which is expected to be recognized over a weighted average period of 2.6 years.

The Company recognized income tax benefits related to stock-based compensation expense of $0.5 million and $4.7 million as a component in calculating its income taxes during the three and nine months ended September 30, 2026, respectively. Income tax benefits related to stock-based compensation expense for the three and nine months ended September 30, 2025 were fully offset by the valuation allowance against deferred tax assets.

10. Net Income per Share

Basic net income per common share is computed by dividing the net income by the weighted average number of shares of common stock outstanding for the period. Diluted net income per common share is computed by dividing net income by the weighted average number of shares of common stock outstanding for the period, including potential dilutive common shares assuming the dilutive effect of outstanding stock awards, using the treasury stock method, and outstanding convertible notes, using the if-converted method.

A reconciliation of the numerators and the denominators of the basic and diluted net income per common share computations is as follows (in thousands, except share and per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator:				
Net income	$ 17,073	$ 24,319	$ 39,070	$ 84,908
Add: Interest expense, net of tax, attributable to assumed conversion of convertible senior notes	1,838	2,580	—	7,234
Net income, diluted	$ 18,911	$ 26,899	$ 39,070	$ 92,142
Denominator:				
Weighted average basic common shares outstanding	34,691,046	34,112,452	34,552,868	33,917,006
Effect of dilutive securities:				
Convertible senior notes	4,893,805	4,893,805	—	4,893,805
Options to purchase common stock	1,075,997	1,452,078	1,292,701	1,381,851
Restricted stock units	166,854	287,855	224,730	211,626
Restricted stock awards	903	997	643	545
Employee stock purchase plan	4,570	836	6,264	5,375
Weighted average dilutive common shares outstanding	40,833,175	40,748,023	36,077,206	40,410,208
Net income per share:				
Basic	$ 0.49	$ 0.71	$ 1.13	$ 2.50
Diluted	$ 0.46	$ 0.66	$ 1.08	$ 2.28

The Company excluded the following potential common shares, presented based on weighted average shares outstanding, from the computation of diluted net income per share because including them would have had an anti-dilutive effect:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Convertible senior notes	—	—	4,893,805	—
Options to purchase common stock	964,042	316,497	599,109	606,681
Employee stock purchase plan	—	—	—	12,531
Restricted stock units	69,310	12,964	49,082	65,387
Restricted stock awards	—	—	—	1,361
	1,033,352	329,461	5,541,996	685,960

11. Commitments and Contingencies

Finance Lease

Agreements

On January 8, 2026, the Company entered into a lease agreement (the "Lease") with BioMed Realty (the "Landlord") for the lease of a building with approximately 498,286 square feet of space in Somerville, Massachusetts for the Company's principal executive offices and for research and development, laboratory, manufacturing and assembly, vivarium, office and related uses (the "Premises") to ultimately replace its existing headquarters in Andover, Massachusetts. The Lease expires in January 2044, unless earlier terminated (the "Initial Term"). Base rent begins to accrue in January 2028 at an annual rate of $23.9 million, and will increase by 2% annually during the first three years of the Initial Term and by 3% annually for each year thereafter. The Company will also be obligated to pay annual operating and tax expenses for the Premises. The Company holds two consecutive options to extend the term for additional periods of ten years each as well as an option to extend the term for a period of six months.

The Lease includes a one-time purchase option for the Company to buy the Premises and associated parking spaces, exercisable by the Company at any time prior to November 2028. The purchase price is $374.6 million if the option is exercised on or before December 31, 2027; if exercised thereafter, the purchase price is based on a formula tied to future lease payments. The Lease also provides for a tenant improvement allowance of $0.4 million.

The Company has delivered a security deposit to the Landlord in the form of a letter of credit for $17.9 million, which is classified as restricted cash (non-current) on the condensed consolidated balance sheets.

Additionally, on January 8, 2026, the Company acquired two parcels adjacent to the Premises in Somerville, Massachusetts from the Landlord and an entity affiliated with the Landlord for $15.0 million each.

Accounting

The Company accounted for the Lease and property purchases as one combined contract under ASC 842, Leases (Topic 842). Because the Lease grants the Company an option to purchase the underlying assets that the Company is reasonably certain to exercise, the Company classified the Lease as a finance lease. Accordingly, total consideration for the combined contract of $404.3 million, including the estimated payment to purchase the property under lease less the tenant improvement allowance and the payments to purchase the two properties, was allocated to the Lease and property purchases based on relative standalone selling prices. The property purchases are included in land and building within property, plant and equipment on the condensed consolidated balance sheets (see Note 5).

The Company recorded a finance lease right-of-use asset of $336.6 million as of the lease commencement date of January 8, 2026, representing the present value of the lease payments less the tenant improvement allowance and a tenant rebate of $3.7 million, allocated to the contract components.

Because the interest rate implicit in the Lease was not readily determinable, the Company's incremental borrowing rate of 4.4% was used to calculate the present value of the payments under the Lease. In determining its incremental borrowing rate, the Company considered its credit quality and assessed interest rates available in the market for similar borrowings for a similar term, adjusted for the impact of collateral.

The components of the Company's finance lease cost under ASC 842 are as follows (in thousands):

	Three Months Ended September 30, 2026	Nine Months Ended September 30, 2026
Finance lease cost		
Amortization of right-of-use assets	$ 2,073	$ 6,219
Interest on lease liability	3,873	11,493
Total finance lease cost	$ 5,946	$ 17,712

Because the Lease contains a purchase option which the Company is reasonably certain to exercise, the building is being amortized on a straight-line basis over its estimated useful life of 40 years.

Future payments under the Lease, inclusive of the Company's assumed exercise of the purchase option, as of September 30, 2026 were as follows (in thousands):

Year Ending December 31,		
2026 (three months)	$	—
2027		374,590
2028		—
2029		—
2030		—
Thereafter		—
Total future minimum lease payments		374,590
Less: tenant improvement allowance		(400)
Less: amount allocated to property purchases		(3,986)
Less: imputed interest		(18,671)
Total finance lease liability	$	351,533

Operating Leases

There have been no material changes to the Company's operating leases during the nine months ended September 30, 2026. For additional information, please read Note 11 *Leases,* to the consolidated financial statements in the Company's Form 10-K for the year ended December 31, 2025.

401(k) Savings Plan

The Company has a defined-contribution savings plan under Section 401(k) of the Internal Revenue Code. This plan covers substantially all employees who meet minimum age and service requirements and allows participants to defer a portion of their compensation on a pre-tax basis. Company contributions to the plan may be made at the discretion of the board of directors. Effective January 1, 2023, the Company instituted an employer matching program for the plan pursuant to which the Company will match 100% of the first 3% of each participating employee's eligible compensation contributed to the plan and 50% of up to an additional 2% of each participating employee's eligible compensation contributed to the plan. For the three and nine months ended September 30, 2026, the Company recorded expense of $1.1 million and $3.7 million, respectively, related to these matching contributions. For the three and nine months ended September 30, 2025, the Company recorded expense of $1.0 million and $3.0 million, respectively, related to these matching contributions.

Indemnification Agreements

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to customers, vendors, lessors, business partners, and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements, negligence or willful misconduct, or from intellectual property infringement claims made by third parties. In addition, the Company has entered into indemnification agreements with members of its board of directors and executive officers that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or services as directors or officers.

The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnifications. The Company is not currently aware of any material indemnification claims and has not accrued any liabilities related to such obligations in its condensed consolidated financial statements as of September 30, 2026 and December 31, 2025.

Unconditional Purchase Commitment

In January 2021, the Company entered into an unconditional $9.5 million purchase commitment, in the ordinary course of business, for goods with specified annual minimum quantities to be purchased through December 2029. The contract is not cancellable without penalty. The remaining purchase commitment as of September 30, 2026 was $4.0 million.

Legal Proceedings

On February 14, 2025, a class action captioned Jewik v. TransMedics Group, Inc., et al., Case No. 1:25-cv-10385, was filed against the Company and certain of its current and former officers in the U.S. District Court for the District of Massachusetts. The complaint purported to assert claims pursuant to Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and SEC Rule 10b-5 promulgated thereunder, seeking unspecified damages on

behalf of a putative class of investors who purchased or otherwise acquired the Company's shares between February 28, 2023 and January 10, 2025 (the "Class Period"). On April 2, 2025, another purported stockholder filed a putative class action lawsuit against the Company and certain of its current and former officers, also in the U.S. District Court for the District of Massachusetts (Collins v. TransMedics Group, Inc., et al., Case No. 1:25-cv-10778). The Collins complaint alleged claims substantially similar to those alleged in the Jewik action and also sought unspecified damages. On May 22, 2025, the court consolidated the Jewik and Collins actions and appointed the Peace Officers' Annuity and Benefit Fund of Georgia and Oguzhan Altun as lead plaintiffs (the "Lead Plaintiffs").

On August 8, 2025, Lead Plaintiffs filed a consolidated amended complaint. Like the earlier-filed complaints, the consolidated amended complaint purports to assert claims pursuant to Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5, on behalf of a putative class of investors who purchased or otherwise acquired the Company's shares during the Class Period. Lead Plaintiffs seek unspecified damages allegedly caused by purported misstatements and omissions contained in the Company's 2022 Annual Report, certain earnings calls, and other public statements. The consolidated amended complaint claims these alleged statements and omissions operated to artificially inflate the price paid for the Company's common stock during the Class Period. On October 7, 2025, defendants filed a motion to dismiss the consolidated amended complaint for failure to state a claim. Lead Plaintiffs filed their response to the motion on November 21, 2025, and defendants filed a reply in further support of their motion on December 22, 2025. The court heard oral argument on defendants' motion on July 9, 2026, and on July 21, 2026 the court granted in part and denied in part the motion to dismiss. The defendants filed their answer to the consolidated amended complaint on August 18, 2026, and the case is now in discovery.

At each reporting date, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. At this time, the Company is unable to predict the outcome of the class action litigation or reasonably estimate a range of possible losses. The Company expenses as incurred the costs related to such legal proceedings.

12. Revenue and Segment Information

Disaggregated Revenue

The Company disaggregates revenue from contracts with customers related to transplant procedures by organ type and geographical area as it believes this presentation best depicts how the nature, amount, timing and uncertainty of the Company's revenue and cash flows are affected by economic factors, as shown below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Transplant revenue by country by organ(1)(2):				
United States				
OCS Lung total revenue	$ 1,956	$ 3,725	$ 6,406	$ 11,515
OCS Heart total revenue	33,349	27,401	92,587	85,838
OCS Liver total revenue	150,220	107,883	437,179	332,460
Other transplant-related revenue	437	—	437	—
Total United States transplant revenue	185,962	139,009	536,609	429,813
All other countries				
OCS Lung revenue	1,124	385	2,160	1,181
OCS Heart revenue	5,250	3,187	14,848	10,232
OCS Liver revenue	218	58	473	442
Total all other countries transplant revenue	6,592	3,630	17,481	11,855
Total transplant revenue	$ 192,554	$ 142,639	$ 554,090	$ 441,668

(1) Revenue by country is categorized based on the location of the end customer. Total transplant revenue includes product and service revenue.

(2) Service revenue unrelated to transplant procedures was $10.5 million and $12.8 million, respectively, for the three and nine months ended September 30, 2026 and includes $9.4 million of revenue from PAD Aviation charter services provided outside of the United States. Service revenue unrelated to transplant procedures was $1.2 million and $3.1 million for the three and nine months ended September 30, 2025, respectively.

Payments to Customers

In connection with its clinical trials, the Company makes payments to customers to reimburse the cost of clinical trial materials and other costs incurred by customers in executing specified clinical trial protocols related to the Company's OCS products. The Company evaluates the appropriate accounting treatment for these payments based on their nature, including whether the payments are in exchange for distinct goods or services.

Payments that do not represent consideration for a distinct good or service received from the customer at fair value are recorded as a reduction of revenue. The Company recognizes such reductions of revenue and the related accrual in the same period in which the associated revenue is recognized. The Company updates its estimates of these accruals as additional information becomes available, with a corresponding adjustment to revenue. For each of the three and nine months ended September 30, 2026 and 2025, the impact of adjustments to revenue related to these payments was not material.

Payments that represent consideration for distinct goods or services received from the customer, and for which the consideration reflects the fair value of those goods or services, are recorded as operating expenses. For the three and nine months ended September 30, 2026, the Company recorded $2.8 million and $7.4 million, respectively, as operating expenses related to these payments. For the three and nine months ended September 30, 2025, the Company recorded $1.3 million and $4.3 million, respectively, as operating expenses related to these payments.

Segment Information

The Company manages its operations as a single segment for the purposes of assessing performance and making operating decisions. Operating segments are defined as components of an enterprise for which separate financial information is regularly evaluated by the Company's chief operating decision maker, or decision-making group (the "CODM"), in deciding how to allocate resources and assess performance. The CODM of the Company is the Chief Executive Officer. The CODM assesses performance and allocates resources based on the Company's consolidated statements of operations and the Company's operations are managed on a consolidated basis to decide where to allocate and invest additional resources within the business to continue growth. The CODM also utilizes the consolidated balance sheet for resource allocation and segment asset information is not provided to the CODM to allocate resources.

As a single reportable segment entity, the Company's segment performance measure is net income (loss). Significant segment expenses, as provided to the CODM, are presented below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Total revenue	$ 203,005	$ 143,823	$ 566,886	$ 444,730
Less:				
Cost of net product revenue	23,570	18,687	73,444	54,420
Cost of service revenue	60,778	40,561	160,426	120,918
Research, development and clinical trials:				
Personnel related (including stock-based compensation expense)	8,445	6,444	24,607	18,660
Laboratory supplies and research materials	4,207	2,992	14,566	13,154
Consulting and third-party services	11,178	3,432	32,453	9,907
Clinical trials costs	1,676	278	3,996	626
Facility and IT related and other	3,676	2,114	10,071	6,007
Selling, general and administrative:				
Personnel related (including stock-based compensation expense)	38,044	29,234	103,081	84,212
Professional and consultant fees	8,857	6,124	26,382	19,378
NOP support	1,412	1,173	4,915	5,511
Tradeshows and conferences	210	1,076	3,200	3,051
Facility and IT related and other	7,516	6,506	23,956	16,788
Depreciation and amortization expense	4,564	1,631	14,915	4,517
Transaction-related costs	667	—	5,119	—
Headquarters relocation costs	—	115	272	115
ERP implementation costs	64	156	309	156
Other segment items(1)	11,068	(1,019)	26,104	2,402
Net income	$ 17,073	$ 24,319	$ 39,070	$ 84,908

(1) Other segment items include interest income, interest expense, foreign currency exchange gains and losses and income taxes. See the condensed consolidated financial statements for other financial information regarding the Company's operating segment.

Substantially all of the Company's tangible long-lived assets are located in the United States.

13. Related Party Transactions

Employment of Dr. Amira Hassanein

Dr. Amira Hassanein, who serves as Product Director for the Company's OCS Lung program, is the sister of Dr. Waleed Hassanein, the Company's President and Chief Executive Officer and a member of the Company's board of directors. The Company paid Dr. Amira Hassanein $0.2 million and $0.8 million in total compensation for the three and nine months ended September 30, 2026, respectively, for her services as an employee. The Company paid Dr. Amira Hassanein $0.2 million and $0.7 million in total compensation for the three and nine months ended September 30, 2025, respectively, for her services as an employee.

14. Income Taxes

For the three and nine months ended September 30, 2026, the Company recorded income tax expense of $7.0 million and $12.9 million, respectively, by applying a forecasted annual effective tax rate to year-to-date pretax income, and adjusting for discrete items occurring in the periods. The Company's forecasted annual effective tax rate may vary from period to period based on many factors including changes in management's forecast, changes to federal, state or foreign tax laws, and deductibility of certain expenses. During the first quarter of 2026, the Company recorded an out-of-period adjustment to reduce deferred tax assets and increase income tax expense by $2.5 million. This adjustment was not material for the year ended December 31, 2025.

The Company's effective tax rate of 29.2% for the three months ended September 30, 2026 differed from the statutory federal corporate tax rate of 21% primarily due to state income taxes and a discrete tax item resulting from transaction-related costs, which increased the effective tax rate. The Company's effective tax rate of 24.9% for the nine months ended September 30, 2026 differed from the statutory federal corporate tax rate of 21% primarily due to state income taxes, which increased the effective tax rate.

The Company has not recorded any amounts for unrecognized tax benefits as of September 30, 2026 or December 31, 2025. As of September 30, 2026 and December 31, 2025, the Company had no accrued interest or tax penalties recorded.

For the three months ended September 30, 2025, the Company recorded an income tax benefit of $1.3 million resulting from a reduction in state income taxes due to the passage of the One Big Beautiful Bill Act, specifically changes related to domestic research expensing and bonus depreciation. For the nine months ended September 30, 2025, the Company recorded income tax expense of $1.0 million, consisting primarily of state income taxes. Until the fourth quarter of 2025, the Company maintained a valuation allowance on its overall net deferred tax assets.

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 condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the SEC on February 24, 2026 (the "2025 Form 10-K"). Some of the information contained in this discussion and analysis or set forth elsewhere in this Quarterly Report on Form 10-Q, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in the "Item 1A. Risk Factors" section of this Quarterly Report on Form 10-Q and the "Item 1A. Risk Factors" section of our 2025 Form 10-K, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are a medical technology company transforming organ transplant therapy for end-stage organ failure patients across multiple disease states. We developed the OCS to replace a decades-old standard of care that we believe is significantly limiting access to life-saving transplant therapy for hundreds of thousands of patients worldwide. Our innovative OCS technology replicates many aspects of the organ's natural living and functioning environment outside of the human body. As such, the OCS represents a paradigm shift that transforms organ preservation for transplantation from a static state to a dynamic environment that enables new capabilities, including organ optimization and assessment. We have also developed our NOP, an innovative turnkey solution to provide outsourced organ procurement, OCS perfusion management and transplant logistics services, to provide transplant programs in the United States with a more efficient process to procure donor organs with the OCS. Our transplant logistics services include aviation transportation, ground transportation, and other coordination activity. We believe the use of the OCS combined with the NOP has the potential to significantly increase the number of organ transplants and improve post-transplant outcomes.

We designed the OCS to be a platform that allows us to leverage core technologies across products for multiple organs. To date, we have developed three OCS products, one for each of heart, lung and liver transplantations, making the OCS the only FDA approved, portable, multi-organ, warm perfusion technology platform. All three of our products, OCS Heart, OCS Lung and OCS Liver, have received Pre-Market Approval from the FDA, for both organs donated after brain death, or DBD organs, and organs donated after circulatory death, or DCD organs.

Since our inception, we have focused substantially all of our resources on designing, developing and building our proprietary OCS technology platform and organ-specific OCS products; obtaining clinical evidence for the safety and effectiveness of our OCS products through clinical trials; securing regulatory approval; organizing and staffing our company; planning our business; raising capital; commercializing our products; developing and growing our NOP; developing and expanding our market and distribution chain and providing general and administrative support for these operations. To date, we have funded our operations primarily with proceeds from borrowings under loan agreements, proceeds from the issuance of the Notes, proceeds from the sale of common stock in our public offerings, and revenue from commercial sales of our OCS products and NOP services and from sales of our OCS products for use in clinical trials.

Prior to 2024, we had incurred significant annual operating losses since inception and we have only recently achieved profitability. Our ability to generate revenue sufficient to achieve sustained profitability will depend on the continued commercial sales of our products and services. We generated total revenue of $203.0 million and $566.9 million, and net income of $17.1 million and $39.1 million, for the three and nine months ended September 30, 2026, respectively. As of September 30, 2026, we had an accumulated deficit of $238.9 million. We expect our operating and capital expenditures will continue to increase as we focus on growing commercial sales of our products in both the United States and select non-U.S. markets. Because of the numerous risks and uncertainties associated with product development, commercialization and regulations of our industry, we are unable to accurately predict the timing or amount of increased expenses or if we will be able to maintain profitability. Until such time, if ever, as we can generate substantial revenue sufficient to achieve sustained profitability, we may finance our operations through a combination of equity offerings, debt financings and strategic alliances. We may be unable to raise additional funds or enter into such other agreements or arrangements when needed on favorable terms or at all. If we are unable to raise capital or enter into such agreements as, and when, needed, we will have to delay, scale back or discontinue the further development and commercialization efforts of one or more of our products, or may be forced to terminate our operations.

The United Network for Organ Sharing, or UNOS, operated the OPTN under a sole-vendor federal contract from 1986 until 2024. In March 2023, the U.S. Department of Health and Human Services' Health Resources and Services Administration, or HRSA, announced initiatives designed to improve the OPTN, including its intent to solicit contract proposals to manage the OPTN under a multi-vendor model following the expiration of the sole-vendor contract between UNOS and HRSA on March 29, 2024. Additionally, in September 2023, the Securing the U.S. Organ Procurement and Transplantation Network Act was signed into law. This legislation expressly authorizes HRSA to award multiple grants, contracts or cooperative agreements to support the operation of the OPTN. It also specifies that the awards to operate the OPTN shall be distinct from awards to support the networks' board of directors. In September 2024, HRSA began awarding contracts aimed at supporting the multi-vendor model.

HRSA has consistently exercised options to extend the contract for UNOS to operate OPTN, albeit in a more limited capacity, since March 2024. Most recently, in December 2025, HRSA and UNOS reached a new agreement that took effect on December 30, 2025. This contract allows HRSA to extend UNOS' work for up to 12 months, until December 29, 2026, structured as four optional three-month periods. The new agreement reflects a shift of several former UNOS functions, including patient safety, reporting and tracking of donor-derived transmission events, and committee support, to HRSA or other contractors.

HRSA continues to implement efforts to improve and modernize the OPTN, including enhancements to patient data on organ procurement, expanded transparency through a publicly accessible data dashboard for allocation out of sequence (AOOS) events, expanded outreach and financial support for living organ donors, and a new OPTN fee collection process whereby HRSA directly collects and distributes patient registration fees under authorities originally granted by the 2025 Full-Year Continuing Appropriations and Extensions Act and extended by the 2026 Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act. The impact that HRSA's initiatives and the Securing the U.S. Organ Procurement and Transplantation Network Act may have on our business, including on our NOP, is uncertain at this time.

Strategic Transaction

On July 1, 2026, we completed a strategic investment in PAD Aviation, a Germany-based private aviation operator, through which we acquired a minority interest in PAD Aviation. We expect the investment in PAD Aviation will enable us to expand our aviation transportation capabilities and support the future development of our organ retrieval and logistics services in Europe.

Economic Impacts

Inflation, changes in trade policies, and the imposition of or changes in the amount of duties and tariffs have and could continue to adversely impact the price or availability of raw materials, the components of our products as well as shipping and transportation costs. For example, tariffs related to a small portion of components that we import moderately increased our cost of revenue in 2025. The global economy has experienced extreme volatility and disruptions, including significant volatility in commodity, other material and labor costs, declines in consumer confidence, declines in economic growth, supply chain interruptions, uncertainty about economic stability and record inflation globally. Unfavorable economic conditions have and could continue to result in a variety of risks to our business, including impacts on demand and pricing for our products and pricing and availability of raw materials and components for our products, which could make it difficult to forecast our inventory needs and financial results.

Key Components of Our Results of Operations

Revenue

We generate net product revenue primarily from sales of our single-use, organ-specific disposable sets used on our organ-specific OCS Consoles. To a lesser extent, we also generate product revenue from the sale of OCS Consoles to customers and the implied rental of OCS Consoles loaned to customers at no charge. For each new transplant procedure, customers purchase an additional OCS disposable set for use on their existing organ-specific OCS Console. We also generate service revenue by providing outsourced organ procurement, OCS perfusion management and transplant logistics services under our NOP in the United States. Following the investment in PAD Aviation, we anticipate expanding our transplant logistics services in Europe.

Prior to our investment in PAD Aviation, PAD Aviation derived its revenue primarily from charter services. We expect PAD Aviation to continue generating revenue from these operations, which will be recorded within service revenue. During the three and nine months ended September 30, 2026, service revenue of $9.4 million was generated from PAD Aviation's charter services and was unrelated to transplant services.

All of our OCS transplant-related revenue has been generated by sales to transplant centers and Organ Procurement Organizations, not-for-profit organizations responsible for recovering organs from deceased donors for transplantation, in the United States, Europe and Asia-Pacific, or, in some cases, to distributors selling to transplant centers in select countries. Substantially all of our customer contracts have multiple-performance obligations that contain promises consisting of OCS Perfusion Sets and OCS Solutions and may also contain promises for organ procurement, OCS perfusion management or transplant logistics services under our NOP, and OCS Console, whether sold or loaned to the customer.

Our OCS sales outside of the United States have been commercial sales (unrelated to any clinical trials). Sales in the EU are dependent on obtaining and maintaining the Conformité Européene mark, or CE mark, certifications for each of our OCS products. As required by Regulation (EU) 2017/745, or the MDR, we received recertification of the CE mark in September 2022 for each of the OCS Heart and OCS Lung systems, which includes the OCS Console, the OCS disposables, and the OCS solution additives. We also received the recertification of the CE mark in September 2022 for the OCS Liver Console and disposables. We received the CE mark for the OCS Liver combined with our solution additives under the MDR in May 2023, with an effective date of April 2023. In addition, we received a Class II Medical Device License from Health Canada for our OCS Liver combined with our solution additives in October 2023 to complement our existing Health Canada licenses for OCS Heart and OCS Lung.

We expect that our revenue will increase over the long term as a result of the continued growth of the NOP in the United States. We also expect that our revenue will increase over the long term as a result of anticipated growth in non-U.S. sales if national healthcare systems begin to reimburse transplant centers for the use of the OCS, if transplant centers utilize the OCS in more transplant cases and if more transplant centers adopt the OCS in their programs. While we expect our revenue to increase over the long term, revenue from sales may fluctuate from quarter to quarter as the timing of organ transplant procedures is generally unpredictable, and we have observed periodic fluctuations in the availability of donor organs and transplant center surgeons, which impacts the volume of transplants.

Cost of Revenue, Gross Profit and Gross Margin

Cost of net product revenue consists of costs of components of our OCS Consoles and disposable sets, costs of direct materials, labor and the manufacturing overhead that directly supports production and depreciation of OCS Consoles. Included in the cost of OCS disposable sets are the costs of our OCS Lung, OCS Heart and OCS Liver Solutions. Cost of service revenue primarily consists of labor and overhead that directly support organ procurement and OCS perfusion management services and transportation and transplant logistics costs, including labor costs for pilots, aircraft depreciation, aircraft costs, fuel, crew travel, maintenance and third-party flight costs and ground transportation that support organ delivery.

Gross profit is the amount by which revenue exceeds cost of revenue in each reporting period and gross margin is gross profit divided by revenue. Our overall gross margin is impacted by the relative mix of product and service revenue, as product and service revenue have different margin profiles. Product and service gross margins are also affected by a variety of factors, primarily production volumes, the cost of components and direct materials, manufacturing overhead costs, direct labor, the cost of services provided under the NOP and the selling price of our OCS products and NOP services.

We expect that overall cost of revenue will increase or decrease in absolute dollars primarily as, and to the extent that, our revenue increases or decreases. We expect that the cost of net product revenue as a percentage of net product revenue will moderately decrease and gross margin and gross profit will moderately increase over the long term as our sales and production volumes increase and our cost per unit of our OCS disposable sets decreases due to economies of scale, our product enhancements and improved manufacturing efficiency. We intend to use our design, engineering and manufacturing capabilities to further advance and improve the efficiency of our manufacturing processes, which we believe will reduce costs and increase our product gross margin. We also expect to see modest improvements in the future in our services gross margin as we provide more services and the efficiency in provisioning of these services improves due to scale and experience, including effectively managing fluctuating aircraft fuel prices. While we expect our gross margins to increase over the long term, they will likely fluctuate from quarter to quarter.

Operating Expenses

Research, Development and Clinical Trials Expenses

Research, development and clinical trials expenses consist of costs incurred for research activities, product development, hardware and software engineering and clinical trial activities, including salaries and related costs, including stock-based compensation, facility and IT related costs, laboratory supplies, depreciation, testing, regulatory, data management and consulting costs.

We expense research, development and clinical trials costs as incurred. In the future, we expect that research, development and clinical trials expenses will increase over the long term due to ongoing product development and approval efforts. We expect to continue to perform activities related to obtaining additional regulatory approvals for expanded indications in the United States and other served geographies, as well as developing the next generation of our OCS technology platform.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of salaries and related costs, including stock-based compensation, for personnel in our commercial team and personnel in executive, marketing, finance and administrative functions, and recruiting and temporary service fees for such personnel. Selling, general and administrative expenses also include direct and allocated facility and IT related costs, costs to support the NOP, promotional activities, marketing, conferences and trade show costs as well as professional fees for legal, patent, consulting, investor and public relations, accounting and audit services and amortization of sales and marketing-related intangible assets. We expect that our selling, general and administrative expenses will increase over the long term as we increase our headcount and infrastructure to support the expected continued sales growth of our OCS products and our NOP.

Other Income (Expense)

Interest Expense

Interest expense consists of interest expense associated with outstanding borrowings under our loan agreement and our Notes as well as the amortization of debt discounts associated with such agreements. In July 2022, we entered into a credit agreement with Canadian Imperial Bank of Commerce, or CIBC, under which we borrowed $60.0 million. In May 2023, we issued and sold $460.0 million in aggregate principal amount of our Notes. Interest expense also includes imputed interest on our finance lease entered into in January 2026.

Interest Income and Other Income (Expense), Net

Interest income and other income (expense), net includes interest income, realized and unrealized foreign currency transaction gains and losses and other non-operating income and expense items unrelated to our core operations. Interest income consists of interest earned on our cash balances. Foreign currency transaction gains and losses result from intercompany transactions as well as transactions with customers or vendors denominated in currencies other than the functional currency of the legal entity in which the transaction is recorded.

Income Taxes

Our (provision) benefit for income taxes is based on applying our forecasted annual effective tax rate to year-to-date income before income taxes, and adjusting for discrete items occurring in the quarter. Our forecasted annual effective tax rate may vary from period to period based on many factors including changes in management’s forecast, deductibility of certain expenses and changes to tax laws.

We expect our full year 2026 effective income tax rate to be between 25% and 27%. The change in the effective tax rate from 2025 relates primarily to the release of our valuation allowance in the fourth quarter of 2025. To the extent allowed, we intend to use our available net operating loss carryforwards and tax credits to reduce cash tax payment obligations.

Results of Operations

Comparison of 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:

	Three Months Ended September 30,		
	2026	2025	Change
		(in thousands)	
Revenue:			
Net product revenue	$ 113,419	$ 87,677	$ 25,742
Service revenue	89,586	56,146	33,440
Total revenue	203,005	143,823	59,182
Cost of revenue:			
Cost of net product revenue	23,570	18,687	4,883
Cost of service revenue	60,778	40,561	20,217
Total cost of revenue	84,348	59,248	25,100
Gross profit	118,657	84,575	34,082
Operating expenses:			
Research, development and clinical trials	29,182	15,260	13,922
Selling, general and administrative	61,334	46,015	15,319
Total operating expenses	90,516	61,275	29,241
Income from operations	28,141	23,300	4,841
Other income (expense):			
Interest expense	(7,271)	(3,491)	(3,780)
Interest income and other income (expense), net	3,231	3,222	9
Total other expense, net	(4,040)	(269)	(3,771)
Income before income taxes	24,101	23,031	1,070
(Provision) benefit for income taxes	(7,028)	1,288	(8,316)
Net income	$ 17,073	$ 24,319	$ (7,246)

Revenue

Transplant revenue consisted of:

	Three Months Ended September 30,		
	2026	2025	Change
		(in thousands)	
Transplant revenue by country by organ:			
United States			
OCS Lung total revenue	$ 1,956	$ 3,725	$ (1,769)
OCS Heart total revenue	33,349	27,401	5,948
OCS Liver total revenue	150,220	107,883	42,337
Other transplant-related revenue	437	—	437
Total United States transplant revenue	185,962	139,009	46,953
All other countries			
OCS Lung total revenue	1,124	385	739
OCS Heart total revenue	5,250	3,187	2,063
OCS Liver total revenue	218	58	160
Total all other countries transplant revenue	6,592	3,630	2,962
Total transplant revenue	$ 192,554	$ 142,639	$ 49,915

We also had service revenue unrelated to transplant of $10.5 million and $1.2 million for the three months ended September 30, 2026 and 2025, respectively. The increase was primarily attributable to $9.4 million of revenue generated from PAD Aviation charter services.

Transplant revenue from customers in the United States was $186.0 million in the three months ended September 30, 2026 and increased by $47.0 million compared to the three months ended September 30, 2025, due to higher sales volumes of our OCS Liver disposable sets and increased usage of the NOP. Revenue for each organ in the table above includes net product revenue from sales of disposable sets as well as service revenue for organ procurement, OCS perfusion management and transplant logistics services under the NOP in the United States.

Transplant revenue from customers outside the United States was $6.6 million and $3.6 million for the three months ended September 30, 2026 and 2025, respectively. The increase was due primarily to higher sales volumes of our OCS Heart disposable sets.

Cost of Revenue, Gross Profit and Gross Margin

Cost of net product revenue increased by $4.9 million in the three months ended September 30, 2026 compared to the three months ended September 30, 2025. Cost of service revenue increased by $20.2 million in the three months ended September 30, 2026 compared to the three months ended September 30, 2025. Gross profit increased by $34.1 million in the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Overall gross margin was 58% and 59% for the three months ended September 30, 2026 and 2025, respectively. The decrease in gross margin from 2025 to 2026 was driven primarily by a higher mix of service revenue, which carries a lower gross margin than product revenue. Gross margin from net product revenue was 79% for each of the three months ended September 30, 2026 and 2025. Gross margin from service revenue was 32% and 28% for the three months ended September 30, 2026 and 2025, respectively, and consisted primarily of organ procurement, OCS perfusion management and transplant logistics services under our NOP. Gross margin from service revenue increased during the three months ended September 30, 2026 as compared to the three months ended September 30, 2025 primarily due to efficiencies in our NOP operating model.

Operating Expenses

Research, Development and Clinical Trials Expenses

	Three Months Ended September 30,		
	2026	2025	Change
	(in thousands)		
Personnel related (including stock-based compensation expense)	$ 8,445	$ 6,444	$ 2,001
Laboratory supplies and research materials	4,207	2,992	1,215
Consulting and third-party services	11,178	3,432	7,746
Clinical trials costs	1,676	278	1,398
Facility and IT related and other	3,676	2,114	1,562
Total research, development and clinical trials expenses	$ 29,182	$ 15,260	$ 13,922

Total research, development and clinical trials expenses increased by $13.9 million from $15.3 million in the three months ended September 30, 2025 to $29.2 million in the three months ended September 30, 2026. Personnel related costs increased by $2.0 million primarily due to increased headcount to support development efforts for our next generation OCS program and overall compensation increases. Personnel related costs included stock-based compensation expense of $1.1 million and $0.9 million for the three months ended September 30, 2026 and 2025, respectively. Consulting and third-party services costs increased by $7.7 million due to development efforts by our external consultants for our next generation OCS program and other product development, including our OCS Kidney device. Clinical trials costs increased by $1.4 million due primarily to patient enrollment in our clinical trials. Facility and IT related and other costs increased by $1.6 million due primarily to the increased cost of supporting a larger group of research and development personnel.

Selling, General and Administrative Expenses

	Three Months Ended September 30,		
	2026	2025	Change
		(in thousands)	
Personnel related (including stock-based compensation expense)	$ 38,044	$ 29,234	$ 8,810
Professional and consultant fees	9,588	6,395	3,193
NOP support	1,412	1,173	239
Tradeshows and conferences	210	1,076	(866)
Facility and IT related and other	7,516	6,506	1,010
Depreciation and amortization expense	4,564	1,631	2,933
Total selling, general and administrative expenses	$ 61,334	$ 46,015	$ 15,319

Total selling, general and administrative expenses increased by $15.3 million from $46.0 million in the three months ended September 30, 2025 to $61.3 million in the three months ended September 30, 2026. Personnel related costs increased by $8.8 million primarily due to the continued expansion of our team to support the growth in our business and costs pursuant to the transition agreement with our former Chief Financial Officer, including the modification of certain stock awards. Personnel related costs included stock-based compensation expense of $11.0 million and $7.9 million for the three months ended September 30, 2026 and 2025, respectively. Professional and consultant fees increased by $3.2 million due primarily to strategic initiatives and corporate development activities. Depreciation and amortization expense increased by $2.9 million primarily due to $2.1 million of amortization of our finance lease for our new headquarters that commenced in January 2026.

Other Income (Expense)

Interest Expense

Interest expense was $7.3 million and $3.5 million for the three months ended September 30, 2026 and 2025, respectively. Interest expense of $2.5 million and $2.4 million for the three months ended September 30, 2026 and 2025, respectively, related to the $460.0 million principal amount of the Notes that carry a 1.5% interest rate. Interest expense of $0.9 million and $1.0 million for the three months ended September 30, 2026 and 2025, respectively, related to the outstanding principal amount of the CIBC loan that carries a variable interest rate, which was 5.3% as of September 30, 2026. Additionally, for the three months ended September 30, 2026, interest expense included $3.9 million of imputed interest on our finance lease entered into in January 2026.

Interest Income and Other Income (Expense), Net

Interest income and other income (expense), net for the three months ended September 30, 2026 and 2025 included interest income of $3.4 million and $3.3 million, respectively, from interest earned on cash balances. Interest income and other income (expense), net for the three months ended September 30, 2026 and 2025 also included $0.2 million and $0.1 million of realized and unrealized foreign currency transactions losses, respectively.

Income Taxes

Our effective tax rate of 29.2% for the three months ended September 30, 2026 differed from the statutory federal corporate tax rate of 21% primarily due to state income taxes and a discrete tax item resulting from transaction-related costs, which increased the effective tax rate.

For the three months ended September 30, 2025, our income tax benefit of $1.3 million resulted from a reduction in state income taxes due to the passage of the One Big Beautiful Bill Act, specifically changes related to domestic research expensing and bonus depreciation. Until the fourth quarter of 2025, we maintained a valuation allowance on our overall net deferred tax assets.

Comparison of 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:

	Nine Months Ended September 30,		
	2026	2025	Change
		(in thousands)	
Revenue:			
Net product revenue	$ 332,549	$ 272,011	$ 60,538
Service revenue	234,337	172,719	61,618
Total revenue	566,886	444,730	122,156
Cost of revenue:			
Cost of net product revenue	73,444	54,420	19,024
Cost of service revenue	160,426	120,918	39,508
Total cost of revenue	233,870	175,338	58,532
Gross profit	333,016	269,392	63,624
Operating expenses:			
Research, development and clinical trials	85,693	48,354	37,339
Selling, general and administrative	182,149	133,728	48,421
Total operating expenses	267,842	182,082	85,760
Income from operations	65,174	87,310	(22,136)
Other income (expense):			
Interest expense	(21,666)	(10,428)	(11,238)
Interest income and other income (expense), net	8,483	9,007	(524)
Total other expense, net	(13,183)	(1,421)	(11,762)
Income before income taxes	51,991	85,889	(33,898)
Provision for income taxes	(12,921)	(981)	(11,940)
Net income	$ 39,070	$ 84,908	$ (45,838)

Revenue

Transplant revenue consisted of:

	Nine Months Ended September 30,		
	2026	2025	Change
		(in thousands)	
Transplant revenue by country by organ:			
United States			
OCS Lung total revenue	$ 6,406	$ 11,515	$ (5,109)
OCS Heart total revenue	92,587	85,838	6,749
OCS Liver total revenue	437,179	332,460	104,719
Other transplant-related revenue	437	—	437
Total United States transplant revenue	536,609	429,813	106,796
All other countries			
OCS Lung total revenue	2,160	1,181	979
OCS Heart total revenue	14,848	10,232	4,616
OCS Liver total revenue	473	442	31
Total all other countries transplant revenue	17,481	11,855	5,626
Total transplant revenue	$ 554,090	$ 441,668	$ 112,422

We also had service revenue unrelated to transplant of $12.8 million and $3.1 million for the nine months ended September 30, 2026 and 2025, respectively. The increase was primarily attributable to $9.4 million of revenue generated from PAD Aviation charter services.

Transplant revenue from customers in the United States was $536.6 million in the nine months ended September 30, 2026 and increased by $106.8 million compared to the nine months ended September 30, 2025, due to higher sales volumes of our OCS Liver disposable sets and increased usage of the NOP. Revenue for each organ in the table above includes net product revenue from sales of disposable sets as well as service revenue for organ procurement, OCS perfusion management and transplant logistics services under the NOP in the United States.

Transplant revenue from customers outside the United States was $17.5 million and $11.9 million for the nine months ended September 30, 2026 and 2025, respectively. The increase was due primarily to higher sales volumes of our OCS Heart disposable sets.

Cost of Revenue, Gross Profit and Gross Margin

Cost of net product revenue increased by $19.0 million in the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. Cost of service revenue increased by $39.5 million in the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. Gross profit increased by $63.6 million in the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

Overall gross margin was 59% and 61% for the nine months ended September 30, 2026 and 2025, respectively. The decrease in gross margin from 2025 to 2026 was driven primarily by a higher mix of service revenue, which carries a lower gross margin than product revenue, as well as a decrease in gross margin from product revenue. Gross margin from net product revenue was 78% and 80% for the nine months ended September 30, 2026 and 2025, respectively. Gross margin from net product revenue decreased from the nine months ended September 30, 2025 to the nine months ended September 30, 2026 primarily due to product mix and higher freight costs. Gross margin from service revenue was 32% and 30% for the nine months ended September 30, 2026 and 2025, respectively, and consisted primarily of organ procurement, OCS perfusion management and transplant logistics services under our NOP. Gross margin from service revenue increased during the nine months ended September 30, 2026 as compared to the nine months ended September 30, 2025 primarily due to efficiencies in our NOP operating model.

Operating Expenses

Research, Development and Clinical Trials Expenses

	Nine Months Ended September 30,		
	2026	2025	Change
		(in thousands)	
Personnel related (including stock-based compensation expense)	$ 24,607	$ 18,660	$ 5,947
Laboratory supplies and research materials	14,566	13,154	1,412
Consulting and third-party services	32,453	9,907	22,546
Clinical trials costs	3,996	626	3,370
Facility and IT related and other	10,071	6,007	4,064
Total research, development and clinical trials expenses	$ 85,693	$ 48,354	$ 37,339

Total research, development and clinical trials expenses increased by $37.3 million from $48.4 million in the nine months ended September 30, 2025 to $85.7 million in the nine months ended September 30, 2026. Personnel related costs increased by $5.9 million primarily due to increased headcount to support development efforts for our next generation OCS program and overall compensation increases. Personnel related costs included stock-based compensation expense of $3.6 million and $3.4 million for the nine months ended September 30, 2026 and 2025, respectively. Consulting and third-party services costs increased by $22.5 million due to development efforts by our external consultants for our next generation OCS program and other product development, including our OCS Kidney device. Clinical trials costs increased by $3.4 million due primarily to patient enrollment in our clinical trials. Facility and IT related and other costs increased by $4.1 million due primarily to the increased cost of supporting a larger group of research and development personnel.

Selling, General and Administrative Expenses

	Nine Months Ended September 30,		
	2026	2025	Change
	(in thousands)		
Personnel related (including stock-based compensation expense)	$ 103,081	$ 84,212	$ 18,869
Professional and consultant fees	32,082	19,649	12,433
NOP support	4,915	5,511	(596)
Tradeshows and conferences	3,200	3,051	149
Facility and IT related and other	23,956	16,788	7,168
Depreciation and amortization expense	14,915	4,517	10,398
Total selling, general and administrative expenses	$ 182,149	$ 133,728	$ 48,421

Total selling, general and administrative expenses increased by $48.4 million from $133.7 million in the nine months ended September 30, 2025 to $182.1 million in the nine months ended September 30, 2026. Personnel related costs increased by $18.9 million primarily due to the continued expansion of our team to support the growth in our business. Personnel related costs included stock-based compensation expense of $26.3 million and $23.1 million for the nine months ended September 30, 2026 and 2025, respectively. Professional and consultant fees increased by $12.4 million due primarily to transaction-related costs of $5.1 million related to strategic initiatives and corporate development activities, and to costs related to international expansion and process improvement initiatives. Facility and IT related and other costs increased by $7.2 million due primarily to increases in IT infrastructure, travel costs and expenses related to properties in Somerville, Massachusetts. Depreciation and amortization expense increased by $10.4 million primarily due to $6.2 million of amortization of our finance lease for our new headquarters that commenced in January 2026 and $1.9 million of incremental amortization due to a change in estimated useful life of acquired intangible assets.

Other Income (Expense)

Interest Expense

Interest expense was $21.7 million and $10.4 million for the nine months ended September 30, 2026 and 2025, respectively. Interest expense of $7.4 million and $7.3 million for the nine months ended September 30, 2026 and 2025, respectively, related to the $460.0 million principal amount of the Notes that carry a 1.5% interest rate. Interest expense of $2.8 million and $3.1 million for the nine months ended September 30, 2026 and 2025, respectively, related to the outstanding principal amount of the CIBC loan that carries a variable interest rate, which was 5.3% as of September 30, 2026. Additionally, for the nine months ended September 30, 2026, interest expense included $11.5 million of imputed interest on our finance lease entered into in January 2026.

Interest Income and Other Income (Expense), Net

Interest income and other income (expense), net for the nine months ended September 30, 2026 and 2025 included interest income of $9.1 million and $8.1 million, respectively, from interest earned on cash balances. Interest income and other income (expense), net for the nine months ended September 30, 2026 and 2025 also included $0.9 million of realized and unrealized foreign currency transactions losses and $1.0 million of realized and unrealized foreign currency transactions gains, respectively.

Income Taxes

Our effective tax rate of 24.9% for the nine months ended September 30, 2026 differed from the statutory federal corporate tax rate of 21% primarily due to state income taxes, which increased the effective tax rate.

For the nine months ended September 30, 2025, our income tax expense consisted primarily of state income taxes. Until the fourth quarter of 2025, we maintained a valuation allowance on our overall net deferred tax assets.

Liquidity and Capital Resources

Prior to 2024, we had incurred significant annual operating losses since inception and we may incur losses in the future. To date, we have funded our operations primarily with proceeds from borrowings under loan agreements, proceeds from the issuance of our Notes, proceeds from the sale of common stock in our public offerings and revenue from commercial sales of our OCS products and NOP services and from sales of our OCS products for use in clinical trials. At September 30, 2026, our principal source of liquidity was cash of $493.0 million.

Cash Flows

The following table summarizes our sources and uses of cash for each of the periods presented:

	Nine Months Ended September 30,	
	2026	2025
	(in thousands)	
Net cash provided by operating activities	$ 77,846	$ 158,327
Net cash used in investing activities	(57,459)	(43,737)
Net cash provided by financing activities	2,817	13,758
Effect of exchange rate changes on cash and restricted cash	(670)	1,176
Net increase in cash and restricted cash	$ 22,534	$ 129,524

Operating Activities

During the nine months ended September 30, 2026, operating activities provided $77.8 million of cash, primarily resulting from net income of $39.1 million and net non-cash charges of $91.6 million, partially offset by net cash used by changes in our operating assets and liabilities of $52.8 million. Net cash used by changes in our operating assets and liabilities for the nine months ended September 30, 2026 consisted primarily of an increase in accounts receivable of $28.1 million, an increase in inventory of $19.4 million, an increase in prepaid expenses and other current assets of $6.9 million, and a decrease in operating lease liabilities of $2.5 million, partially offset by a net increase in accounts payable and accrued expenses and other current liabilities of $5.6 million.

During the nine months ended September 30, 2025, operating activities provided $158.3 million of cash, primarily resulting from net income of $84.9 million, net non-cash charges of $49.7 million, and net cash provided by changes in our operating assets and liabilities of $23.7 million. Net cash provided by changes in our operating assets and liabilities for the nine months ended September 30, 2025 consisted primarily of a decrease in accounts receivable of $17.5 million and an increase in accounts payable and accrued expenses and other current liabilities of $12.8 million, partially offset by an increase in prepaid expenses and other current assets of $4.8 million and a decrease in operating lease liabilities of $2.1 million.

Changes in accounts receivable, inventory, prepaid expenses and other current assets, accounts payable, and accrued expenses and other current liabilities in each reporting period are generally due to growth in our business and timing of invoices and payments.

Investing Activities

During the nine months ended September 30, 2026, net cash used in investing activities of $57.5 million consisted primarily of purchases of property, plant and equipment of $52.1 million, primarily related to the purchase of two parcels of land and building in Somerville, Massachusetts and the buildout of our new headquarters.

During the nine months ended September 30, 2025, net cash used in investing activities of $43.7 million consisted of purchases of property, plant and equipment, primarily related to the purchase of transplant aircraft.

Financing Activities

During the nine months ended September 30, 2026, net cash provided by financing activities of $2.8 million consisted primarily of proceeds from the issuance of common stock upon exercise of stock options of $4.2 million and proceeds from the issuance of common stock in connection with the 2019 Employee Stock Purchase Plan of $3.9 million, partially offset by repayments of long-term debt of $5.0 million.

During the nine months ended September 30, 2025, net cash provided by financing activities of $13.8 million consisted of proceeds from the issuance of common stock upon exercise of stock options of $10.6 million and proceeds from the issuance of common stock in connection with the 2019 Employee Stock Purchase Plan of $3.2 million.

Convertible Senior Notes

On May 11, 2023, we issued $460.0 million aggregate principal amount of the Notes, in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act, pursuant to an indenture dated May 11, 2023, by and between us and U.S. Bank Trust Company, National Association, or the Indenture.

The initial conversion price of the Notes is approximately $94.00 per share of common stock, which represents a premium of approximately 32.5% over the closing price of our common stock on May 8, 2023. The Notes will mature on June 1, 2028, unless earlier repurchased, redeemed or converted. We used $52.1 million of the proceeds from the sale of the Notes to fund the cost of entering into capped call transactions, described below. The proceeds from the issuance of the Notes were approximately $393.3 million, net of capped call transaction costs of $52.1 million and initial purchaser discounts and other debt issuance costs totaling $14.6 million. The Notes bear interest at a rate of 1.50% per year and interest is payable semiannually in arrears on June 1 and December 1 of each year. The initial conversion rate is 10.6388 shares of common stock per $1,000 principal amount of the Notes, which represents an initial conversion price of approximately $94.00 per share of common stock. The conversion rate and conversion price are subject to customary adjustments upon the occurrence of certain events as described in the Indenture.

Before March 1, 2028, noteholders have the right to convert their Notes only upon the occurrence of certain events, including certain corporate events, and during the five business days immediately after any ten consecutive trading days in which the trading price per $1,000 principal amount of Notes is less than ninety-eight percent (98%) of the as converted value. Additionally, noteholders can convert their Notes during any calendar quarter (and only during such calendar quarter), commencing after the calendar quarter ending on September 30, 2023 but before March 1, 2028, provided the last reported sale price of the common stock for at least 20 trading days is greater than or equal to 130% of the conversion price during the 30 consecutive trading days ending on the last trading day of a calendar quarter. From and after March 1, 2028, noteholders may convert their Notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date. We have the right to elect to settle conversions either in cash, shares or in a combination of cash and shares of our common stock.

We may redeem for cash all or any portion of the Notes (subject to the partial redemption limitation set forth in the Indenture), at our option, if the last reported sale price of our common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption. In addition, calling any Note for redemption will constitute a “Make-Whole Fundamental Change” (as defined in the Indenture) with respect to that Note, in which case the conversion rate applicable to the conversion of that Note will be increased in certain circumstances if it is converted after it is called for redemption.

Long-Term Debt

In July 2022, we entered into a credit agreement with CIBC, pursuant to which we have borrowed $60.0 million (as amended, referred to herein as the CIBC Credit Agreement).

Borrowings under the CIBC Credit Agreement bear interest at an annual rate equal to either, at our option, (i) the secured overnight financing rate for an interest period selected by us, subject to a minimum of 1.50%, plus 2.0% or (ii) 1.0% plus the higher of (a) the prime rate, subject to a minimum of 4.0% or (b) the Federal Funds Effective Rate, plus 0.5%. Commencing in July 2026, we began repaying the outstanding principal amount in equal monthly installments with the remaining balance due on the maturity date in July 2027. At our option, we may prepay the outstanding principal amount under the CIBC Credit Agreement, without a prepayment fee. All obligations under the CIBC Credit Agreement are guaranteed by us and each of our material subsidiaries.

All obligations of us and each guarantor are secured by substantially all of our and each guarantor’s assets, including their intellectual property, subject to certain exceptions. Under the CIBC Credit Agreement, we have agreed to customary representations and warranties, events of default and certain affirmative and negative covenants to which we will remain subject until maturity. The financial covenants include, among other covenants, (x) a requirement to maintain a minimum liquidity amount of the greater of either (i) the consolidated adjusted EBITDA loss (or gain), as defined, for the trailing four month period (only if EBITDA is negative) and (ii) $10.0 million, and (y) a requirement to maintain total net revenue of at least 75% of the level set forth in the total revenue plan presented to CIBC. The obligations under the CIBC Credit Agreement are subject to acceleration upon the occurrence of specified events of default, including payment default, change in control, bankruptcy, insolvency, certain defaults under other material debt, certain events with respect to governmental approvals (if such events could cause a material adverse change in our business), failure to comply with certain covenants and a material adverse change in our business, operations or financial condition. As of September 30, 2026, we were in compliance with all financial covenants of the CIBC Credit Agreement. During the continuance of an event of default, the interest rate per annum will be equal to the rate that would have otherwise been applicable at the time of the event of default plus 2.0%. If an event of default (other than certain events of bankruptcy or insolvency) occurs and is continuing, CIBC may declare all or any portion of the outstanding principal amount of the borrowings plus accrued and unpaid interest to be due and payable. Upon the occurrence of certain events of bankruptcy or insolvency, all of the outstanding principal amount of the borrowings plus accrued and unpaid interest will automatically become due and payable. In addition, we may be required to prepay the outstanding principal amount, subject to certain exceptions, with portions of net cash proceeds of certain asset sales and certain casualty and condemnation events.

Funding Requirements

As we continue to pursue and increase commercial sales of our OCS products, we expect our costs and expenses to increase in the future, particularly as we expand our commercial team, grow our NOP, scale our manufacturing and sterilization operations, continue research, development and clinical trial efforts, including expanding our research and development and manufacturing capabilities in Italy, seek regulatory approval for the next generation OCS, new products and product enhancements, including new indications, both in the United States and in select non-U.S. markets, establish and relocate to a new long-term global headquarters, and seek greater control of air and ground transport for our NOP. If the demand for our products exceeds our existing manufacturing and sterilization capacity, our ability to fulfill orders would be limited until we have sufficiently expanded such operations. The timing and amount of our operating and capital expenditures will depend on many factors, including:

- the amount of product revenue generated by sales of our OCS Consoles, OCS disposable sets and other products that may be approved in the United States and select non-U.S. markets, revenue generated by our services, and growth of the NOP;
- the costs and expenses of expanding our U.S. and non-U.S. sales, marketing and logistics infrastructure and our manufacturing operations;
- the extent to which our OCS products are adopted by the transplant community;
- the ability of our customers to obtain adequate reimbursement from third-party payors for procedures performed using the OCS products;
- the degree of success we experience in commercializing our OCS products for additional indications, including OCS Kidney;
- the costs, timing and outcomes of pre- and post-approval studies or any future clinical studies and regulatory reviews, including to seek and obtain approvals for new indications for our OCS products, including OCS Kidney, or other product candidates, including CHOPS;
- the emergence of competing or complementary technologies or procedures;
- the number and types of future products we develop and commercialize;
- the cost of constructing research and development and manufacturing facilities in Italy;
- the cost and timing of development of the next generation OCS;
- the costs associated with maintaining, improving and expanding our commercial operations, including the NOP, globally;
- the costs associated with maintaining and growing our transplant logistics capabilities, including by means of attracting, training and retaining pilots, and the acquisition, maintenance, or replacement of fixed-wing aircraft for our aviation transportation services or other acquisitions, joint ventures or strategic investments;
- the costs of preparing, filing and prosecuting patent applications and maintaining, enforcing and defending intellectual property-related claims;
- the level of our selling, general and administrative expenses; and
- the costs related to establishing and relocating to a new long-term global headquarters to accommodate the growing scale and complexity of our business.

We believe that our existing cash will enable us to fund our operating expenses, capital expenditure requirements, and debt service payments for at least 12 months following the filing of this Quarterly Report on Form 10-Q.

We may need to raise additional funding, which might not be available on favorable terms, or at all. See “Item 1A. Risk Factors—Risks Related to Our Financial Position and Need for Additional Capital” in our 2025 Form 10-K.

Material Contractual Obligations

We are in the process of contracting for engineering and construction services for the buildout of our new headquarters facility in Somerville, Massachusetts. We currently estimate total capital expenditures related to the new headquarters facility to be in a range of approximately $200 million and $240 million, to be incurred over a multi-year period through 2030. As of September 30, 2026, we have entered into contractual commitments of approximately $57.5 million related to construction, design and project management services, of which $13.8 million has been incurred.

There have been no other material changes to our cash requirements from those disclosed in our 2025 Form 10-K.

Critical Accounting Policies and Significant Judgments and Estimates

Our condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States. The preparation of our condensed consolidated financial statements and related disclosures requires us to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenue, costs and expenses, and related disclosures. We evaluate our estimates on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

There have been no material changes to our critical accounting policies and estimates from those disclosed in our consolidated financial statements and the related notes and other financial information included in our 2025 Form 10-K.

Recently Issued Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position, results of operations or cash flows is disclosed in Note 2 to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to changes in interest rates and foreign currency exchange rates because we finance certain operations through variable rate debt instruments and denominate our transactions in a variety of foreign currencies. Changes in these rates may have an impact on future cash flow and earnings. We manage these risks through normal operating and financing activities. There has been no material change in the foreign currency exchange risk or interest rate risk discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our 2025 Form 10-K.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our President and Chief Executive Officer and our Chief Financial Officer (our principal executive officer and principal financial and accounting officer, respectively), evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2026. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on the evaluation of our disclosure controls and procedures as of September 30, 2026, our President and Chief Executive Officer and our Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were not effective due to a material weakness in internal control over financial reporting. Specifically, the Company has not designed and maintained effective controls over inventory movement within its manufacturing network. While effective controls are in place to verify the existence and accuracy of inventory as of year-end, effective controls have not been designed and maintained to verify that inventory movements are appropriately recorded in the interim financial statements. Notwithstanding the material weakness, and based on the additional analyses and other procedures management performed, we have concluded that our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q present fairly, in all material respects, our financial position and results of operations and cash flows as of each of the dates, and for each of the periods, presented therein in accordance with generally accepted accounting principles in the United States of America.

Remediation Plan

In response to the material weakness, management has designed and implemented new control activities, including enhanced interim inventory counting, system-based, and monitoring controls, to ensure the movement of inventory is timely and accurately recorded throughout the course of the year, as well as strengthened review and approval procedures. The newly designed control activities described above were implemented during the quarter ended June 30, 2026. Management is in the process of performing its evaluation of the operating effectiveness of the newly designed and implemented controls, which is expected to be completed during the fourth quarter. Management is targeting successful completion of the testing of operating effectiveness of controls and remediation of the material weakness by the end of the fiscal year ending December 31, 2026.

Changes in Internal Control over Financial Reporting

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

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

Information with respect to legal proceedings and this item is included in Note 11 of the Notes to the Unaudited Condensed Consolidated Financial Statements contained in Part I, Item 1 of this Quarterly Report on Form 10-Q, which is incorporated herein by reference.

Item 1A. Risk Factors.

Investing in our common stock involves a high degree of risk. For a detailed discussion of the risks that affect our business, please refer to the section titled “Item 1A. Risk Factors” in our 2025 Form 10-K.

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

None.

Item 5. Other Information.

During our fiscal quarter ended September 30, 2026, no director or “officer” (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits.

Exhibit Number	Description
3.1	Restated Articles of Organization (incorporated by reference to Exhibit 3.1 to the Registrant's Annual Report on Form 10-K (File No. 001-38891) filed with the SEC on March 17, 2020)
3.2	Second Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-38891) filed with the SEC on November 4, 2022)
10.1*#	Executive Retention Agreement, dated as of September 10, 2026, by and between the Registrant and Fernando Araujo
10.2*#	Offer Letter, dated as of September 10, 2026, by and between the Registrant and Fernando Araujo
10.3*#	Transition Agreement, dated as of September 10, 2026, by and between the Registrant and Gerardo Hernandez
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
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 with Embedded Linkbase Documents
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith
# Indicated a management or compensatory plan, contract or arrangement
† This certification will not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent specifically incorporated by reference into 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.

Date: November 5, 2026

TRANSMEDICS GROUP, INC.

By: /s/ Waleed H. Hassanein, M.D.
Waleed H. Hassanein, M.D.
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 5, 2026

By: /s/ Fernando Araujo
Fernando Araujo
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

Exhibit 10.1

TRANSMEDICS, INC.

Executive Retention Agreement

THIS EXECUTIVE RETENTION AGREEMENT (this "Agreement") by and between TransMedics, Inc., a Delaware corporation (the "Company"), and **Fernando Araujo** (the "Executive") is made as of September 10, 2026, and effective as of the date the Executive begins employment with the Company (the "Effective Date").

WHEREAS, the Board of Directors of the Company (the "Board") has determined that appropriate steps should be taken to reinforce and encourage the employment and dedication of the Company's key personnel; and

WHEREAS, the Board has identified the Executive as one of the Company's key personnel.

NOW, THEREFORE, as an inducement for and in consideration of the Executive's employment with the Company, the Company agrees that the Executive shall receive the severance benefits set forth in this Agreement in the event the Executive's employment with the Company is terminated under the circumstances described below.

1. Key Definitions.

As used herein, the following terms shall have the following respective meanings:

1.1 "Change in Control" means an event or occurrence set forth in any one or more of subsections (a) through (d) below (including an event or occurrence that constitutes a Change in Control under one of such subsections but is specifically exempted from another such subsection) that is (i) a change in the ownership of the Company (as defined in Treasury Regulation Section 1.409A-3(i)(5)(v)), (ii) a change in the effective control of the Company (as defined in Treasury Regulation Section 1.409A-3(i)(5)(vi)), or (iii) a change in the ownership of a substantial portion of the assets of the Company (as defined in Treasury Regulation Section 1.409A-3(i)(5)(vii)):

(a) the acquisition by an individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership of any capital stock of the Company if, after such acquisition, such Person beneficially owns (within the meaning of Rule 13d-3 promulgated under the Exchange Act) 50% or more of either (x) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (y) the combined voting power of the then outstanding securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however,

that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Company (excluding an acquisition pursuant to the exercise, conversion or exchange of any security exercisable for, convertible into or exchangeable for common stock or voting securities of the Company, unless the Person exercising, converting or exchanging such security acquired such security directly from the Company or an underwriter or agent of the Company), or (ii) any acquisition by any corporation pursuant to a transaction which complies with clauses (i) and (ii) of subsection (c) of this Section 1.1; or

(b) such time as the Continuing Directors (as defined below) do not constitute a majority of the Board (or, if applicable, the board of directors of a successor corporation to the Company), where the term "Continuing Director" means at any date a member of the Board (i) who was a member of the Board on the date of the execution of this Agreement or (ii) who was nominated or elected subsequent to such date by at least a majority of the directors who were Continuing Directors at the time of such nomination or election or whose election to the Board was recommended or endorsed by at least a majority of the directors who were Continuing Directors at the time of such nomination or election; provided, however, that there shall be excluded from this clause (ii) any individual whose initial assumption of office occurred as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents, by or on behalf of a person other than the Board; or

(c) the consummation of a merger, consolidation, reorganization, recapitalization or statutory share exchange involving the Company or a sale or other disposition of all or substantially all of the assets of the Company in one or a series of transactions (a "Business Combination"), unless, immediately following such Business Combination, each of the following two conditions is satisfied: (i) all or substantially all of the individuals and entities who were the beneficial owners of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then outstanding shares of common stock and the combined voting power of the then outstanding securities entitled to vote generally in the election of directors, respectively, of the resulting or acquiring corporation in such Business Combination (which shall include, without limitation, a corporation which as a result of such transaction owns the Company or substantially all of the Company's assets either directly or through one or more subsidiaries) (such resulting acquiring corporation is referred to herein as the "Acquiring Corporation") in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, respectively; and (ii) no Person (excluding any employee benefit plan (or related trust) maintained or sponsored by the Company or by the Acquiring Corporation) beneficially owns, directly or indirectly, 50% or more of the then outstanding shares of common stock of the Acquiring Corporation, or of the combined voting power of the then outstanding securities of such corporation entitled to vote generally in the

election of directors (except to the extent that such ownership existed prior to the Business Combination); or

(d) the liquidation or dissolution of the Company.

1.2 "Change in Control Date" means the first date during the Term (as defined in Section 2) on which a Change in Control occurs. Anything in this Agreement to the contrary notwithstanding, if (a) a Change in Control occurs, (b) the Executive's employment with the Company is terminated prior to the date on which the Change in Control occurs, and (c) it is reasonably demonstrated by the Executive that such termination of employment (i) was at the request of a third party who has taken steps reasonably calculated to effect a Change in Control or (ii) otherwise arose in connection with or in anticipation of a Change in Control, then for all purposes of this Agreement the "Change in Control Date" shall mean the date immediately prior to the date of such termination of employment.

1.3 "Cause" means willful misconduct by the Executive or willful failure by the Executive to perform the Executive's responsibilities to the Company (including, without limitation, breach by the Executive of any provision of any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Executive and the Company), as determined by the Company, which determination shall be conclusive; provided, however, that, following the Change in Control Date, Cause means (a) willful failure by the Executive, which failure is not cured within 30 days of written notice to the Executive from the Company, to perform the Executive's material responsibilities to the Company or (b) willful misconduct by the Executive which affects the business reputation of the Company.

1.4 "Date of Termination" means the effective date of an employment termination, as further described in Section 3.2.

1.5 "Disability" means the Executive's absence from the full-time performance of the Executive's duties with the Company for 180 consecutive calendar days as a result of incapacity due to mental or physical illness which is determined to be total and permanent by a physician selected by the Company or its insurers and acceptable to the Executive or the Executive's legal representative.

1.6 "Good Reason" means the occurrence, without the Executive's written consent, of any of the events or circumstances set forth in clauses (a) through (e) below. Notwithstanding the occurrence of any such event or circumstance, such occurrence shall not be deemed to constitute Good Reason unless: (i) the Executive has given written notice to the Company of the Executive's intention to terminate the Executive's employment for Good Reason, describing the grounds for such action, no later than 90 days after the first occurrence of such circumstances, (ii) the Executive has provided the Company with at least 30 days in which to cure the circumstances, and (iii) if the Company is not successful in curing the event or circumstance, the Executive ends the Executive's employment within 30 days following the end of the cure period after giving not less than 15 days' advance notice. Moreover, if such event or circumstance has been fully corrected within the cure

period, such event or circumstance may not be used by the Executive at any time thereafter as basis for establishing Good Reason.

(a) a material adverse change by the Company in the Executive's duties, authority or responsibilities in effect immediately prior to the earliest to occur of (i) the Change in Control Date, (ii) the date of the execution by the Company of the initial written agreement or instrument providing for the Change in Control or (iii) the date of the adoption by the Board of a resolution providing for the Change in Control (with the earliest to occur of such dates referred to herein as the "Measurement Date"); provided, however, that a "material adverse change" following a Change in Control shall not include any diminution in authority, duties or responsibilities that is solely attributable to the change in the Company's ownership structure but does not otherwise change the Executive's authority, duties or responsibilities (except in a positive manner) otherwise with respect to the Company's business;

(b) a material reduction in the Executive's base compensation as in effect on the Measurement Date or as the same was or may be increased thereafter from time to time;

(c) a material change by the Company in the location at which the Executive performs the Executive's principal duties for the Company to a new location that is both (i) outside a radius of 50 miles from the Executive's principal residence immediately prior to the Measurement Date and (ii) more than 50 miles from the location at which the Executive performed the Executive's principal duties for the Company immediately prior to the Measurement Date;

(d) the failure of the Company to obtain the agreement from any successor to the Company to assume and agree to perform this Agreement, as required by Section 6.1; or

(e) any material breach by the Company of this Agreement or any employment agreement with the Executive.

2. Term of Agreement. This Agreement, and all rights and obligations of the parties hereunder, shall take effect upon the Effective Date and shall expire upon the first to occur of (a) if neither a termination of the Executive's employment with the Company described in Section 4.1(a) below nor a Change in Control has occurred during the Term (as defined below), the expiration of the Term, (b) if a termination of the Executive's employment with the Company described in Section 4.1(a) below occurs during the Term or within twenty-four (24) months following a Change in Control, the fulfillment by the Company of all of its obligations under Sections 4 and 5.2 and 5.3 or (c) if a Change in Control occurs prior to expiration of the Term (as defined below), the later of (i) the date twenty-four (24) months after the Change in Control Date and (ii) if the Executive's employment with the Company terminates within twenty-four (24) months following the Change in Control Date, the fulfillment by the Company of all of its obligations under Sections 4 and 5.2 and 5.3. "Term" shall mean the period commencing as of the Effective Date and continuing in effect through December 31, 2026; provided, however, that commencing on January 1, 2027 and each January 1 thereafter, the Term shall be automatically extended for one additional year.

3. Employment Status; Termination of Employment.

3.1 Not an Employment Contract. The Executive acknowledges that this Agreement does not constitute a contract of employment or impose on the Company any obligation to retain the Executive as an employee and that this Agreement does not prevent the Executive from terminating employment at any time. If the Executive's employment with the Company terminates for any reason and subsequently a Change in Control shall occur, the Executive shall not be entitled to any benefits hereunder except as otherwise provided pursuant to Section 4.1.

3.2 Termination of Employment.

(a) If the Change in Control Date occurs during the Term, any termination of the Executive's employment by the Company or by the Executive within twenty-four (24) months following the Change in Control Date (other than due to the death of the Executive) shall be communicated by a written notice to the other party hereto (the "Notice of Termination"), given in accordance with Section 7. Following the Change in Control Date, any Notice of Termination shall: (i) indicate the specific termination provision (if any) of this Agreement relied upon by the party giving such notice, (ii) to the extent applicable, set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) specify the Date of Termination. Following the Change in Control Date, the Date of Termination shall be the close of business on the date specified in the Notice of Termination (which date may not be, in the case of notice by the Company, less than 15 days or more than 120 days after the date of delivery of such Notice of Termination or, in the case of a notice by the Executive (other than a termination for Good Reason), may not be less than 90 days or more than 120 days after the date of delivery of such Notice of Termination unless otherwise agreed to by the Company), in the case of a termination other than one due to the Executive's death, or the date of the Executive's death, as the case may be. In the event the Company fails to satisfy the requirements of Section 3.2(a) regarding a Notice of Termination, following the Change in Control Date, the purported termination of the Executive's employment pursuant to such Notice of Termination shall not be effective for purposes of this Agreement.

(b) The failure by the Executive or the Company to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason or Cause shall not waive any right of the Executive or the Company, respectively, hereunder or preclude the Executive or the Company, respectively, from asserting any such fact or circumstance in enforcing the Executive's or the Company's rights hereunder; provided, however, that any fact or circumstance which contributes to a showing of Good Reason must be asserted within 90 days of its first occurring and the Company shall have at least 30 days in which to cure such fact or circumstance consistent with the terms of Section 1.6 above.

(c) Following the Change in Control Date, any Notice of Termination for Cause given by the Company must be given within 90 days of the occurrence of the event(s) or circumstance(s) which constitute(s) Cause. Prior to any Notice of Termination for Cause being

given (and prior to any termination for Cause being effective) after the Change in Control Date, the Executive shall be entitled to a hearing before the Board at which the Executive may, at the Executive's election, be represented by counsel and at which the Executive shall have a reasonable opportunity to be heard. Such hearing shall be held on not less than 15 days prior written notice to the Executive stating the Board's intention to terminate the Executive for Cause and stating in detail the particular event(s) or circumstance(s) which the Board believes constitutes Cause for termination.

(d) Any Notice of Termination for Good Reason given by the Executive, whether prior to or following the Change in Control Date, must be given consistent with Section 1.6 above.

4. Benefits to Executive upon Termination.

4.1 Termination of Employment without Cause or for Good Reason prior to Change in Control. If, during the Term and prior to the occurrence of a Change in Control, the Executive's employment with the Company is terminated by the Company (other than for Cause, Disability or death) or by the Executive for Good Reason, then:

(a) on the Date of Termination, the Company shall pay to the Executive, in a lump sum in cash, the sum of (i) the Executive's base salary earned but unpaid as of the Date of Termination, (ii) the amount of any compensation previously deferred by the Executive (together with any accrued interest or earnings thereon), provided that such payment of deferred compensation is consistent with any elections the Executive may have made with respect thereto, (iii) any accrued but unpaid vacation pay, in each case to the extent not previously paid (the sum of the amounts described in clauses (i), (ii) and (iii) shall be hereinafter referred to as the "Accrued Obligations") and, at the same time that annual bonuses are paid to active executives, the Company shall pay to the Executive, in a lump sum in cash, any annual bonus relating to the fiscal year prior to the year in which such termination occurs, to the extent earned based on performance and unpaid (the "Prior Year's Bonus"); and

(b) provided that the Executive executes and does not revoke the Release (as defined below) consistent with Section 4.7 below, the Company shall:

(i) if such termination of employment occurs before the date that is the twelve (12)-month anniversary of the Effective Date:

(A) pay to the Executive, in six (6) monthly installments beginning in the first payroll period following the Release Effective Date (as defined in Section 4.7), an amount equal to six (6) months of the Executive's base salary as in effect on the Date of Termination, reduced by any amounts payable to the Executive under any non-competition or similar agreement with respect to the same period;

(B) pay to the Executive, in a lump sum at the same time bonuses are otherwise paid to active executives of the Company for the year in which such termination of

employment occurs, an amount equal to the bonus that the Executive would have received for such year had the Executive not terminated employment, calculated based on actual performance and prorated based on the time period that the Executive was employed by the Company for such year; and

(C) subject to the Executive's timely election to continue participation and that of the Executive's eligible dependents in the Company's group medical, dental and/or vision plans under the federal law known as "COBRA" or similar applicable state law (together, "COBRA"), the Company will pay for the monthly cost of such COBRA continuation coverage for the Company's group medical, dental and/or vision insurance premiums (as applicable), with such continuation on the same basis as in effect for active employees with the same coverage until the earliest of (1) six (6) months following the Release Effective Date, (2) the date the Executive and the Executive's eligible dependents are no longer entitled to coverage under COBRA or the Company's plans, or (3) the date on which the Executive becomes reemployed with another employer and is eligible to receive group health insurance from such employer on terms at least as favorable to the Executive and the Executive's eligible dependents as those being provided by the Company. Notwithstanding the foregoing, in the event that the Company's payment of the premium payments, as described in this Section, would subject the Company to any tax or penalty under Section 105(h) of the Internal Revenue Code of 1986, as amended (the "Code"), the Patient Protection and Affordable Care Act, as amended, any regulations or guidance issued thereunder, or any other applicable law, in each case, as determined by the Company, then the Company will not be required to provide them.

(ii) if such termination of employment occurs on or after the date that is the twelve (12)-month anniversary of the Effective Date:

(A) pay to the Executive, in twelve (12) monthly installments beginning in the first payroll period following the Release Effective Date, an amount equal to the Executive's base salary as in effect on the Date of Termination, reduced by any amounts payable to the Executive under any non-competition or similar agreement with respect to the same period;

(B) pay to the Executive, in twelve (12) monthly installments beginning in the first payroll period following the Release Effective Date, an amount equal to the Executive's highest annual bonus during the three-year period prior to the Date of Termination;

(C) pay to the Executive, in a lump sum at the same time bonuses are otherwise paid to active executives of the Company for the year in which such termination of employment occurs, an amount equal to the Executive's annual bonus earned for the year in which such termination of employment occurs (if any), prorated based on the

number of days that the Executive was employed by the Company during the year in which such termination of employment occurs; and

(D) subject to the Executive's timely election to continue participation and that of the Executive's eligible dependents in the Company's group medical, dental and/or vision plans under COBRA, the Company will pay for the monthly cost of such COBRA continuation coverage for the Company's group medical, dental and/or vision insurance premiums (as applicable), with such continuation on the same basis as in effect for active employees with the same coverage until the earliest of (1) twelve (12) months following the Release Effective Date, (2) the date the Executive and the Executive's eligible dependents are no longer entitled to coverage under COBRA or the Company's plans, or (3) the date on which the Executive becomes reemployed with another employer and is eligible to receive group health insurance from such employer on terms at least as favorable to the Executive and the Executive's eligible dependents as those being provided by the Company. Notwithstanding the foregoing, in the event that the Company's payment of the premium payments, as described in this Section, would subject the Company to any tax or penalty under Section 105(h) of the Code, the Patient Protection and Affordable Care Act, as amended, any regulations or guidance issued thereunder, or any other applicable law, in each case, as determined by the Company, then the Company will not be required to provide them.

4.2 Termination of Employment without Cause or for Good Reason following Change in Control. If the Executive's employment with the Company is terminated by the Company (other than for Cause, Disability or death) or by the Executive for Good Reason within twenty-four (24) months following the Change in Control Date, then:

(a) the Company shall pay to the Executive the Accrued Obligations, which shall be paid in one lump sum in cash on the Date of Termination, and the Prior Year's Bonus (if any), which shall be paid in a lump sum in cash when annual bonuses are paid to executives generally; and

(b) provided the Executive executes and does not revoke the Release consistent with Section 4.7 below, the Company shall:

(i) pay the amount equal to the sum of (A) the product obtained by multiplying (1) 1.5 by (2) the Executive's annual base salary as in effect on the Date of Termination, (B) the Executive's highest annual bonus during the three-year period prior to the Date of Termination, and (C) the Executive's target annual bonus for the year in which the Date of Termination occurs, which shall be paid in one lump sum within 10 days after the Release Effective Date; provided that if the Date of Termination precedes the closing of the Change in Control, then the foregoing amount shall be paid in accordance with the terms of Section 4.1(b) until the closing date of the Change in Control and thereafter shall be paid out in accordance with this Section 4.2(b)(i);

(ii) subject to the Executive's timely election to continue participation and that of the Executive's eligible dependents in the Company's group medical, dental and/or vision plans under COBRA, the Company will pay for the monthly cost of such COBRA continuation coverage for the Company's group medical, dental and/or vision insurance premiums (as applicable), with such continuation on the same basis as in effect for active employees with the same coverage until the earliest of (A) eighteen (18) months following the Release Effective Date, (B) the date the Executive and the Executive's eligible dependents are no longer entitled to coverage under COBRA or the Company's plans, or (C) the date on which the Executive becomes reemployed with another employer and is eligible to receive group health insurance from such employer on terms at least as favorable to the Executive and the Executive's eligible dependents as those being provided by the Company. Notwithstanding the foregoing, in the event that the Company's payment of the premium payments, as described in this Section, would subject the Company to any tax or penalty under Section 105(h) of the Code, the Patient Protection and Affordable Care Act, as amended, any regulations or guidance issued thereunder, or any other applicable law, in each case, as determined by the Company, then the Company will not be required to provide them; and

(iii) each outstanding option to purchase shares of Common Stock of the Company and each other equity-based award, including without limitation, restricted stock units, held by the Executive shall vest in full (with any performance-based equity awards vesting at target levels) and, as applicable, become immediately exercisable in full.

4.3 Resignation without Good Reason following Change in Control; Termination for Death or Disability. If the Executive voluntarily terminates the Executive's employment with the Company within 24 months following the Change in Control Date, excluding a termination for Good Reason, or if the Executive's employment with the Company is terminated by reason of the Executive's death or Disability, then the Company shall pay the Executive (or the Executive's estate, if applicable) the Accrued Obligations in a lump sum in cash on the first regular payroll after the Date of Termination.

4.4 Termination for Cause; Resignation prior to Change in Control. If the Company terminates the Executive's employment with the Company for Cause or if the Executive voluntarily terminates the Executive's employment with the Company prior to a Change in Control, then the Company shall pay the Executive, in a lump sum in cash on the Date of Termination, the sum of (a) the Executive's base salary earned through the Date of Termination, (b) the amount of any compensation previously deferred by the Executive, provided that such payment of deferred compensation is consistent with any elections the Executive may have made with respect thereto, and (c) any accrued but unpaid vacation pay, in each case to the extent not previously paid. The Executive must provide six (6) months' prior written notice to the Company, given in accordance with Section 7, of the Executive's voluntary resignation prior to a Change in Control.

4.5 Taxes.

(a) Notwithstanding any other provision of this Agreement, except as set forth in Section 4.5(b), in the event that the Company undergoes a "Change in Ownership or Control" (as defined below), the Company shall not be obligated to provide to the Executive a portion of any "Contingent Compensation Payments" (as defined below) that the Executive would otherwise be entitled to receive to the extent necessary to eliminate any "excess parachute payments" (as defined in Section 280G(b)(l) of the Code) for the Executive. For purposes of this Section 4.5, the Contingent Compensation Payments so eliminated shall be referred to as the "Eliminated Payments" and the aggregate amount (determined in accordance with Treasury Regulation Section 1.280G-1, Q/A-30 or any successor provision) of the Contingent Compensation Payments so eliminated shall be referred to as the "Eliminated Amount."

(b) Notwithstanding the provisions of Section 4.5(a), no such reduction in Contingent Compensation Payments shall be made if (i) the Eliminated Amount (computed without regard to this sentence) exceeds (ii) the aggregate present value (determined in accordance with Treasury Regulation Section 1.280G-1, Q/A-31 and Q/A-32 or any successor provisions) of the amount of any additional taxes that would be incurred by the Executive if the Eliminated Payments (determined without regard to this sentence) were paid to the Executive (including, state and federal income taxes on the Eliminated Payments, the excise tax imposed by Section 4999 of the Code payable with respect to all of the Contingent Compensation Payments in excess of the Executive's "base amount" (as defined in Section 280G(b)(3) of the Code), and any withholding taxes). The override of such reduction in Contingent Compensation Payments pursuant to this Section 4.5(b) shall be referred to as a "Section 4.5(b) Override." For purpose of this paragraph, if any federal or state income taxes would be attributable to the receipt of any Eliminated Payment, the amount of such taxes shall be computed by multiplying the amount of the Eliminated Payment by the maximum combined federal and state income tax rate provided bylaw.

(c) For purposes of this Section 4.5, the following terms shall have the following respective meanings:

(i) "Change in Ownership or Control" shall mean a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company determined in accordance with Section 280G(b)(2) of the Code.

(ii) "Contingent Compensation Payment" shall mean any payment (or benefit) in the nature of compensation that is made or made available (under this Agreement or otherwise) to a "disqualified individual" (as defined in Section 280G(c) of the Code) and that is contingent (within the meaning of Section 280G(b)(2)(A)(i) of the Code) on a Change in Ownership or Control of the Company.

(d) Any payments or other benefits otherwise due to the Executive following a Change in Ownership or Control that could reasonably be characterized (as determined by the Company) as Contingent Compensation Payments (the "Potential Payments") shall not be made until the dates provided for in this Section 4.5(d). Within 30 days after each date on

which the Executive first becomes entitled to receive (whether or not then due) a Contingent Compensation Payment relating to such Change in Ownership or Control, the Company shall determine and notify the Executive (with reasonable detail regarding the basis for its determinations) (i) which Potential Payments constitute Contingent Compensation Payments, (ii) the Eliminated Amount and (iii) whether the Section 4.5(b) Override is applicable. Within 30 days after delivery of such notice to the Executive, the Executive shall deliver a response to the Company (the "Executive Response") stating either (A) that the Executive agrees with the Company's determination pursuant to the preceding sentence or (B) that the Executive disagrees with such determination, in which case the Executive shall set forth (i) which Potential Payments should be characterized as Contingent Compensation Payments, (ii) the Eliminated Amount, and (iii) whether the Section 4.5(b) Override is applicable. In the event that the Executive fails to deliver an Executive Response on or before the required date, the Company's initial determination shall be final. If the Executive states in the Executive Response that the Executive agrees with the Company's determination, the Company shall make the Potential Payments to the Executive within three business days following delivery to the Company of the Executive Response (except for any Potential Payments which are not due to be made until after such date, which Potential Payments shall be made on the date on which they are due). If the Executive states in the Executive Response that the Executive disagrees with the Company's determination, then, for a period of 60 days following delivery of the Executive Response, the Executive and the Company shall use good faith efforts to resolve such dispute. If such dispute is not resolved within such 60-day period, such dispute shall be settled exclusively by arbitration as set forth in Section 5.1 below. Judgment may be entered on the arbitrator's award in any court having jurisdiction. The Company shall, within three business days following delivery to the Company of the Executive Response, make to the Executive those Potential Payments as to which there is no dispute between the Company and the Executive regarding whether they should be made (except for any such Potential Payments which are not due to be made until after such date, which Potential Payments shall be made on the date on which they are due). The balance of the Potential Payments shall be made within three business days following the resolution of such dispute. Subject to the limitations contained in Sections 4.5(a) and (b) hereof, the amount of any payments to be made to the Executive following the resolution of such dispute shall be increased by amount of the accrued interest thereon computed at the prime rate announced from time to time by Bank of America or its successor, compounded monthly from the date that such payments originally were due.

(e) The Contingent Compensation Payments to be treated as Eliminated Payments shall be determined by the Company by determining the "Contingent Compensation Payment Ratio" (as defined below) for each Contingent Compensation Payment and then reducing the Contingent Compensation Payments in order beginning with the Contingent Compensation Payment with the highest Contingent Compensation Payment Ratio. For Contingent Compensation Payments with the same Contingent Compensation Payment Ratio, such Contingent Compensation Payment shall be reduced based on the time of payment of such Contingent Compensation Payments with amounts having later payment dates being reduced

first. For Contingent Compensation Payments with the same Contingent Compensation Payment Ratio and the same time of payment, such Contingent Compensation Payments shall be reduced on a pro rata basis (but not below zero) prior to reducing Contingent Compensation Payment with a lower Contingent Compensation Payment Ratio. The term "Contingent Compensation Payment Ratio" shall mean a fraction the numerator of which is the value of the applicable Contingent Compensation Payment that must be taken into account by the Executive for purposes of Section 4999(a) of the Code, and the denominator of which is the actual amount to be received by the Executive in respect of the applicable Contingent Compensation Payment. For example, in the case of an equity grant that is treated as contingent on the Change in Ownership or Control because the time at which the payment is made or the payment vests is accelerated, the denominator shall be determined by reference to the fair market value of the equity at the acceleration date, and not in accordance with the methodology for determining the value of accelerated payments set forth in Treasury Regulation Section 1.280G-lQ/A-24(b) or (c)).

(f) The provisions of this Section 4.5 are intended to apply to any and all payments or benefits available to the Executive under this Agreement or any other agreement or plan of the Company under which the Executive receives Contingent Compensation Payments.

4.6 Distributions; Section 409A of the Code.

(a) Subject to the provisions in this Section 4.6, any severance payments or benefits under this Agreement shall begin only upon the date of the Executive's "separation from service" (determined as set forth below) which occurs on or after the Executive's Date of Termination. It is intended that each installment of the payments and benefits provided under this Section 4 shall be treated as a separate "payment" for purposes of Section 409A of the Code and the guidance issued thereunder ("Section 409A"). Neither the Company nor the Executive shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Section 409A.

(b) If, as of the date of the "separation from service" of the Executive from the Company, the Executive is not a "specified employee" (each within the meaning of Section 409A), then each installment of the severance payments and benefits shall be made on the dates and terms set forth in this Section 4.

(c) If, as of the date of the Executive's "separation from service" from the Company, the Executive is a "specified employee" (each, for purposes of this Agreement, within the meaning of Section 409A), then:

(i) Each installment of the severance payments and benefits due under this Section 4 that, in accordance with the dates and terms set forth herein, will in all circumstances, regardless of when the separation from service occurs, be paid within the short-term deferral period (as defined under Section 409A) shall be treated as a short-term deferral within the meaning of Treasury Regulation Section 1.409A-1(b)(4)

to the maximum extent permissible under Section 409A and such payments and benefits shall be paid or provided on the dates and terms set forth in this Agreement; and

(ii) Each installment of the severance payments and benefits due under this Section 4 that is not described in Section 4.6(c)(i) above and that would, absent this subsection, be paid within the six-month period following the Executive's "separation from service" from the Company shall not be paid until the date that is six months and one day after such separation from service (or, if earlier, the death of the Executive), with any such installments that are required to be delayed being accumulated during the six-month period and paid in a lump sum on the date that is six months and one day following the Executive's separation from service and any subsequent installments, if any, being paid in accordance with the dates and terms set forth herein; provided, however, that the preceding provisions of this sentence shall not apply to any installment of severance payments and benefits if and to the maximum extent that such installment is deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-l(b)(9)(iii) (relating to separation pay upon an involuntary separation from service). Any installments that qualify for the exception under Treasury Regulation Section 1.409A-1(b)(9)(iii) must be paid no later than the last day of the second taxable year of the Executive following the taxable year of the Executive in which the separation from service occurs.

(d) The determination of whether and when the Executive's separation from service from the Company has occurred shall be made and in a manner consistent with and based on the presumptions set forth in, Treasury Regulation Section 1.409A-l(h). Solely for purposes of this Section 4.6, "Company" shall include all persons with whom the Company would be considered a single employer under Section 414 and 414(c) of the Code.

(e) All reimbursements and in-kind benefits provided under this Agreement shall be made or provided in accordance with the requirements of Sections 409A to the extent that such reimbursements or in-kind benefits are subject to Section 409A, including, where applicable, the requirements that (i) any reimbursement is for expenses incurred during the Executive's lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year, (iii) the reimbursement of an eligible expense will be made on or before the last day of the calendar year following the year in which the expense is incurred and (iv) the right to reimbursement is not subject to set off or liquidation or exchange for any other benefit.

(f) Notwithstanding anything herein to the contrary, neither the Company, the Board nor its or their designees or agents shall have any liability to the Executive or to any other person if the payments and benefits provided hereunder that are intended to be exempt from or compliant with Section 409A are not so exempt or compliant.

4.7 Release; Sole Remedy. The Company's obligation to make the severance payments and provide the severance benefits to the Executive under this Agreement are conditioned upon (i) the execution and non-revocation by the Executive of a release of claims (in a form provided by the Company within seven (7) days following the end of Executive's employment)(the "Release") within 60 days following the Date of Termination, and (ii) the Executive's compliance with any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Executive and the Company, provided that the Executive shall be deemed to have been in compliance with the provisions of such agreement if, within ten (10) days of written notice thereof, such noncompliance is cured, unless the Board determines in good faith that noncompliance is not curable, and (b) constitute the sole remedy of the Executive in the event of a termination of the Executive's employment for any reason. The date on which the Release becomes effective shall be the "Release Effective Date." Notwithstanding the foregoing, if the 60th day following the date of termination occurs in the calendar year following the calendar year of the termination, then the Release Effective Date shall be no earlier than January 1 of such subsequent calendar year.

4.8 Mitigation. The Executive shall not be required to mitigate the amount of any payment or benefits provided for in this Section 4 by seeking other employment or otherwise. Further, except as provided in Section 4.1(b) and Section 4.5, the amount of any payment or benefits provided for in this Section 4 shall not be reduced by any compensation earned by the Executive as a result of employment by another employer, by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company or otherwise.

5. Disputes.

5.1 Settlement of Disputes; Arbitration. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board and shall be in writing. Any denial by the Board of a claim for benefits under this Agreement shall be delivered to the Executive in writing and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim. Any further dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by binding arbitration in Boston, Massachusetts, in accordance with the Employment Arbitration rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction.

5.2 Expenses. If the Change in Control Date occurs during the Term, the Company agrees to pay as incurred, to the full extent permitted by law, all legal, accounting and other fees and expenses which the Executive may reasonably incur after the Change in Control Date as a result of any claim or contest (regardless of the outcome thereof) by the Company, the Executive or others regarding the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof (including as a result of any contest by the Executive regarding the amount of any payment or benefits pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code.

5.3 Compensation During a Dispute. If the Change in Control Date occurs during the Term and the Executive's employment with the Company terminates within twenty-four (24) months following the Change in Control Date, and the right of the Executive to receive benefits under Section 4 (or the amount or nature of the benefits to which the Executive is entitled to receive) are the subject of a bona fide dispute between the Company and the Executive, the Company shall continue (a) to pay to the Executive the Executive's base salary in effect as of the Measurement Date and (b) to provide benefits to the Executive and the Executive's family at least equal to those which would have been provided to them, if the Executive's employment had not been terminated, in accordance with the applicable benefit plans in effect on the Measurement Date, until such dispute is resolved either by mutual written agreement of the parties or by an arbitrator's award pursuant to Section 5.1. Following the resolution of such dispute, the sum of the payments made to the Executive under clause (a) of this Section 5.3 shall be deducted from any cash payment which the Executive is entitled to receive pursuant to Section 4; and if such sum exceeds the amount of the cash payment which the Executive is entitled to receive pursuant to Section 4, the excess of such sum over the amount of such payment shall be repaid (without interest) by the Executive to the Company within 60 days of the resolution of such dispute.

6. Successors.

6.1 Successor to Company. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no such succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a breach of this Agreement and shall constitute Good Reason if the Executive elects to terminate employment, except that for purposes of implementing the foregoing, the date on which any such succession becomes effective shall be deemed the Date of Termination. As used in this Agreement, "Company" shall mean the Company as defined above and any successor to its business or assets as aforesaid which assumes and agrees to perform this Agreement, by operation of law or otherwise.

6.2 Successor to Executive. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amount would still be payable to the Executive or the Executive's family hereunder if the Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the executors, personal representatives or administrators of the Executive's estate.

7. Notice. All notices, instructions and other communications given hereunder or in connection herewith shall be in writing. Any such notice, instruction or communication shall be sent either (i) by registered or certified mail, return receipt requested, postage prepaid, or (ii) prepaid via a reputable nationwide overnight courier service, in each case addressed to the Company, at 200 Minuteman Road, Andover, Massachusetts 01810, Attn: Chief Executive Officer, and to the Executive at the Executive's last residential address on file at the Company (or to such other address as either

the Company or the Executive may have furnished to the other in writing in accordance herewith). Any such notice, instruction or communication shall be deemed to have been delivered five business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, or one business day after it is sent via a reputable nationwide overnight courier service. Either party may give any notice, instruction or other communication hereunder using any other means, but no such notice, instruction or other communication shall be deemed to have been duly delivered unless and until it actually is received by the party for whom it is intended.

8. Miscellaneous.

8.1 Employment by Subsidiary. For purposes of this Agreement, the Executive's employment with the Company shall not be deemed to have terminated solely as a result of the Executive continuing to be employed by a wholly-owned subsidiary of the Company.

8.2 Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

8.3 Injunctive Relief. The Company and the Executive agree that any breach of this Agreement by the Company is likely to cause the Executive substantial and irrevocable damage and therefore, in the event of any such breach, in addition to such other remedies which may be available, the Executive shall have the right to specific performance and injunctive relief.

8.4 Governing Law. The validity, interpretation, construction and performance of this Agreement shall be governed by the internal laws of the Commonwealth of Massachusetts, without regard to conflicts of law principles.

8.5 Waivers. No waiver by the Executive at any time of any breach of, or compliance with, any provision of this Agreement to be performed by the Company shall be deemed a waiver of that or any other provision at any subsequent time.

8.6 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but both of which together shall constitute one and the same instrument.

8.7 Tax Withholding. Any payments provided for hereunder shall be paid net of any applicable tax withholding required under federal, state or local law.

8.8 Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party hereto in respect of the subject matter contained herein; and any prior agreement of the parties hereto in respect of the subject matter contained herein is hereby terminated and cancelled.

8.9 Amendments. This Agreement may be amended or modified only by a written instrument executed by both the Company and the Executive.

8.10 Executive's Acknowledgements. The Executive acknowledges that the Executive: (a) has read this Agreement; (b) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of the Executive's own choice or has voluntarily declined to seek such counsel; (c) understands the terms and consequences of this Agreement; and (d) understands that the law firm of Ropes & Gray LLP is acting as counsel to the Company in connection with the transactions contemplated by this Agreement, and is not acting as counsel for the Executive.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

TRANSMEDICS, INC.

By: /s/ Waleed H. Hassanein, M.D.

Waleed H. Hassanein, M.D.

Its President and Chief Executive Officer

/s/ Fernando Araujo

Fernando Araujo

Exhibit 10.2

September 10, 2026

Dear Mr. Araujo:

On behalf of TransMedics, Inc., (the "Company"), I am very pleased to offer you employment with the Company contingent upon successful completion of the reference and background check processes, as well as verification of your eligibility for employment within three business days of the Start Date (as defined below) pursuant to the Immigration Reform and Control Act. This letter agreement ("Agreement") sets forth the terms and conditions of your employment with the Company, should you timely accept our offer.

1. **Position**. Your position will be Chief Financial Officer, reporting to Dr. Waleed Hassanein, the Company's Chief Executive Officer. In addition, from time to time the Company may assign you other duties and responsibilities consistent with your position. As a full-time employee of the Company, you will be expected to devote your full business time and energy to the business and affairs of the Company. Your principal work location will be at the Company's headquarters, currently located in Andover, Massachusetts.

2. **Start Date and Nature of Relationship**. Your employment start date is expected to be September 21, 2026 (the date that you actually begin employment with the Company, the "Start Date"). The terms and conditions contained in this Agreement are contingent upon your becoming employed by the Company. Your employment with the Company will be for no specified period and will constitute "at-will" employment. Should you decide to terminate your employment at any time, you are required to provide the Company with 90-days' written notice (which period of notice may be waived, in whole or in part, by the Company in its sole discretion), except as otherwise provided in the Retention Agreement. No provision of this Agreement shall be construed to create an express or implied employment contract between you and the Company for any specific period of time.

3. **Compensation and Benefits**. During your employment, as compensation for the services performed by you for the Company and subject to your performance of your duties and responsibilities for the Company, the Company will provide you with the following compensation and benefits:

    a) **Base Salary**. The Company will pay you a base salary at the rate of $590,000 per year, payable in accordance with the Company's normal payroll practices. Your base salary will be eligible for potential discretionary merit increases, in the discretion of the CEO with approval by the compensation committee (the "Compensation Committee") of the Board of Directors of the Company (the "Board").

b) **Annual Bonus**. For any fiscal year for which the Compensation Committee approves an annual bonus, you will be eligible to be considered for an annual bonus with a target equal to sixty percent (60%) of your annual base salary. The annual bonus payment, if any, will be based on Company performance against corporate objectives, functional performance and/or your individual performance as determined by the CEO with the approval of the Compensation Committee. In any event, except as provided in the Retention Agreement (as hereinafter defined), you must be an active TransMedics employee in good standing on the date that any annual bonus is paid in order to receive the annual bonus. You will be eligible for a pro-rated annual bonus for fiscal 2026 based on the number of days that you are employed by the Company in such year.

c) **Equity-Based Compensation**.

i. Subject to approval by the Board or the Compensation Committee, at the first Board or Compensation Committee meeting following the Start Date, in connection with this offer of employment and as an inducement to your accepting employment with the Company, you will be granted an equity award comprised of stock options and restricted stock units. The Company will grant to you an option to purchase shares of the Company's common stock having a grant date value, determined in accordance with the Company's procedures for equity awards, of approximately $1,750,000. The exercise price will reflect the closing stock price of the Company's common stock on the date of grant. The option will vest as to 25% of the underlying shares on the first anniversary of the vesting commencement date and as to the remaining shares in equal monthly installments over three years thereafter, subject to continued employment. The Company will also grant to you restricted stock units having a grant date value, determined in accordance with the Company's procedures for equity awards, of approximately $1,750,000. The restricted stock units will vest as to 25% of the underlying shares on the first four anniversaries of the vesting commencement date, subject to continued employment. The equity award will be granted under the Company's equity incentive plan or inducement equity incentive plan (either, the "Plan") and will be subject to all of the terms and conditions set forth in the Plan and the equity agreements governing the option and restricted stock units. These documents will be provided to you at the time, or as soon as practical after, the equity award is granted to you. In the event of any conflict between this Agreement and the Plan or the equity agreements, the Plan and the equity agreements will control.

ii. You will be eligible to be considered for the grant of other equity-based awards commensurate with your position and responsibilities. The amount, terms, and conditions of any such equity-based awards will be determined by the Board or the Compensation Committee in its discretion based on performance and achievement of milestones consistent with other senior executives of the Company.

iii. The terms and conditions of any equity-based awards granted to you, including the initial equity awards contemplated by Section 3(c)(i), will be set forth in the Plan under which the award is granted and an award agreement evidencing the award, which will be provided to you at or following the time the applicable equity-based award is granted to you. In the event of any conflict between this Agreement and the Plan or award agreement

governing your equity award, the applicable Plan and/or the award agreement will control.

d) **Business Expenses**. The Company will pay or reimburse you for all reasonable business expenses incurred or paid by you in the performance of your duties and responsibilities for the Company, including business-related travel expenses, subject to any maximum annual limit and other restrictions on such expenses determined by the Company and to such reasonable substantiation and documentation as the Company may specify from time to time.

e) **Benefits**. You will be entitled to participate in all employee benefit plans from time to time in effect for employees of the Company generally, except to the extent such plans are duplicative of benefits otherwise provided to you under this Agreement or the Retention Agreement (for example, severance pay) or under any other agreement to which you are a party. Your participation will be subject to the terms of the applicable plan documents and generally applicable Company policies, in each case, as in effect from time to time. In addition, while you are employed, the Company will provide you with a laptop computer and an iPhone with a Company-paid voice and data plan. The Company will pay for all reasonable costs associated with maintaining your professional license (to the extent applicable), membership fees for academic and professional organizations, and attendance at professional conferences during your employment by the Company. The Company retains the right to amend, modify or terminate any of its employee benefit plans or any particular benefit at any time.

f) **Relocation Expenses**. The Company will reimburse you for expenses directly related to your relocation to the Boston, Massachusetts area, subject to the receipt of reasonable substantiation and documentation of such expenses, up to a maximum of $25,000 in the aggregate, in accordance with the Company's expense reimbursement policy, as in effect from time to time. The Company will also reimburse you for the cost of flights between Chicago, Illinois and Boston, Massachusetts and hotel stays and meals while in the Boston, Massachusetts area, in each case in accordance with the Company's executive travel policy, until December 31, 2026 and will further reimburse you for the cost of flights from Boston, Massachusetts to Chicago, Illinois for up to an additional nine months (until September 2027), in accordance with the Company's executive travel policy. The Company's expectation is that your relocation will be completed not later than July 31, 2027.

g) **Sign-on Bonus**. You will receive a sign-on cash bonus in the total amount of $200,000, fifty percent (50%) of which is payable to you not later than forty-five (45) days after the Start Date and the remaining fifty percent (50%) of which is payable to you not later than ninety (90) days following the Start Date, subject to your employment with the Company on the applicable payment date. If your employment is terminated by the Company for Cause or by you voluntarily without Good Reason, prior to the first anniversary of the Start Date, you will be required to repay the sign-on cash bonus to the Company within 30 days of such termination.

h) **Executive Officer Status; Insurance**. Effective as of the Start Date, you will be designated as an "officer" of the Company within the meaning of Rule 16a-1(f) of the Securities

Exchange Act of 1934 (the "Exchange Act") and an "executive officer" of the Company within the meaning of Rule 3b-7 under the Exchange Act. Effective as of the Start Date, you will also be covered under the Company's policies of liability insurance maintained for the benefit of its directors and officers on the same basis as is provided for the Company's other executive officers.

i) **Other**. You acknowledge and agree that, to the extent applicable, all compensation paid to you shall be subject to the Company's Policy for Recoupment of Incentive Compensation, as well as any other clawback or similar policy in effect from time to time.

4. **Retention Agreement**. In connection with your commencement of employment, you will enter into an Executive Retention Agreement in substantially the form set forth as **Exhibit A** hereto (the "Retention Agreement") pursuant to which you will be eligible to receive certain severance payments and/or benefits in the event your employment with the Company is terminated under certain circumstances on the terms and conditions set forth in the Retention Agreement. The Retention Agreement will become effective as of the Start Date. Except as set forth in the Retention Agreement, if your employment with the Company terminates for any reason, you will be entitled to receive your base salary and benefits (but not any incentive compensation) through the date of termination and your right to receive any other compensation or benefits hereunder will terminate as of the date of such termination.

5. **Restrictive Covenants**. The Company considers the protection of its confidential information and proprietary materials to be very important. Concurrent with this Agreement, you will execute a Business Protection Agreement with the Company in substantially the form set forth as **Exhibit B** hereto (such agreement, together with any other restrictive covenant obligations you enter into or are subject to with the Company, the "Restrictive Covenant Agreements"). Notwithstanding anything to the contrary in this Agreement, in the event you breach any provision of the Restrictive Covenant Agreements, the Company's obligation to pay or provide, or continue to pay or provide, any severance benefits under the Retention Agreement will immediately cease.

6. **Withholding**. All payments made under this Agreement shall be reduced by any tax or other amounts required to be withheld by the Company, its successors or any of their respective affiliates under applicable law.

7. **Section 409A**. Notwithstanding anything to the contrary in this Agreement, or if at the time your employment terminates, you are a "specified employee," as defined below, any and all amounts or benefits payable under this Agreement on account of such termination of employment that would (but for this provision) be payable within six (6) months following the date of termination shall instead be paid on the next business day following the expiration of such six (6)-month period or, if earlier, upon your death, except to the extent such amounts or benefits are not subject to the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this Agreement, to the extent required to avoid adverse tax consequences under Section 409A of the Code, all references to "termination of employment" and correlative phrases shall be construed to require a "separation from service" (as defined in Section 1.409A-1(h) of the Treasury regulations after giving effect to the presumptions contained therein), and the term "specified employee" means an individual determined by the Company to

be a specified employee under Section 1.409A- 1(i) of the Treasury regulations. Each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. In addition, any reimbursement payable to you that constitutes nonqualified deferred compensation subject to Section 409A of the Code shall be subject to the following additional rules: (i) no reimbursement of any such expense shall affect your right to reimbursement of any other such expense in any other taxable year; (ii) reimbursement of the expense shall be made, if at all, not later than the end of the calendar year following the calendar year in which the expense was incurred; and (iii) the right to reimbursement shall not be subject to liquidation or exchange for any other benefit.

8. **Section 280G**. If all, or any portion, of the payments or benefits provided under this Agreement, either alone or together with any other payment or benefit which you receive or are entitled to receive from the Company or an affiliate, would constitute an "excess parachute payment" within the meaning of Section 280G of the Code, then, notwithstanding anything in this Agreement or any other agreement or plan to the contrary, you shall be entitled to receive: (i) the amount of such payments or benefits, reduced such that no portion thereof shall fail to be tax deductible under Section 280G of the Code (the "Limited Amount") or (ii) if the amounts otherwise payable hereunder and under any other agreement or plan of the Company or its subsidiaries (without regard to clause (i)), reduced by all taxes applicable thereto (including, for the avoidance of doubt, the excise tax imposed by Section 4999 of the Code), would be greater than the Limited Amount reduced by all taxes applicable thereto, the amounts otherwise payable hereunder and under any other such agreement or plan. All determinations under this Section 8 shall be made by an accounting, consulting or valuation firm selected, and paid for, by the Company. In the event of any conflict between this Section 8 and the Retention Agreement, the Retention Agreement shall control.

9. **Successors**. Neither you nor the Company may make any assignment of this Agreement or any interest in it, by operation of law or otherwise, without the prior written consent of the other; provided, however, the Company may assign any of its rights and obligations under this Agreement without your consent to any of its subsidiaries or affiliates or to any person with whom the Company shall hereafter effect a reorganization, consolidation or merger, or to whom the Company shall hereafter transfer all or substantially all of the properties or assets related to the business for which you work. In the event of any such assignment, references in this Agreement to "the Company" shall be deemed to refer to such subsidiary, affiliate, or other person to the extent of the rights and/or obligations so assigned. This Agreement shall inure to the benefit of and be binding upon you and the Company, and each of our respective successors and permitted assigns.

10. **General**.

    a) This Agreement constitutes the entire agreement between the parties and supersedes all prior and contemporaneous communications, agreements, and understandings, written or oral, with respect to the subject matter hereof. No amendment to this Agreement will be permitted except in writing, signed by the parties hereto. For the avoidance of doubt, the Restrictive

Covenant Agreements and any agreements evidencing stock options or other equity-based awards shall remain in full force and effect in accordance with their respective terms.

b) This Agreement shall be governed by the law of the Commonwealth of Massachusetts, without regard to any conflict of laws provisions.

c) This Agreement may be executed in two or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

We are very excited to have you join our team and are confident you will have a tremendous impact. Please do not hesitate to contact me if I can answer any questions or if I can be of any additional help. If you agree to the terms and conditions of this Agreement, please execute the Agreement in the space provided below and sign the Retention Agreement (**EXHIBIT A**) and the Business Protection Agreement (**EXHIBIT B**) and return them to me by September 10, 2026.

Sincerely,

/s/ Waleed H. Hassanein, MD

Waleed H. Hassanein, MD
Chief Executive Officer

Fernando Araujo: /s/ Fernando Araujo Date: September 10, 2026

Exhibit 10.3

September 10, 2026

VIA EMAIL
Gerardo Hernandez

Dear Gerardo:

This letter agreement (this "Agreement") confirms the terms of the remainder of your employment with TransMedics, Inc. (the "Company") and your engagement as a consultant by the Company, as follows:

1. Transition Period.

a. Transition. Subject to earlier termination as provided herein, from the date hereof through September 21, 2026 (the "Transition Date") you will continue to serve as the Company's Chief Financial Officer and, from the Transition Date until December 31, 2026 you will serve as a non-executive employee of the Company. It is expected that your employment with the Company will terminate at the close of business on December 31, 2026 (the actual date of your termination of employment, the "Separation Date"). From the date hereof until the Separation Date, your current terms of employment, including the Executive Retention Agreement between you and the Company, dated November 26, 2024 (the "Retention Agreement"), shall continue in effect, except as expressly modified by this Agreement. You acknowledge and agree that nothing contained in this Agreement shall give rise to a claim for "Good Reason" (as defined in the Retention Agreement) for purposes of the Retention Agreement or otherwise. On the Transition Date, you will be deemed to resign from your position as Chief Financial Officer of the Company and from any and all: (i) officer positions you hold with the Company or any of its affiliates, if any; (ii) memberships you hold on any boards of directors, boards of managers or other governing boards or bodies of the Company or any of its affiliates, if any; and (iii) memberships you hold on any of the committees of any such boards or bodies, if any. Subject to earlier termination as provided for herein, from the Separation Date through April 30, 2027 (the actual period of such consulting services, the "Consulting Period"), you will serve as a senior advisor to the Chief Executive Officer of the Company (the "CEO"), as a non-employee consultant to the Company, on the terms and conditions set forth in this Agreement.

b. Duties and Responsibilities. From the date hereof until the Transition Date, you will continue to perform your current duties and, from the Transition Date until the Separation Date, you will perform such duties as may be assigned to you from time to time by the CEO or his designee. You will at all times continue to devote your best professional efforts to the Company, and to abide by all Company policies and procedures as in effect from time to time.

c. Compensation, Benefits and Reimbursements. From the date hereof until the Separation Date, you will continue to receive your base salary, payable at the rate in effect as of the date hereof ($535,000 per year) and in accordance with the Company's regular payroll practices, and to participate in all employee benefit plans and programs of the Company in accordance with the terms of those plans and programs. In addition, for so long as you are employed by, or providing services to, the Company hereunder, the Company will pay or reimburse you, in accordance with the Company's reimbursements procedures and practices in effect from time to time, for all reasonable business expenses incurred by you in the performance of your duties and responsibilities to the Company; provided that you submit on a timely basis such documentation and substantiation of those expenses as the Company may require from time to time.

d. Equity Awards. Exhibit A hereto sets forth a list of all outstanding stock options and restricted stock units previously granted to you by the Company (the "Equity Awards"). All outstanding Equity Awards will continue to vest in accordance with their terms, as set forth in the Company's Amended and Restated 2019 Stock Incentive Plan and the award agreements between you and the Company evidencing such awards (collectively, the "Equity Documents"), from the date hereof until the end of the Consulting Period and your stock options, to the extent vested and exercisable, will remain outstanding and exercisable for a period of three (3) months following the end of the Consulting Period (but not later than the original term of such stock options). All Equity Awards that are outstanding and unvested as of the last day of the Consulting Period will be forfeited on such date.

2. Employment Termination.

a. Resignation. On the Transition Date, you will be deemed to resign your position as Chief Financial Officer of the Company and all other positions you hold with the Company, as provided under Section 1(a) of this Agreement, provided that you will continue to serve as a non-executive employee of the Company through the Separation Date.

b. Final Compensation. You will receive, on the Separation Date, pay for all work you performed for the Company through the Separation Date, to the extent not previously paid. You will receive the payments described in this Section 2(b) regardless of whether or not you sign this Agreement.

c. Severance Benefits. In consideration of your acceptance (without subsequent revocation) of this Agreement and subject to your meeting in full your obligations under it, including your obligation to execute and not revoke a post-employment general release and waiver of claims in the form attached hereto as Exhibit B (the "Release") within the time period specified therein (but in no event prior to the Separation Date)

and, if requested by the Company, again within seven (7) days following the end of the Consulting Period (it being understood that in no event shall any such Release at the end of the Consulting Period impact or affect your right to receive severance payments and benefits in connection with your termination of employment in accordance with the terms and conditions of this Agreement), and your compliance with the Restrictive Covenants (as defined below) and in full consideration of (and in lieu of) any rights you may have under the Retention Agreement or any other severance arrangement:

i. The Company will pay you an amount equal to (x) your base salary, at the highest annual base salary rate in effect during the three (3)-year period prior to the Separation Date, plus (y) your highest annual bonus during the three (3)-year period prior to the Separation Date, payable in substantially equal installments over a period of the first twelve (12) months following the Separation Date (the "Severance Payments"). The Severance Payments will be made in the form of salary continuation, and will begin on the next regular Company payday which is at least five (5) business days following the later of the effective date of the Release or the date it is received by the Company. The first payment will be retroactive to the day following the Separation Date.

ii. You will be eligible to receive an annual bonus in respect of the Company's 2026 fiscal year, to the extent earned based on actual achievement of the performance objectives established by the Compensation Committee of the Board of Directors of the Company and payable at the same time as bonuses are generally paid to other executives of the Company using the same multiple used for the other members of the C-suite.

iii. If you are enrolled in the Company's group medical, dental and/or vision plans on the Separation Date, you may elect to continue your participation and that of your eligible dependents in those plans for a period of time pursuant to the federal law known as "COBRA" or similar applicable state law (together, "COBRA"). You may make such an election whether or not you accept this Agreement. However, if you accept this Agreement and execute (and do not revoke) the Release, you timely elect to continue your participation and that of your eligible dependents in such plans, the Company will pay for the monthly cost of such COBRA continuation coverage for the Company's group medical, dental and/or vision insurance premiums (as applicable), with such continuation on the same basis as in effect for active employees with the same coverage (the "Monthly Premium Payment"), until the earliest of (i) the end of the twelve (12)-month period following the Separation Date, (ii) the date you and your dependents are no longer entitled to coverage under COBRA or the Company's plans, or (iii) the date on which you become reemployed with another employer and are eligible to receive group health insurance from such employer on terms at least as favorable to you and your eligible dependents as those being provided by the Company. Monthly Premiums Payments will begin on the next regular

Company payday which is at least five (5) business days following the later of the effective date of the Release or the date it is received by the Company. The first payment will be retroactive to the day following the Separation Date. Notwithstanding the foregoing, in the event that the Company's payment of the Monthly Premium Payments, as described in this Section would subject the Company to any tax or penalty under Section 105(h) of the Internal Revenue Code of 1986, as amended (the "Code"), the Patient Protection and Affordable Care Act, as amended, any regulations or guidance issued thereunder, or any other applicable law, in each case, as determined by the Company, then the Company will not be required to provide the Monthly Premium Payments.

d. Employee Benefits. Except for any right you may have to continue your participation and that of your eligible dependents in the Company's medical, dental, and vision plans under COBRA and except as provided for in Section 2(c) of this Agreement, your participation in all employee benefit plans of the Company will end as of the Separation Date, in accordance with the terms of those plans. You will receive information about your COBRA continuation rights under separate cover.

e. No Further Compensation. You acknowledge and agree that the payments and benefits described in Sections 1(c) and 2(b) are in complete satisfaction of any and all compensation or benefits due to you from the Company, whether for services provided or otherwise, through the Separation Date, and that no further compensation or benefits are owed or will be paid to you.

f. Mitigation. You have no obligation to seek other employment or otherwise mitigate the amount of any Severance Payments, and compensation received from subsequent employment or other services shall not reduce or offset the Severance Payments, except as expressly provided with respect to COBRA continuation coverage. The consulting services you provide during the Consulting Period will not delay or offset the Severance Payments, which shall become payable or provided, as the case may be, in accordance with the terms of Section 2(c).

3. Consulting Engagement.

a. Services. During the Consulting Period, you will be engaged to provide consulting services to the Company relating to the Company's LATAM market development as may from time to time be requested by the CEO or his designee not to exceed forty (40) hours per month. Your consulting services shall be provided remotely or at the Company's offices. During the Consulting Period you will report to the CEO or his designee.

b. Relationship of the Parties. You and the Company expressly agree that, in providing services under this Section 3 during the Consulting Period, you will be an independent

contractor and will not be an employee or agent of the Company or any of its subsidiaries. You agree that you will have no right to make any commitments on behalf of the Company or any of its subsidiaries without the express written consent of the CEO. You further agree that you will provide services hereunder independently and will not receive training or direction from the Company or any of its subsidiaries, other than as to the goals to be achieved through the provision of such services.

c. Services for Others. During the Consulting Period, you may choose to provide services for others, provided that such services do not (i) interfere with you providing services under this Agreement, (ii) give rise to a conflict of interest or otherwise interfere with or violate your duties or obligations hereunder or otherwise to the Company or its subsidiaries or (ii) violate the Restrictive Covenants (as defined below).

d. Compensation. In exchange for all of the services that you provide to the Company under this Agreement during the Consulting Period, you agree that the sole consideration provided to you by the Company shall be the continued vesting of the Equity Awards during the Consulting Period as provided herein.

e. Taxes, Insurance and Benefits. You acknowledge and agree that, as an independent contractor during the Consulting Period, you will be solely responsible for all insurance and for the payment of all federal, state and local income taxes, Social Security and Medicare taxes and other legally required payments on any amounts received from the Company. You further acknowledge and agree that during the Consulting Period neither you nor any individual claiming through you will be eligible to (i) participate in any Company or Company affiliate bonus, incentive or other compensation plan, program or arrangement of any kind, whether payable in cash or equity, or (ii) participate in or receive benefits under any of the employee benefit plans, programs and arrangements maintained by the Company or any of its affiliates, except as expressly set forth in this Agreement with respect to the Equity Awards, as required by law or with respect to the receipt of vested benefits under the benefit plans of the Company or its affiliates in accordance with the terms of such plans.

4. Early Termination.

a. Early Termination of Employment. It is expected that your employment with the Company will continue until December 31, 2026. If your employment terminates prior to December 31, 2026 for any reason, your right to severance payments and benefits, if any, the terms and conditions of such severance payments and benefits and any notice requirements applicable to you and the Company will be as set forth in the Retention Agreement and you shall not be eligible to receive the payments and benefits set forth in this Agreement; provided, however, that if the Company terminates your employment without Cause (as defined in the Retention Agreement) prior to December 31, 2026, you shall receive the compensation and benefits (to the extent permitted by applicable benefit plan terms) set forth in Section 1(c) of this Agreement as if you were

employed through December 31, 2026 and all Severance Payments and other severance benefits set forth in Section 2(c) of this Agreement, in lieu of the payments and benefits set forth in the Retention Agreement. If your employment terminates prior to December 31, 2026 due to your death, you will remain entitled to receive only the Severance Payments and annual bonus in respect of the Company's 2026 fiscal year, as provided in Section 2(c)(i) and (ii), which amounts shall be paid to your estate, subject to the execution of the Release by your estate.

b. Early Termination of Consulting Period. It is expected that the period of your consulting services with the Company shall extend through April 30, 2027. Notwithstanding the foregoing or anything to the contrary in this Agreement, the Company may terminate your service as a consultant for Cause (as defined in the Retention Agreement) immediately upon notice to you and either party may otherwise terminate the consulting services and your engagement as a consultant under this Agreement at any time upon thirty (30) days' written notice to the other party. Except as otherwise set forth herein, upon the early termination of the Consulting Period and your engagement hereunder, the Company shall have no further obligation to you, other than for payment or reimbursement of expenses that are satisfactorily documented and substantiated in accordance with Section 1(c) above and solely to the extent not already paid, and for payment of all Severance Payments and other severance benefits set forth in Section 2(c) of this Agreement, which shall continue to be paid to you following any early termination of the Consulting Period by you or the Company, whether with or without Cause (as defined in the Retention Agreement). Moreover, upon the early termination of the Consulting Period by the Company other than for Cause (as defined in the Retention Agreement) or other than due to your gross negligence in the performance of your consulting services, or by you based on the Company's material breach of this Agreement, in addition to the continued payment of the Severance Payments and other severance benefits set forth in Section 2(c) of this Agreement to the extent not then paid, any outstanding Equity Awards that would have continued to vest through April 30, 2027 as set forth in Section 1(d) of this Agreement (had you continued to provide services through such date) shall be accelerated and shall vest on such termination.

5. Withholding. Without limiting the provisions of Section 3(e) of this Agreement, the Company shall have the right to withhold from all payments made under this Agreement or otherwise paid or provided to you in respect of your employment with the Company any taxes or any other amounts required to be withheld by the Company under applicable law, which amounts may be withheld in the discretion of the Company from any amounts payable under this Agreement.

6. Continuing Obligations, Cooperation, Non-Disparagement.

a. You acknowledge and agree that the restrictive covenants set forth in the Business Protection Agreement between you and the Company (the "Business Protection

Agreement"), together with any other confidentiality, non-solicitation, invention assignment or other restrictive covenants in favor the Company or any of its affiliates to which you are bound (together, the "Restrictive Covenants"), shall continue to apply in accordance with their terms, including the noncompetition covenant contained therein. For the avoidance of doubt, the post-termination period for such Restrictive Covenants shall commence on the day after the Separation Date. Before any Severance Payments or other severance benefits may be discontinued as a result of an alleged breach of the Restrictive Covenants, the Company shall provide you with written notice describing the alleged breach and you will have ten (10) days following receipt of such notice to cure the breach, unless the Board of Directors of the Company determines in good faith that such breach is not capable of cure.

b. You agree to cooperate with the Company and its affiliates with respect to all matters arising during or related to your employment, including but not limited to all matters in connection with any governmental investigation, litigation or regulatory or other proceeding which may have arisen or which may arise following the signing of this Agreement, which such agreement to cooperate shall survive the termination of your service hereunder. Any post-service cooperation requested by the Company shall be subject to reasonable advance notice, shall occur at mutually reasonable times and locations and shall not unreasonably interfere with your future employment or professional commitments. The Company will reimburse your out-of-pocket expenses incurred in complying with Company requests hereunder, provided such expenses are authorized by the Company in advance.

c. You agree that you will not at any time disparage or criticize the Company, any of its affiliates, or any of their respective management, businesses, products or services, or any of the other Released Parties (as defined below) that are known to you. The Company agrees (i) to instruct its officers and directors as of the Separation Date not to disparage or criticize you and (ii) not to disparage you in any authorized corporate communications to any third parties. You and the Company will work together in good faith to align on the language used to describe your transition and separation in external Company disclosures and official internal Company communications, in each case subject to the Company's applicable legal and regulatory disclosure obligations. You further agree that as a condition for the Severance Payments and other severance benefits under this Agreement, any statements that you make regarding the Company shall be consistent in tenor, tone and content with the statements made (i) in the press release filed by the Company, on or around the date of this Agreement, and (ii) in the Company's public filings with the Securities and Exchange Commission, filed on or after the date of this Agreement, in each case announcing and/or describing the transition set forth in this Agreement. Nothing in this Section will prohibit either party making statements required by law or communicating with governmental or regulatory authorities.

7. Section 409A.

a. This Agreement and the payments and benefits provided hereunder are intended to be exempt from, or comply with, the requirements of Section 409A of the Code, and shall be construed consistently with that intent. Notwithstanding the foregoing, in no event shall the Company have any liability relating to the failure or alleged failure of any payment or benefit under this Agreement to be exempt from, or comply with, the requirements of Section 409A of the Code. Each payment made under this Agreement shall be treated as a separate payment and the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

b. Any reimbursement for expenses payable to you hereunder that would constitute nonqualified deferred compensation subject to Section 409A of the Code shall be subject to the following additional rules: (i) no reimbursement of any such expense shall affect your right to reimbursement of any such expense in any other taxable year; (ii) reimbursement of the expense shall be made, if at all, promptly, but not later than the end of the calendar year following the calendar year in which the expense was incurred; and (iii) the right to reimbursement shall not be subject to liquidation or exchange for any other benefit.

c. If you are a "specified employee" (as defined below) at the time of your "separation from service" (as defined below), any payments or benefits that are payable under this Agreement or otherwise on account of your separation from service that would (but for this provision) be payable within six (6) months following the date of such separation from service, shall instead be paid on the next business day following the expiration of such six (6)-month period or, if earlier, upon your death; except (i) to the extent of amounts that do not constitute a deferral of compensation within the meaning of Section 1.409A-1(b) of the Treasury Regulations (including without limitation by reason of the safe harbor set forth in Section 1.409A-1(b)(9)(iii), as determined by the Company in its reasonable good faith discretion); (ii) benefits which qualify as excepted welfare benefits pursuant to Section 1.409A-1(a)(5) of the Treasury Regulations; or (iii) other amounts or benefits that are not subject to the requirements of Section 409A of the Code.

d. For purposes of this Agreement, the term "separation from service" shall have the meaning set forth in Section 1.409A-1(h) of the Treasury Regulations (after giving effect to the presumptions contained therein), and the term "specified employee" means an individual determined by the Company to be a specified employee under Section 1.409A-1(i) of the Treasury Regulations. For the avoidance of doubt, your termination of employment on the Separation Date is intended to constitute a separation from service.

8. Section 280G. The provisions of Section 4.5 of the Retention Agreement are hereby incorporated by reference and shall be given full force and effect in the event that any future event, payment, or benefit could trigger excise taxes under Section 280G of the Code.

9. Miscellaneous. This Agreement constitutes the entire agreement between you and the Company, and replaces all prior and contemporaneous agreements, whether written or oral, with respect to the subject matter of this Agreement and all related matters, with the exception of the Equity Documents; it being understood, for the avoidance of doubt, that the Restrictive Covenants shall remain in effect in accordance with their terms and nothing in this Agreement modifies or qualifies your rights to advancement of expenses and indemnification in your capacity as a former officer of the Company or any entitlement to D&O insurance for acts or omissions during your tenure as an officer of the Company. Any dispute arising under or relating to this Agreement shall be subject to the dispute-resolution and applicable attorneys' fee provisions contained in the Retention Agreement, provided that disputes arising specifically under the Business Protection Agreement shall remain subject to the provisions of that agreement. This Agreement may not be amended and no breach will be deemed waived unless agreed to in a signed writing by you and an authorized officer of the Company. The headings and captions in this Agreement are for convenience only and in no way define or describe the scope or content of any provision of this Agreement. This is a Massachusetts contract and shall be governed and construed in accordance with the laws of Massachusetts, without regard to any conflict of laws principles that would result in the application of the laws of another jurisdiction. The governing law and jurisdiction provisions of the Retention Agreement shall apply to this Agreement. This Agreement may be executed in separate counterparts (including by electronically delivered .pdf files or copies of manually signed signature pages), each of which will be deemed to be an original and all of which taken together will constitute one and the same agreement.

[*Remainder of page intentionally left blank.*]

If the foregoing is acceptable to you, please sign this letter in the space provided and return it to the Company. The enclosed copy of this letter, which you should also sign and date, is for your records.

Sincerely,

TRANSMEDICS, INC.

By: Waleed H. Hassanein

Waleed H. Hassanein

Accepted and agreed:

/s/ Gerardo Hernandez

Gerardo Hernandez

Date: 9/10/2026

Exhibit A

Equity Awards

Grant Date	Award Type (Stock Option/RSU)	Number of Shares Underlying Vested and Exercisable Award* (A)	Number of Shares Underlying Unvested Award* (B)	Total Number of Shares (Outstanding and Unreleased)* (A+B)
12/09/2024	NQ Options	1,971	11,039	13,010
02/24/2025	NQ Options	552	3,423	3,975
07/10/2026	NQ Options	2,178	23,975	26,153
12/09/2024	RSU	0	9,347	9,347
02/24/2025	RSU	0	2,347	2,347
07/10/2026	RSU	0	17,246	17,246

*Number of shares underlying vested stock options and unvested stock options and restricted stock units listed as of September 10, 2026.

Exhibit B

Release

For and in consideration of certain benefits to be provided to me under the letter agreement, dated September 10, 2026 (the "Agreement"), between me and TransMedics, Inc. (the "Company"), which are conditioned on my signing this General Release and Waiver of Claims (this "Release of Claims"), and to which I am not otherwise entitled, and other good and valuable consideration, the receipt and sufficiency of which I hereby acknowledge, on my own behalf and on behalf of my heirs, executors, administrators, beneficiaries, representatives, successors and assigns, and all others connected with or claiming through me, I hereby release and forever discharge the Company, and all of its past, present and future officers, directors, shareholders, employees, employee benefits plans, administrators, trustees, agents, representatives, consultants, successors and assigns, and all those connected with any of them, in their official and individual capacities (collectively, the "Released Parties"), from any and all causes of action, suits, rights and claims, demands, damages and compensation of any kind and nature whatsoever, whether at law or in equity, whether now known or unknown, suspected or unsuspected, contingent or otherwise, which I now have or ever have had against the Released Parties, or any of them, including those in any way related to, connected with or arising out of my employment and/or other relationship with the Company or any of its affiliates or the termination thereof, including under or pursuant to Title VII of the Civil Rights Act, the Americans With Disabilities Act, the Family and Medical Leave Act, the Age Discrimination in Employment Act (as amended by the Older Workers Benefit Protection Act), the Employee Retirement Income Security Act, the wage and hour, wage payment and fair employment practices laws of the state or states in which I have provided services to the Company (each, as amended from time to time) and/or any other federal, state or local law, regulation, or other requirement (collectively, the "Claims") through the date that I sign this Release of Claims, and I hereby waive all such Claims.

I understand that nothing contained in this Release of Claims shall be construed to prohibit me from filing a charge with or participating in any investigation or proceeding conducted by the federal Equal Employment Opportunity Commission or a comparable state or local agency, provided, however, that I hereby agree to waive my right to recover monetary damages or other individual relief in any charge, complaint or lawsuit filed by me or by anyone else on my behalf; provided, further, however, that I am not waiving any right to seek and receive a financial incentive award for any information I provide to a governmental agency or entity. I further understand that nothing contained in this Release of Claims shall be construed to limit, restrict or in any other way affect my communicating with any governmental agency or entity, or communicating with any official or staff person of a governmental agency or entity, concerning matters relevant to the governmental agency or entity.

I acknowledge that I will continue to be bound by my obligations under, and remain subject to the terms of, the Agreement and the Business Protection Agreement (as defined in the Agreement) that survive the termination of my employment by the terms thereof or by necessary implication, including without limitation my confidentiality, non-competition and non-solicitation obligations set forth in the Agreement and the Business Protection Agreement (specifically, as it relates to non-solicitation and non-competition obligations, Sections 7 and 8 of the Business Protection Agreement).

I understand that nothing contained in this Release of Claims will adversely affect my rights to enforce the terms of the Agreement, and shall not adversely affect my rights to any defense, indemnification, contribution and/or coverage under the Company's director's and officer's liability insurance policy, the charter or bylaws of the Company, or any other source, in each case, in accordance with its respective terms, by reason of services I rendered for the Company or any of its subsidiaries as an officer and/or an employee thereof. Further, this release does not include and will not preclude: (a) rights to vested benefits under any applicable employee benefit plans of the Company; (b) rights under the Equity Documents (as defined in the Agreement) and/or (c) claims that cannot be waived under applicable law by signing this Release of Claims.

I acknowledge that this Release of Claims creates legally binding obligations, and that the Company has advised me to consult an attorney before signing it. **I understand that I cannot sign this Release of Claims until the date my employment or service, as applicable, with the Company terminates.** In signing this Release of Claims, I give the Company assurance that I have signed it voluntarily and with a full understanding of its terms; that I have had sufficient opportunity of not less than twenty-one (21) days before signing this Release of Claims to consider its terms and to consult with an attorney, if I wished to do so; and that I have not relied on any promises or representations, express or implied, that are not set forth expressly in this Release of Claims. I understand that I will have seven (7) days after signing this Release of Claims to revoke my signature, and that, if I intend to revoke my signature, I must do so in writing addressed and delivered to the Chief Legal Officer of the Company prior to the end of the seven (7)-day revocation period. I understand that this Release of Claims will become effective upon the eighth (8th) day following the date that I sign it, provided, that I do not revoke my acceptance in accordance with the immediately preceding sentence.

[Remainder of page intentionally left blank.]

Accepted and agreed:

Signature: /s/ Gerardo Hernandez

Date: 9/10/2026

Agreed and acknowledged by:

TRANSMEDICS, INC.

By: /s/ Waleed H. Hassanein

Name: Waleed H. Hassanein

Title: CEO & President

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, Waleed Hassanein, M.D., certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: November 5, 2026

/s/ Waleed H. Hassanein, M.D.

Waleed H. Hassanein, M.D.
President and 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, Fernando Araujo, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: November 5, 2026

/s/ Fernando Araujo

Fernando Araujo
Chief Financial Officer and Treasurer
(Principal Financial and 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

In connection with the Quarterly Report on Form 10-Q of TransMedics Group, Inc. (the "Company") for the period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Waleed Hassanein, M.D., President and Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

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

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

Date: November 5, 2026

By: /s/ Waleed H. Hassanein, M.D.
Waleed H. Hassanein, M.D.
President and 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

In connection with the Quarterly Report on Form 10-Q of TransMedics Group, Inc. (the "Company") for the period ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Fernando Araujo, Chief Financial Officer and Treasurer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

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

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

Date: November 5, 2026

By: /s/ Fernando Araujo
Fernando Araujo
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)